Targetfollow Estates Limited

Private limited with Share Capital

Company No : **02773528**

Registered Address:

Riverside House
11-12 Riverside Road
Norwich
Norfolk
NR1 1SQ

Targetfollow Estates Limited

Directors' report and consolidated financial statements

Registered number 2773528

31 December 2009

Targetfollow Estates Limited
Company information

Directors	A Naghshineh S Naghshineh
Secretary	A Naghshineh
Company Number	2773528
Registered Office	Riverside House 11-13 Riverside Road Norwich NR1 1SQ
Auditors	KPMG LLP 6 Lower Brook Street Ipswich Suffolk IP4 1AP

Contents

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

Principal activities and review of the business

The principal activity of the company continued to be that of property consultants The subsidiary undertaking, Highben Ltd operates as a restaurant

The group loss for the year, after taxation, amounted to £1,014,853 (loss of £452,138 before exceptional items) *(2008 loss £617,822)* Turnover amounted to £8,850,615 *(2008 £8,237,545)*

Before exceptional items, the Company made a loss of £126,332 The majority of the revenues of the Company are derived from management services provided to property portfolios which are owned by Companies under Common Control Since the year end, certain of these companies have been placed into administration The Company has subsequently entered into management agreements with the respective administrators to continue to manage the properties in these portfolios

There are no internal key performance indicators which are used to assess the company's performance other than turnover and profit which have been stated above

Principal risks

The majority of the revenues of the company are derived from management agreements with the administrators of property portfolios previously controlled by connected parties The continuation of these agreements and the ability of this company to secure new management agreements will affect the fees that the company receives This risk is mitigated by the skills and expertise of the team employed by the Company

Group's objectives, policies and strategies

One of the major challenges for the group is to recruit and retain a team capable of handling the range and complexity of projects which we undertake Many of our key staff have been with us for a number of years but this core needs regular replenishment with good quality recruits

Directors

The directors who held office during the year were as follows

A Naghshineh
Mrs VA Fletcher FCA (resigned 9th August 2010)
S Naghshineh

Charitable donations	**2009**	2008
	£	£
During the year the group made the following payments		
Charitable donations	**84,268**	272,787

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Directors' report *(continued)*

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board

A Naghshineh
Secretary
15th February 2011

Riverside House
11 – 13 Riverside Road
Norwich
NR1 1SQ

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors 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 group and parent company and of the profit or loss of the company for that period In preparing each of the group and parent company financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006 They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities

KPMG

KPMG LLP

6 Lower Brook Street
Ipswich
IP4 1AP
United Kingdom

Independent auditors' report to the members of Targetfollow Estates Limited

We have audited the financial statements of Targetfollow Estates Limited for the year ended 31 December 2009 set out on pages 9 to 26 The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the company's members, 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 members those matters we are required to state to them in an 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 and the company's members, as a body, for our audit work for this report or for the opinions we have formed

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6 the directors are 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 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 web-site at www frc org uk/apb/scope/UKNP

Opinion on financial statements

In our opinion the financial statements

• give a true and fair view of the state of the group s and the parent company's affairs as at 31 December 2009 and of the group loss for the year then ended

• have been properly prepared in accordance with UK Generally Accepted Accounting Practice and

• have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report to the members of Targetfollow Estates Limited *(continued)*

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 directors' remuneration specified by law are not made, or

• we have not received all the information and explanations we require for our audit

A G Marshall (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

17 February 2011

6 Lower Brook Street
Ipswich
IP4 1AP

Consolidated profit and loss account
For the year ended 31 December 2009

	Note		2009	2008
			£	£
Turnover	2		**8,850,615**	8,237,545
Cost of sales			**(1,498,374)**	(1,135,522)
Gross profit			**7,352,241**	7,102,023
Administrative expenses (non-exceptional)		**(7,535,307)**		(7,714,039)
Exceptional administrative expenses	5	**(562,715)**		
Administrative expenses - including exceptional			**(8,098,022)**	
Operating loss	5		**(745,781)**	(612,016)
Other interest receivable and similar income	6		**407**	10,796
Interest payable and similar charges	7		**(279,982)**	(53,376)
Loss on ordinary activities before taxation			**(1,025,356)**	(654,596)
Tax on loss on ordinary activities	8		**10,503**	36,774
Loss on ordinary activities after taxation			**(1,014,853)**	(617,822)

