

COMPANY REGISTRATION NUMBER SC271982

DUNVALE INVESTMENTS LIMITED
FINANCIAL STATEMENTS
31 JANUARY 2012



DUNVALE INVESTMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2012

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DUNVALE INVESTMENTS LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 31 JANUARY 2012

The director presents his report and the financial statements of the group for the year ended 31 January 2012.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of an holding company.

DIRECTOR

The director who served the company during the year was as follows:

Mr D G G Wheatley

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the director is aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Gilliland & Company are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

DUNVALE INVESTMENTS LIMITED

THE DIRECTOR'S REPORT *(continued)*

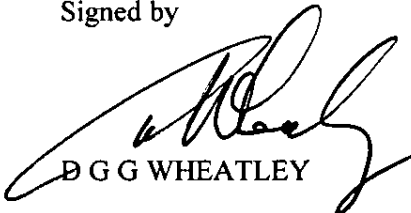
YEAR ENDED 31 JANUARY 2012

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
120 Bothwell Street
Glasgow
G2 7JL

Signed by

A handwritten signature in black ink, appearing to read 'D G G Wheatley', written over the printed name.

D G G WHEATLEY

DIRECTOR

Approved by the director on 30 October 2012

DUNVALE INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DUNVALE INVESTMENTS LIMITED
YEAR ENDED 31 JANUARY 2012

We have audited the group and parent company financial statements ("the financial statements") of Dunvale Investments Limited for the year ended 31 January 2012. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the Director's Responsibilities Statement set out on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 January 2012 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements 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 to the financial statements concerning the company's ability to continue as a going concern.

These disclosures, regarding the continued loan funding of the company and its subsidiaries, indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern. The financial statements do not include any adjustment that would result if the company was unable to continue as a going concern.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

DUNVALE INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DUNVALE INVESTMENTS LIMITED *(continued)*
YEAR ENDED 31 JANUARY 2012

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report.

216 West George Street
Glasgow
G2 2PQ

30 October 2012

ALAN G WOODS (Senior Statutory
Auditor)
For and on behalf of
GILLILAND & COMPANY
Chartered Accountants
& Statutory Auditor

DUNVALE INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JANUARY 2012

	Note	2012 £	2011 £
GROUP TURNOVER		3,535,266	3,861,485
Administrative expenses		2,708,336	4,074,778
Other operating income		(715,675)	(811,453)
OPERATING PROFIT	2	1,542,605	598,160
Attributable to:			
Operating profit before exceptional items		1,642,605	1,669,185
Exceptional items	2	(100,000)	(1,071,025)
		<u>1,542,605</u>	<u>598,160</u>
Interest receivable	3	1,034	4,557
Interest payable and similar charges		(3,604,148)	(3,665,606)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,060,509)	(3,062,889)
Tax on loss on ordinary activities	4	18,855	—
LOSS FOR THE FINANCIAL YEAR	5	(2,079,364)	(3,062,889)

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account.

The notes on pages 9 to 16 form part of these financial statements.

DUNVALE INVESTMENTS LIMITED
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 JANUARY 2012

	2012 £	2011 £
Loss for the financial year attributable to the shareholders of the parent company	(2,079,364)	(3,062,889)
Unrealised loss on revaluation of certain fixed assets	<u>(8,200,000)</u>	<u>(6,894,339)</u>
Total gains and losses recognised since the last annual report	<u>(10,279,364)</u>	<u>(9,957,228)</u>

The notes on pages 9 to 16 form part of these financial statements.

DUNVALE INVESTMENTS LIMITED

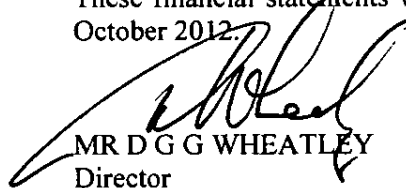
GROUP BALANCE SHEET

31 JANUARY 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Intangible assets	6	(427,828)	(425,486)
Tangible assets	7	37,000,000	47,478,833
		<u>36,572,172</u>	<u>47,053,347</u>
CURRENT ASSETS			
Stocks		300,000	400,000
Debtors due within one year	9	630,197	925,449
Cash at bank and in hand		540,837	582,361
		<u>1,471,034</u>	<u>1,907,810</u>
CREDITORS: Amounts falling due within one year	10	<u>5,734,320</u>	<u>4,161,054</u>
NET CURRENT LIABILITIES		<u>(4,263,286)</u>	<u>(2,253,244)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>32,308,886</u>	<u>44,800,103</u>
CREDITORS: Amounts falling due after more than one year	11	<u>43,549,900</u>	<u>45,761,753</u>
		<u>(11,241,014)</u>	<u>(961,650)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	15	2,358,079	2,358,079
Revaluation reserve	16	(7,982,890)	(497,860)
Profit and loss account	16	(5,616,203)	(2,821,869)
DEFICIT		<u>(11,241,014)</u>	<u>(961,650)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved and signed by the director and authorised for issue on 30 October 2012.


