



# Silvertown Quays Limited

## Abbreviated Financial Statements

30 June 2008

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COMPANIES HOUSE

# **Silvertown Quays Limited**

**Registered No: 03863230.**

## **Directors**

D W Taylor (Chairman)

J L Jacobs

Red Cedar Investments Inc

Wakefield Investments Inc

## **Secretary**

Z Milne

## **Registered office**

58 Acacia Road

St Johns Wood

London

NW8 6AG

## **Business address**

58 Acacia Road

St Johns Wood

London

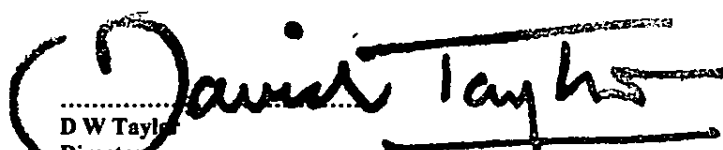
NW8 6AG

**Balance sheet**  
at 30 June 2008

	Notes	30 June 2008 £	30 June 2007 £
<i>Fixed assets investments</i>	4	2	2
<i>Current assets</i>			
Stock	5	56,493,346	45,038,710
Debtors	6	242,364	3,250
Cash at bank		414,574	1,541,416
		57,150,284	46,583,376
<i>Creditors: amounts falling due within one year</i>	7	(59,355,457)	(47,670,883)
		(2,205,173)	(1,087,507)
<i>Net current assets/( liabilities)</i>			
<i>Creditors: amounts falling due after more than one year</i>	8	-	(700,000)
		(2,205,171)	(1,787,505)
<i>Net liabilities</i>		(2,205,171)	(1,787,505)
<i>Capital and reserves</i>			
Called up share capital	9	3	3
Profit and loss account	10	(2,205,174)	(1,787,508)
		(2,205,171)	(1,787,505)
<i>Equity shareholders' funds</i>		(2,205,171)	(1,787,505)

- The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.
- For the year ended 30 June 2008, the company was entitled to exemption under section 249a(1) of the Companies Act 1985.
- No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2).
- The directors acknowledge their responsibility for: (i) Ensuring the company keeps accounting records which comply with section 221; and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of Directors on 5 November 2009.

  
 .....  
 D W Taylor  
 Director

The notes on pages 5 to 8 form part of these accounts.

## Notes to the financial statements

at 30 June 2008

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom. These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

#### *Group accounts*

The company is exempt under S.248 of the Companies Act from preparing group accounts.

#### *Going concern*

As at 30 June 2008 the company had net liabilities of £2,205,171 and drawn down financing facilities of £57,018,151. These financing facilities are repayable on demand as a result of the company not achieving certain conditions subsequent laid down by the bank in connection with the progress of the Silvertown Quays development. The directors are currently in active discussions with a consortium which could lead to a restructuring of the project finances via a significant investment. The Bank of Scotland are directly involved with these discussions which should be concluded, in principle, by the end of this calendar year.

The financial statements have been prepared on the going concern basis as the directors consider that either the items listed in the notice of default issued by the bank can be rectified or the conditions renegotiated and consequently the current financing arrangements will continue. Should these renegotiations prove unsuccessful, and the directors be unable to find alternative sources of finance to enable the development to proceed, the going concern basis of preparation would be inappropriate.

#### *Income recognition*

The company's entitlement to management fees, under the terms of its development management agreement with the London Development Agency will be recognised on the receipt of proceeds from the project.

#### *Cash flow statement*

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value. Cost includes all expenditure directly associated with the Silvertown Quays development and includes interest on borrowings incurred to meet development costs.