All amounts relate to continuing operations

The group has no recognised gains and losses other than the above for the year

Consolidated balance sheet
As at 31 December 2009

	Note	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	9		**1,136,658**		1,265,733
Investments	10		**25,000**		25,000
			1,161,658		1,290,733
Current assets					
Debtors	11	**2,881,733**		2,393,698	
Cash at bank and in hand		**1,486,303**		403,037	
Stock		**8,242**		12,156	
		4,376,278		2,808,891	
Creditors. amounts falling due within one year	12	**(6,770,675)**		(4 214,887)	
Net current liabilities			**(2,394,397)**		(1,405,996)
Total assets less current liabilities			**(1,232,739)**		(115,263)
Creditors amounts falling due after more than one year	13		**(54,004)**		(156 627)
Net liabilities			**(1,286,743)**		(271,890)
Capital and reserves					
Called up share capital	14		**110**		110
Profit and loss account	15		**(1,286,853)**		(272,000)
Shareholder's deficit	16		**(1,286,743)**		(271,890)

These financial statements were approved by the board of directors on and were signed on its behalf by

A Naghshineh
Director
15th February 2011

Registered number 2773528

Company balance sheet
As at 31 December 2009

	Note	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	9		**908,302**		1,035,777
Investments	10		**25,000**		25,000
			933,302		1,060,777
Current assets					
Debtors	11	**2,867,539**		2,953,652	
Cash at bank and in hand		**1,465,858**		397,946	
		4,333,397		3,351,598	
Creditors amounts falling due within one year	12	**(6,692,139)**		(4,095,271)	
Net current liabilities			**(2,358,742)**		(743,673)
Total assets less current liabilities			**(1,425,440)**		317,104
Creditors: amounts falling due after more than one year	13		**(54,004)**		(156,627)
Net (liabilities) / assets			**(1,479,444)**		160,477
Capital and reserves					
Called up share capital	14		**110**		110
Profit and loss account	15		**(1,479,554)**		160,367
Shareholder's (deficit) / funds	16		**(1,479,444)**		160,477

These financial statements were approved by the board of directors on 15 /2 /2011 and were signed on its behalf by

A Naghshineh
Director
15th February 2011

Consolidated cash flow statement
for the year ended 31 December 2009

	Note	2009	2008
		£	£
Reconciliation of operating Loss to net cash flow from operating activities			
Operating loss		(745,781)	(612,016)
Depreciation charges		226,294	263,120
Loss / (profit) on sale of fixed assets		8,402	(1,041)
(Increase) / decrease in debtors		(488,034)	867,746
Decrease in creditors		(860,662)	(1,026,209)
Decrease / (increase) in stock		3,914	(5,549)
Net cash outflow from operating activities		(1,855,867)	(513,949)
Cash flow statement			
Cash flow from operating activities		(1,855,867)	(513,949)
Returns on investments and servicing of finance	*19*	(31,212)	(42,581)
Taxation		(9,734)	(163,807)
Capital expenditure and financial investment	*19*	(112,425)	(353,719)
Cash outflow before management of liquid resources and financing		(2,009,238)	(1,074,056)
Financing	*19*	3,092,504	684,300
Increase / (decrease) in cash in the period		1,083,266	(389,756)
Reconciliation of net cash flow to movement in net debt			
Increase / (decrease) in cash in the period		1,083,266	(389,756)
Cash inflow from financing		(3,092,504)	(684,300)
Change in net debt resulting from cash flows		(2,009,238)	(1,074,056)
Movement in net debt in the period		(2,009,238)	(1,074,056)
Net (debt) / funds at the start of the period		(775,787)	298,269
Net debt at the end of the period	*20*	(2,785,025)	(775,787)