MR D G G WHEATLEY
Director

The notes on pages 9 to 16 form part of these financial statements.

DUNVALE INVESTMENTS LIMITED

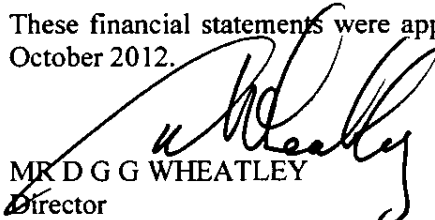
BALANCE SHEET

31 JANUARY 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	7	–	2,278,000
Investments	8	<u>7,633,108</u>	<u>7,633,108</u>
		<u>7,633,108</u>	<u>9,911,108</u>
CURRENT ASSETS			
Debtors due within one year	9	17,929,020	21,275,978
Cash at bank		<u>302</u>	<u>47,411</u>
		<u>17,929,322</u>	<u>21,323,389</u>
CREDITORS: Amounts falling due within one year	10	<u>5,189,969</u>	<u>3,944,955</u>
NET CURRENT ASSETS		<u>12,739,353</u>	<u>17,378,434</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,372,461</u>	<u>27,289,542</u>
CREDITORS: Amounts falling due after more than one year	11	<u>43,549,900</u>	<u>45,761,753</u>
		<u>(23,177,439)</u>	<u>(18,472,211)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	15	2,358,079	2,358,079
Revaluation reserve	16	–	(714,970)
Profit and loss account	16	<u>(25,535,518)</u>	<u>(20,115,320)</u>
DEFICIT		<u>(23,177,439)</u>	<u>(18,472,211)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved and signed by the director and authorised for issue on 30 October 2012.


MR D G G WHEATLEY
Director

Company Registration Number: SC271982

The notes on pages 9 to 16 form part of these financial statements.

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going Concern

The company is financed by bank loan facilities and overdrafts secured on group assets. The loan facility is secured on the group's properties which it finances and is subject to covenants which are considered normal for the facilities provided. These typically relate to income matters and loan to value (LTV) tests. In the year to 31st January 2012 the widespread decline in the value of UK commercial property continued and persisted after the balance sheet date. This is reflected in the director's valuation of the company's and group's properties at 31st January 2012. The reduced values put the group in breach of LTV covenant within the terms of the facility agreement when the covenant was tested. The group's facilities expired in June 2012.

As the company is dependent on continued bank support and the successful renewal of facilities, the present circumstances represent the existence of a material uncertainty which may cast doubt over the company's ability to continue as a going concern. However, the director believes that the most likely course of action is to engage in constructive discussions with the lender to enable the company to continue to benefit from loan finance and remain in operation as a going concern.

The director has prepared forecasts for a period in excess of twelve months from the date of approval of these financial statements. These projections, which include assumptions based on information available to the director at the date of approval of the financial statements regarding the current parent and group financial position, show that the company has adequate resources available to continue in operational existence for at least the period ending twelve months from the date of approval of these financial statements. For these reasons the director continues to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

1. ACCOUNTING POLICIES *(continued)*

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- 10 years straight line
Negative Goodwill	- 10 years straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles	- 25% on cost
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An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

1. ACCOUNTING POLICIES *(continued)*

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 group after deducting all of its liabilities.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2012	2011
	£	£
Amortisation of intangible assets	2,342	2,341
Depreciation of owned fixed assets	833	13,316
Loss on disposal of fixed assets	162,166	100,000
Auditor's fees	4,000	4,000
Net loss/(profit) on foreign currency translation	8,466	(32,261)
Write down of development site	<u>100,000</u>	<u>1,071,025</u>

3. INTEREST RECEIVABLE

	2012	2011
	£	£
Bank interest receivable	<u>1,034</u>	<u>4,557</u>

4. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2012	2011
	£	£
Current tax:		
(Over)/under provision in prior year	18,855	-
Total current tax	<u>18,855</u>	<u>-</u>

5. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(4,705,228) (2011 - £(4,765,802)).