**Notes to the financial statements**  
at 30 June 2008

**2. Directors emoluments**

	<i>Year to 30 June 2008 £</i>	<i>Year to 30 June 2007 £</i>
Aggregate emoluments	79,992	80,000

**3. Particulars of employees**

	<i>Year to 30 June 2008 £</i>	<i>Year to 30 June 2007 £</i>
<b>Staff costs</b>		
Wages and salaries	74,494	70,216
Social security costs	3,984	8,110
	<u>78,478</u>	<u>78,326</u>

**Average monthly number employed United Kingdom**

	<i>Number</i>	<i>Number</i>
Administration	2	2

**4. Investments**

	<i>30 June 2008 £</i>	<i>30 June 2007 £</i>
Cost		
1 July 2007	2	2
Additions	-	-
30 June 2008	<u>2</u>	<u>2</u>

The investment represents 100 per cent of the ordinary share capital of Silvertown Quays Management Company Limited and Silvertown Quays (Parcel O) Limited, both companies incorporated in England and Wales which were dormant throughout the period. The companies' accounting reference dates were both 30<sup>th</sup> June. Neither company has traded and the net assets of each company are £1.

**5. Stocks**

	<i>30 June 2008 £</i>	<i>30 June 2007 £</i>
Work in progress	56,493,346	45,038,710

Work in progress comprises costs incurred to date, including capitalised interest, on the Silvertown Quays development.

**Notes to the financial statements**  
at 30 June 2008

**6. Debtors**

	<i>30 June</i> 2008 £	<i>30 June</i> 2007 £
Other debtors and prepayments	242,364	3,250
	<u>242,364</u>	<u>3,250</u>

**7. Creditors: amounts falling due within one year**

	<i>30 June</i> 2008 £	<i>30 June</i> 2007 £
Bank loans	57,018,151	43,777,931
Trade creditors	1,781,299	1,384,621
Accruals	506,092	2,436,819
Other taxation and social security	4,915	26,512
Other creditors	45,000	45,000
	<u>59,355,457</u>	<u>47,670,883</u>

**8. Creditors: amounts falling due after more than one year**

	<i>30 June</i> 2008 £	<i>30 June</i> 2007 £
Accruals	-	700,000
	<u>-</u>	<u>700,000</u>

**Notes to the financial statements**  
at 30 June 2008

**9. Share capital**

	<i>30 June 2008</i>	<i>Authorised 30 June 2007</i>
	£	£
300,000 ordinary shares of one third of one penny each.	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

	<i>30 June 2008</i>		<i>Allotted and called up 30 June 2007</i>	
	<i>No.</i>	£	<i>No.</i>	£
1,000 Ordinary shares of one third of one penny each. fully paid	1,000	£	1,000	3
	<u>1,000</u>	£	<u>1,000</u>	<u>3</u>

**10. Reconciliation of shareholders' funds and movement on reserves**

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	£	£	£
At 1 July 2007	3	(1,787,508)	(1,787,505)
Loss for the year	-	(417,666)	(417,666)
At 30 June 2008	<u>3</u>	<u>(2,205,174)</u>	<u>(2,205,171)</u>

## Notes to the financial statements

at 30 June 2008

### 11. Related party transactions and transactions involving directors

On 28 October 2002, the company signed a development agreement with the London Development Agency in connection with a regeneration project at Silvertown in the London Borough of Newham. At the same time KUD Limited was appointed Project Manager in connection with the development. Two of the Silvertown Quays Limited's directors, Red Cedar Investments Inc and Wakefield Investments Inc are related parties of KUD Limited.

DTP Limited is owned by D W Taylor and the following incurred expenses relate to time based consultancy costs and related expenses of staff employed by DTP Limited.

Propjack Management Limited is owned by J L Jacobs and the following incurred expenses relate to time based consultancy costs and related expenses of staff employed by Propjack Management Limited.

Landlegend Limited is owned by D W Taylor and the following incurred expenses relate to accommodation costs for consultants on the project.

In the year to 30 June 2008, payments were made in the ordinary course of business to:

DTP Limited	-	£460,083	(year to 30 June 2007 - £421,774)
Propjack Management Limited	-	£6,750	(year to 30 June 2007 - £24,150)
Landlegend Limited	-	£44,935	(year to 30 June 20047- £48,511)

### 12. Post balance sheet events

Subsequent to year end, as a result of the company not achieving certain conditions subsequent in relation to its funding facilities, a redemption penalty of £2 million has been triggered which could be enforced by the bank. Discussions are currently in hand which could well lead to the restructuring of the company's banking arrangements. The bank has not given the company any indication of its intention to charge the redemption penalty, but reserves its rights on this matter.