Notes
(forming part of the financial statements)

1 Accounting policies

Accounting conventions

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

The financial statements have been prepared on a going concern basis, which the Directors believe is appropriate for the reasons set out below

The company's principal activity has been to provide property management services for the group headed by Targetfollow Group BV ("TGBV") (collectively "Targetfollow Group") and other companies under common control The structure of the Targetfollow Group of companies is that TGBV owns 100% of the share capital of Targetfollow Group Limited ("TGL"), which itself owns 100% of the share capital of inter alia three intermediate holding companies – Targetfollow Property Investment and Development Limited ("TPID"), Targetfollow Property Holdings Limited ("TPH") and Targetfollow (Regional) Limited ("TRL") TPID, TPH and TRL between them own the majority of the underlying property interests of the Targetfollow Group, which contributed around 83% of the Company's revenue in the year ended 31 December 2009 TPH, TPID and TRL were respectively placed into Administration on 27 October 2010, 28 October 2010 and 15 November 2010

Subsequent to the Administration Orders being placed, the Company has entered into contracts with the respective Administrators of TPH, TPID and TRL to continue to manage the properties formerly under the control of TGL In the case of TPH and TPID, the Directors of the Company understand that the Administrators intend to effect an orderly disposal of those companies' property interests and their expectation is that the Company will continue to manage those properties until that programme has been completed

In addition to income from the contracts with the Administrators, the Directors are targeting additional income from the purchasers of the properties and from other owners of property They plan to grow these sources of income, such that the Company can continue to trade once the income from the contracts with the Administrators comes to an end

The directors note that the company's principal liability is to TGL, a related party The company has received an undertaking from the directors of TGL that they will not seek repayment of the amounts outstanding for a period of at least 12 months from the date of these financial statements

The Directors of the Company have formulated a business plan which envisages their continuing to manage those properties currently under the control of the Administrators and considers their ability to control costs to reflect the levels of business anticipated The plan includes cash flow projections for a period exceeding a year from the date of approval of these financial statements The projections assume the payment of rent on properties used by the company for administrative purposes and owned by related parties in accordance with existing commercial agreements, but no other payments of balances with related parties On this basis, they have a reasonable expectation that the Company will have sufficient funds to continue to trade for a period of at least 12 months from the date of signature of these financial statements This is dependent upon the Administrators continuing to employ the Company to manage those properties

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertaking made up to 31 December 2009

In respect of all transactions the acquisition method of accounting has been adopted Under this method, the results of subsidiary undertakings acquitted or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal

Under section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account

Turnover

Turnover represents amounts receivable for services provided net of VAT

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant machinery, fixtures, fittings and office equipment	15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment and software	50% straight line
Artwork	Not depreciated
Improvements to leasehold property	4% straight line

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as required by FRS19

Investments

Fixed asset investments are recorded at the lower of cost and net realisable value The investments are not readily marketable and the directors believe that it is both prudent and appropriate to value them at the lower of cost and net realisable value Unlisted investments are recorded at cost

Stock

Stock is stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

Notes *(continued)*

Pension costs

The group operates a defined contribution pension scheme, known as the Targetfollow Group Self Invested Personal Pensions Plan This is a non-contributory scheme where the assets are held separately from those of the group in an independently administered fund The group acts as investment manager to the scheme The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

2 Turnover

	2009	2008
	£	£
Property management services	**8,608,197**	7,944,544
Restaurant	**242,418**	293,001
All turnover arose within the United Kingdom	**8,850,615**	8,237,545

3 Staff costs

Staff costs, including directors' emoluments, were as follows

	2009	2008
	£	£
Wages and salaries	**5,565,561**	4,894,579
Social security costs	**605,932**	527,758
Pension contributions	**60,000**	186,762
	6,231,493	5,609,099