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

6. INTANGIBLE FIXED ASSETS

Group	Goodwill £	Negative Goodwill £	Total £
COST			
At 1 February 2011 and 31 January 2012	<u>2,233,653</u>	<u>(2,210,242)</u>	<u>23,411</u>
AMORTISATION			
At 1 February 2011	1,793,460	(1,344,563)	448,897
Charge for the year	<u>223,366</u>	<u>(221,024)</u>	<u>2,342</u>
At 31 January 2012	<u>2,016,826</u>	<u>(1,565,587)</u>	<u>451,239</u>
NET BOOK VALUE			
At 31 January 2012	<u>216,827</u>	<u>(644,655)</u>	<u>(427,828)</u>
At 31 January 2011	<u>440,193</u>	<u>(865,679)</u>	<u>(425,486)</u>

7. TANGIBLE FIXED ASSETS

Group	Freehold /Long Leasehold Property £	Motor Vehicles £	Total £
COST OR VALUATION			
At 1 February 2011	47,478,000	53,264	47,531,264
Disposals	(2,278,000)	–	(2,278,000)
Revaluation	(8,200,000)	–	(8,200,000)
At 31 January 2012	<u>37,000,000</u>	<u>53,264</u>	<u>37,053,264</u>
DEPRECIATION			
At 1 February 2011	–	52,431	52,431
Charge for the year	–	<u>833</u>	<u>833</u>
At 31 January 2012	–	<u>53,264</u>	<u>53,264</u>
NET BOOK VALUE			
At 31 January 2012	<u>37,000,000</u>	<u>–</u>	<u>37,000,000</u>
At 31 January 2011	<u>47,478,000</u>	<u>833</u>	<u>47,478,833</u>

The company's subsidiary companies hold investment properties which were valued during the year at £37m by the directors after taking appropriate advice from Independent Property advisers. In accordance with Financial Reporting Standard for Smaller Entities (effective April 2008), investment properties are revalued annually on this basis, any surplus or deficit being transferred to revaluation reserve. Accordingly, such assets are not depreciated as this would conflict in the Directors' opinion, with the requirement to give a true and fair view, (see note 1). It is not possible to quantify the depreciation which would otherwise have been charged. The total value of investment properties held by the group amount to £37m. Had these not been revalued they would have been stated at a cost and net book value of £34,607,381 (2011:£37,384,241).

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

Company	Freehold /Long Leasehold Property £
COST OR VALUATION	
At 1 February 2011	2,278,000
Disposals	<u>(2,278,000)</u>
At 31 January 2012	<u>—</u>
DEPRECIATION	
At 1 February 2011 and 31 January 2012	<u>—</u>
NET BOOK VALUE	
At 31 January 2012	<u>—</u>
At 31 January 2011	<u>2,278,000</u>

The total value of investment property held by the company was revalued last year to £2.278m and the directors consider this value is still appropriate. If this property had not been revalued the cost would have been £Nil (2010: £2,992,970). This property was sold during the year for £2.17m.

8. INVESTMENTS

Company	Group companies £
COST	
At 1 February 2011 and 31 January 2012	<u>7,633,108</u>
NET BOOK VALUE	
At 31 January 2012 and 31 January 2011	<u>7,633,108</u>

SUBSIDIARY	REGISTERED	HOLDING	NATURE OF BUSINESS
Grandyard Limited	England	100%	Holding Company

In turn Grandyard Limited holds 100% of the issued share capital of the following:

SUBSIDIARY	REGISTERED	HOLDING	NATURE OF BUSINESS
Elandome Limited	England	100%	Property Investment

SUBSIDIARY	REGISTERED	HOLDING	NATURE OF BUSINESS
Osborne Street Estates Limited	England	100%	Property Development

50% of the above company was acquired by Dunvale Investments Limited in August 2007 and the remaining 50% was owned by Mr D G G Wheatley, director. As a result of the dominant influence of Mr Wheatley this company's results have been consolidated in full.

