Company Registration No. SC263378 (Scotland)

DUDDINGSTON HOUSE SOUTHERN LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

TUESDAY

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SCT 27/11/2012 #9

COMPANIES HOUSE

DUDDINGSTON HOUSE SOUTHERN LIMITED

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DUDDINGSTON HOUSE SOUTHERN LIMITED

INDEPENDENT AUDITORS' REPORT TO DUDDINGSTON HOUSE SOUTHERN LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 3 to 6, together with the financial statements of Duddingston House Southern Limited for the year ended 31 March 2012 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other information

On 19 November 2012 we reported, as auditors of Duddingston House Southern Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 31 March 2012, and our report included the following paragraph:

INDEPENDENT AUDITORS' REPORT TO DUDDINGSTON HOUSE SOUTHERN LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Emphasis of matter - going concern

"In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £1,692,635 during the year ended 31 March 2012. As at 31 March 2012, the company's liabilities exceeded its total assets by £1,694,793. These factors, along with the matters explained in note 1.1 to the financial statements, indicate the existence of a material uncertainty over the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern."

Iain Binnie (Senior Statutory Auditor)
for and on behalf of Geoghegans

19 November 2012

Chartered Accountants
Statutory Auditor

6 St Colme Street
Edinburgh
EH3 6AD

DUDDINGSTON HOUSE SOUTHERN LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Investments	2		221		221
Current assets					
Debtors		4,247,048		5,601,662	
Creditors: amounts falling due within one year	3	(5,942,062)		(254,041)	
Net current (liabilities)/assets			(1,695,014)		5,347,621
Total assets less current liabilities			(1,694,793)		5,347,842
Creditors: amounts falling due after more than one year	4		-		(5,350,000)
			(1,694,793)		(2,158)
Capital and reserves					
Called up share capital	5		100		100
Profit and loss account			(1,694,893)		(2,258)
Shareholders' funds			(1,694,793)		(2,158)

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board for issue on 19 November 2012

R M Petrie
Director

Company Registration No. SC263378

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is dependent on the ongoing support of its bankers and its ultimate controlling party to meet its obligations as they fall due.

The company has a bank loan and overdraft which are repayable in full on 31 December 2012 or earlier in the event of a property sale. The bank loan is secured over the property of the company and over the property of its subsidiary undertakings. It is unlikely that any of its subsidiary undertakings will be able to dispose of any property prior to 31 December 2012.

The ability of the company to continue to support its subsidiary undertakings and to continue to meet its debts as they fall due depends on the extension or renewal of the bank loan in conjunction with additional support from the ultimate controlling party. Formal negotiations have yet to commence with the bank on the possible extension or renewal of facilities in the absence of any property sales. The continuing support of the ultimate controlling party will depend on the willingness of the bank to extend or renew the bank facilities.

The director believes that in all the circumstances, the going concern basis is the most appropriate basis for the preparation of the accounts.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for management fees net of VAT.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1 **Accounting policies** **(continued)**

1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

1.7 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 **Fixed assets**

	Investments £
Cost	
At 1 April 2011 & at 31 March 2012	221
At 31 March 2011	221

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
DH Liverpool Limited	Scotland	Ordinary	60.00
DH Plymouth Limited	Scotland	Ordinary	60.00
DH Bradford Limited	Scotland	Ordinary	50.00
DH Gloucester Limited	Scotland	Ordinary	50.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves 2012 £	Profit/(loss) for the year 2012 £
DH Liverpool Limited	Property development	(559,551)	(272,689)
DH Plymouth Limited	Property development	(2,216,699)	(956,514)
DH Bradford Limited	Property development	(1,560,258)	(745,777)
DH Gloucester Limited	Property development	(1,866,440)	(1,109,982)

3 **Creditors: amounts falling due within one year**

The aggregate amount of creditors for which security has been given amounted to £5,569,921 (2011 - £93,651).

4 **Creditors: amounts falling due after more than one year**

The aggregate amount of creditors for which security has been given amounted to £- (2011 - £5,350,000).

5 **Share capital**

	2012	2011
	£	£
Allotted, called up and fully paid		
80 Ordinary "A" shares of £1 each	80	80
20 Ordinary "B" shares of £1 each	20	20
	100	100

6 **Ultimate parent company**

The company's parent undertaking and ultimate parent undertaking is Crest Property Services Limited.

The company's ultimate controlling party is Sir Tom Farmer CVO CBE KCSG DL.