The average monthly number of employees, including executive directors, during the year was

Directors	**3**	3
Human resources and administration	**17**	14
Finance	**18**	19
Information Technology	**11**	2
Restaurant	**12**	-
Property management	**104**	85
	165	123

Notes *(continued)*

4 Remuneration of directors

	2009	2008
	£	£
Directors' emoluments	**463,534**	466,109
Pension contributions	-	36 000
	463,534	502,109

During the year 3 directors were members of the pension scheme (2008 3)

The aggregate of emoluments of the highest paid director was £226,993 *(2008 £223,673)* and contributions to the pension scheme were £nil *(2008 £15,500)*

5 Operating loss

	2009	2008
Operating loss is stated after charging	£	£
Depreciation of tangible assets		
- owned by group	141,374	103,278
- held under finance lease or hire purchase	94,457	142,568
Auditors' remuneration		
- audit of these financial statements	7,500	6,500
Operating lease charges	257,567	215,712
Exceptional Item - bad debt provision	562,715	-

The exceptional item of £562,715 relates to provisions against debts due from related companies certain of which were placed into administration in November 2010

6 Interest receivable and similar income

	2009	2008
	£	£
Bank interest receivable	**407**	10,796
	407	10 796

7 Interest payable and similar charges

	2009	2008
	£	£
Finance charges under finance lease and hire purchase contracts	**31,619**	30,184
Other interest payable	**248,363**	23,192
	279,982	53,376

Notes *(continued)*

8 Taxation

a) Analysis of charge in year

	2009	2008
	£	£
UK corporation tax		
Tax charge for the year	-	-
Adjustment in respect of previous periods	(10,503)	(36,774)
Total current tax charge	**(10,503)**	(36,774)
Deferred tax		
Adjustment to provision for deferred tax	-	-
Tax on profit on ordinary activities	(10,503)	(36,774)

b) Factors affecting the tax charge for the year

The current tax charge for the period is higher *(2008 higher)* than the standard rate of corporation tax in the UK 28% *(2008 28%)* The differences are explained below

	2009	2008
	£	£
(Loss) / Profit on ordinary activities before tax	**(1,025,357)**	(654,596)
Profit on ordinary activities multiplied by the standard rate of corporation tax of 28% (2008 28%)	**(287,100)**	(183,287)
Effects of		
Expenses disallowed for tax purposes	**212,595**	67,919
Capital Allowance in excess of depreciation	**(14,292)**	-
Depreciation in excess of capital allowances	-	8,349
Unrelieved tax losses arising in the period	**88,797**	107,018
Adjustments to tax charge in respect of previous periods	**(10,503)**	(36 774)
	(10,503)	(36,774)

c) Factors that may affect future tax charges

No amount has been included in the accounts in relation to the potential deferred tax assets that arises from losses carried forward of £245,763 (*2008 £157,039)* or the potential deferred tax liability that arises from advanced capital allowances of £18,885 (*2008 £4,169*) as the recovery of the asset is uncertain

Notes *(continued)*

9 Tangible fixed assets

Group	Improvements to Leasehold Properties	Artwork	Plant, machinery, fixture, fittings and office equipment	Motor vehicles	Computer equipment and software	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2009	332,618	184,862	579,120	936,428	379,317	2,412,345
Additions	1,771	1,000	35,461	25,932	83,907	148,071
Disposals	-	-	-	(100,464)	-	(100,464)
At 31 December 2009	**334,389**	**185,862**	**614,581**	**861,896**	**463,224**	**2,459,952**
Depreciation						
At 1 January 2009	97,178	-	261,295	444,050	344,089	1,146 612
Charge for year	13,351	-	52,290	117,788	42,865	226,294
Disposals	-	-	-	(49,612)	-	(49,612)
At 31 December 2009	**110,529**	-	**313,585**	**512,226**	**386,954**	**1,323,294**
Net book amount						
At 31 December 2009	**223,860**	**185,862**	**300,996**	**349,670**	**76,270**	**1,136,658**
At 31 December 2008	235,440	184,862	317,825	492,378	35,228	1,265,733