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

9. DEBTORS

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	242,601	467,394	—	—
Amounts owed by group undertakings	—	—	17,929,020	20,940,978
Other debtors	87,315	141,498	—	—
Directors current accounts	292,552	292,552	—	320,000
Prepayments and accrued income	7,729	24,005	—	15,000
	<u>630,197</u>	<u>925,449</u>	<u>17,929,020</u>	<u>21,275,978</u>

10. CREDITORS: Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	600,000	666,856	600,000	666,856
Trade creditors	62,363	138,862	—	—
Amounts owed to group undertakings	—	—	—	320,000
Other creditors including taxation:				
Corporation tax	35,100	34,034	—	—
VAT	83,307	31,057	—	—
Other creditors	12,961	12,944	—	—
Accruals and deferred income	4,940,589	3,277,301	4,589,969	2,958,099
	<u>5,734,320</u>	<u>4,161,054</u>	<u>5,189,969</u>	<u>3,944,955</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	<u>600,000</u>	<u>666,856</u>	<u>600,000</u>	<u>666,856</u>

There is a Composite Guarantee in favour of The Royal Bank of Scotland plc between Dunvale Investments Limited, Grandyard Limited, Elandome Limited and Osborne Street Estates Limited. This is supported by a mortgage debenture from Grandyard Limited and Elandome Limited and a first standard security charge over the freehold interest in premises owned by the group companies. There are also Collateral Warranties in favour of the bank and assignation over any agreements to lease for certain tenants of the Grandyard Limited and Elandome Limited. There is floating charge over Dunvale Investments Limited. There is also a charge over the shareholding of Dunvale Investments Limited from Douglas Wheatley; a charge over the shareholding of Grandyard Limited from Dunvale Investments Limited and a charge over shareholding of Elandome Limited from Grandyard Limited.

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

11. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	<u>43,549,900</u>	<u>45,761,753</u>	<u>43,549,900</u>	<u>45,761,753</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	<u>43,549,900</u>	<u>45,761,753</u>	<u>43,549,900</u>	<u>45,761,753</u>

Interest is payable on the loans quarterly on Interest Dates of 15th January, 15th April, 15th July and 15th October. The loans are repayable at a rate of £150,000 on each interest date commencing 15th January 2006. The loan is repayable in full by 1st June 2012.

12. DEFERRED TAXATION

No further provision has been made for deferred taxation in respect of the group's revalued investment properties since it is not the Directors intention to dispose of these in the foreseeable future. If the properties were intended to be sold, the full deferred taxation provision required would have been £339,905 (2011: £977,745).

13. TRANSACTIONS WITH THE DIRECTOR

The company issued loan notes of £49,900 to Mr D G G Wheatley, director.

14. RELATED PARTY TRANSACTIONS

The company was under the control of Mr D G G Wheatley throughout the current period. Mr Wheatley is the managing director and majority shareholder.

During the period the company provided loans to its subsidiary, Grandyard Limited. At 31st January 2012 the company was owed £16,780,685 (2011: £19,792,643). That loan is interest free and has no fixed date for repayment.

During the year the company provided loan funds to Osborne Street Estates Limited, a company which is now owned ultimately by Mr D G G Wheatley by virtue of his 50% holding and the 50% holding by Dunvale Investments Limited, which was acquired in August 2007. At 31st January 2011 the company was owed £1,148,336 (2011: £1,148,336). That loan is interest free and has no fixed date for repayment.

During the year Elandome Limited, a subsidiary of Grandyard Limited, paid management charges totalling £95,000 to Dunard Estates Limited, a company which is under the control of Douglas Wheatley, director (2011: £114,336).

At 31st January 2012 Mr D G G Wheatley, director, owed the company £292,552 (2011: £292,552)

DUNVALE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

15. SHARE CAPITAL

Authorised share capital:

	2012 £	2011 £
2,358,079 Ordinary shares of £1 each	<u>2,358,079</u>	<u>2,358,079</u>

Allotted, called up and fully paid:

	2012 No	£	2011 No	£
2,358,079 Ordinary shares of £1 each	<u>2,358,079</u>	<u>2,358,079</u>	<u>2,358,079</u>	<u>2,358,079</u>

16. RESERVES

Group	Revaluation reserve £	Profit and loss account £
Balance brought forward	(497,860)	(2,821,869)
Loss for the year	-	(2,079,364)
Other gains and losses		
- Revaluation of fixed assets	(7,485,030)	-
Other movements		
- transfer to/from revaluation reserve	-	(714,970)
Balance carried forward	<u>(7,982,890)</u>	<u>(5,616,203)</u>

Company	Revaluation reserve £	Profit and loss account £
Balance brought forward	(714,970)	(20,115,320)
Loss for the year	-	(4,705,228)
Other gains and losses		
- Revaluation of fixed assets	714,970	-
Other movements		
- transfer to/from revaluation reserve	-	(714,970)
Balance carried forward	<u>-</u>	<u>(25,535,518)</u>