The net book value of tangible fixed assets includes £308,800 *(2008 £484,261)* in respect of assets held under finance leases or hire purchase contracts The depreciation charge in respect of such assets amounted to £94,457 *(2008 £142,568)*

Notes *(continued)*

9 Tangible fixed assets (continued)

Company	Improvements to Leasehold Properties	Artwork	Plant, machinery, fixture, fittings and office equipment	Motor vehicles	Computer equipment and software	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2009	23,676	184,862	445,207	936,428	379,317	1,969,490
Additions	1,771	1,000	18,856	25,932	83,907	131,466
Disposals	-			(100,464)		(100,464)
At 31 December 2009	25,447	185,862	464,063	861,896	463,224	2,000,492
Depreciation						
At 1 January 2009	-	-	145,574	444,050	344,089	933,713
Charge for year	994	-	46,442	117,788	42,865	208,089
Disposals	-	-	-	(49,612)	-	(49,612)
At 31 December 2009	994	-	192,016	512,226	386,954	1,092,190
Net book amount						
At 31 December 2009	24,453	185,862	272,047	349,670	76,270	908,302
At 31 December 2008	23,676	184,862	299,633	492,378	35,228	1,035,777

The net book value of tangible fixed assets includes £308,800 *(2008 £484,261)* in respect of assets held under finance leases or hire purchase contracts The depreciation charge in respect of such assets amounted to £94,457 *(2008 £142,568)*

10 Fixed asset investments

Group and Company	Unlisted investments
	£
Cost	
At 1 January 2009	25,000
At 31 December 2009	25,000

The unlisted investment relates to the purchase of 1,000 ordinary shares in Norwich City Football Club Plc

Notes *(continued)*

11 Debtors

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Trade debtors	**2,085,438**	1,736,892	**2,093,867**	1,736,930
Amounts due from connected companies	**1,781**	801	**1,781**	801
Other debtors	**8,868**	3,604	**8,868**	-
Prepayments and accrued income	**785,646**	652,401	**763,023**	632,866
Amounts due from group companies	**-**	-	**-**	583,055
	2,881,733	2,393,698	**2,867,539**	2,953,652

Amounts due from connected companies for the Company is after providing for £950,874 against the loan to Highben

12 Creditors: amounts falling due within one year

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Loans from connected parties	**4,348,363**	800,000	**4,348,363**	800,000
Net obligations under hire purchase contracts	**117,324**	222,197	**117,324**	222,197
Trade creditors	**236,903**	709,324	**179,402**	669,016
Taxation and social security	**375,091**	709,130	**366,419**	709,130
Accruals and deferred income	**1,678,023**	1,686,654	**1,668,927**	1 686,654
Other creditors	**14,971**	87,582	**11,704**	8,274
	6,770,675	4,214,887	**6,692,139**	4,095,271

Notes *(continued)*

13 Creditors: amounts falling due after more than one year

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Net obligations under hire purchase contracts after one year	**54,004**	156,627	**54,004**	156,627

The maturity of obligations under hire purchase contracts is as follows

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Within one year	**117,324**	222,197	**117,324**	222,197
In the second to fifth years	**54,004**	156,627	**54,004**	156,627
	171,328	378,824	**171,328**	378 824

14 Share capital

	2009 £	2008 £
Authorised		
1,000 ordinary shares of £1 each	**1,000**	1,000
Allotted, called up and fully paid		
110 ordinary shares of £1	**110**	110

15 Reserves

	Profit and Loss reserve £
Group	
Balance at 1 January 2009	(272,000)
Retained loss for the year	(1,014,853)
Balance at 31 December 2009	(1,286,853)
Company	
Balance at 1 January 2009	160,367
Retained loss for the year	(1,639,921)
Balance at 31 December 2009	(1,479,554)

The loss of the company and group is after exceptional bad debt provisions of £562,715 (as set out in note 5) The loss of the company is also after providing for £950,874 against loans to its subsidiary undertaking Excluding these items the loss for the company for the year was £126,332 and for the group £452,138

Notes *(continued)*

16 Shareholder's funds

	Group	Group	Company	Company
	2009	2008	2009	2008
	£	£	£	£
Balance at 1 January 2009	(271,890)	345,932	160,477	556,933
Retained loss for the year	(1,014,853)	(617,822)	(1,639,921)	(396 456)
Balance at 31 December 2009	(1,286,743)	(271,890)	(1,479,444)	160,477

17 Pension scheme

Defined contribution pension scheme

The Group operates a defined contribution pension scheme The pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £60,000 *(2008 £186,762)*

There were no outstanding or prepaid contributions at either the beginning or end of the financial year

18 Operating Leases

Annual commitments under non-cancellable operating leases are as follows

	2009		2008	
	Land and Buildings	Other	Land and Buildings	Other
	£	£	£	£
Operating leases which expire				
- Within one year	73,562	-	13,564	-
- In the second to fifth years inclusive	96,300	-	130,300	11,624
- Over five years	105,650	-	91,000	-
	275,512	-	234,864	11,624

Notes *(continued)*

19 Analysis of cash flows

	2009	2008
Returns on investments and servicing of finance	£	£
Interest received	407	10,796
Interest paid	-	-
Interest element of finance lease rental payments	(31,619)	(53,377)
	(31,212)	(42,581)
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(131,411)	(252,252)
Receipts from sales of tangible fixed assets	42,450	1,040
New finance leases	(23,464)	(102,507)
	(112,425)	(353,719)
Financing		
Capital element of finance lease rental payments	(230,960)	(218,207)
New finance leases	23,464	102,507
Loan from connected party	3,300,000	800,000
	3,092,504	684,300

20 Analysis of changes in net debt

	At 1 January 2009	Cash flows	At 31 December 2009
	£	£	£
Cash at bank and in hand	403,037	1,083,266	1,486,303
Overdrafts	-		-
	403,037	1,083,266	1,486,303
Finance leases	(378,824)	207,496	(171,328)
Loan from connected party	(800,000)	(3,300,000)	(4,100,000)
Total	(775,787)	(2,009,238)	(2,785,025)

Notes *(continued)*

21 Transactions with directors

The business of A Naghshineh charged £4,292 *(2008 £Nil)* in respect of general recharge of expenses and £58,500 *(2008 £50,763)* for rental of the business premises

Included in amounts due from connected parties is £1,376 *(2008 £801)* owed to the company by A Naghshineh, a director of the company This loan was repaid in full after the year end

The directors consider these transactions to be at normal commercial terms

22 Related party transactions

During the year Targetfollow Estates Ltd invoiced the following companies in respect of management and administrative fees and for the recharges of expenses, some of the amounts owing have been provided for in the bad debt provision A Naghshineh, Mrs V A Fletcher and S Naghshineh were directors of all of these companies during the year

	Year End Balance		Turnover	
	2009	2008	**2009**	2008
	£	£	**£**	£
Alexol Ltd	**9,896**	3,068	**9,007**	10,986
Targetfollow (Swanley) Ltd	**284**	-	**1,675**	2,402
Targetfollow (Birmingham) Ltd	**18,687**	68,689	**121,860**	239,211
Targetfollow (Centre Point) Ltd	**89,625**	(49,611)	**232,839**	361,119
Cambrian Wharf Ltd	-	-	-	194,967
Targetfollow (Cirencester) Ltd	**2,027**	3,494	**4,013**	16,764
Targetfollow (City) Ltd	**31**	-	**28**	6,150
Targetfollow (Cornwall) Ltd	**989**	2,623	**3,760**	5,675
Targetfollow (Edinburgh) Ltd	**60,950**	-	**66,524**	83,894
Targetfollow (Dover) Ltd	**44,406**	52,635	**69,811**	109,284
Targetfollow (Warrington) Ltd	**10,931**	-	**119,138**	166,838
Bloomsbury Property Investments Ltd	**23,722**	-	**115,807**	228,969
RCP Parking Ltd	**19,597**	1,750	**17,052**	4,189
Targetfollow Property Holdings Ltd	**166,933**	(299,662)	**1,549,199**	1,484,406
FGL Investments Ltd	**3,643**	6,734	**12,540**	21,357
Glintack Ltd	**44,146**	23,617	**100,116**	21,012
Targetfollow (Essex) Ltd	**14,375**	-	**106,197**	122,526
RCP Investments	**4,913**	-	**4,868**	-
Speycress Estates Ltd	**4,805**	3,582	**15,454**	16,085
Norscot Investments Ltd	**39,515**	78,767	**37,839**	81,025
Leaguepull Ltd	**56,268**	105,530	**55,806**	105,477
Targetfollow (Wembley) Ltd	**32,001**	-	**221,962**	277,571
I H Investments Ltd	**53,290**	24,623	**130,029**	24,811
Grand Central Ltd	**36,074**	38,901	**51,007**	353 067
Healthweb (UK) Ltd	**4,006**	24,201	**9,422**	28,817
Malcor Estates Ltd	**72,417**	58,196	**42,718**	73,863
Targetfollow (Midlands) Ltd	-	323	-	275
Targetfollow (Nailsea)	**588**	14,762	**2,044**	14,513
Targetfollow (Newark)	**42,798**	56,631	**41,064**	62,744
Targetfollow (Ney Court) Ltd	**2,336**	3,480	**2,227**	2,970
Targetfollow (North) Ltd	**17,419**	20,877	**15,891**	20,447
The Priory Ltd	**63,200**	69,673	**62,564**	76,701
Targetfollow (Regional) Ltd	**406,356**	216,913	**247,900**	249,113
Targetfollow (Riverside) Ltd	**150**	-	**1,680**	1,600
Targetfollow (Residential) Ltd	**3,881**	-	**6,914**	10,065

Notes *(continued)*

22 Related party transactions *(continued)*

Stevenor Investments Ltd	**110,681**	255,242	**743,859**	762,775
Targetfollow (Tunbridge Wells)	**9,528**	-	**64,706**	91,791
Targetfollow (Wigan) Ltd	**16,782**	20,801	**16,336**	25,025
Targetfollow Property Investment & Development Ltd	**878,600**	415,580	**3,056,000**	2,993,400
Targetfollow (Whitworth)	-	-	**8,750**	375
Targetfollow (Slough) Ltd	-	-	-	646
Targetfollow (Pantiles) Ltd	**32,328**	46,510	**158,214**	248,445
Targetfollow Group Ltd	-	359,843	-	25,950
Targetfollow (Chadderton) Ltd	-	-	-	375
Targetfollow (Kidlington) Ltd	-	-	-	275
Targetfollow (Haden) Ltd	**2,415**	323	**2,100**	275
Targetfollow (Montreuil) Ltd	**239,984**	5,517	**308,669**	31,744
Targetfollow (Brentwood) Ltd	**10,391**	-	**42,997**	33,717

During the year Targetfollow Estates Ltd invoiced the following companies in respect of management and administrative fees and for the recharges of expenses A Naghshineh and Mrs V A Fletcher were directors of all of these companies during the year

	Year End Balance		Turnover	
	2009	2008	2009	2008
	£	£	£	£
Targetspace Limited	**60,855**	15,480	**52,917**	63,539
Highcourt Developments Ltd	**755**	37,540	**971**	32,699
Portman Towers Management Ltd	**20,645**	30,236	**66,987**	75,162

During the year Targetfollow Estates Ltd invoiced the following companies in respect of management and administrative fees and for the recharges of expenses Mrs V A Fletcher was a director of both of these companies during the year

	Year End Balance		Turnover	
	2009	2008	2009	2008
	£	£	£	£
Targetfollow Koeln (Logistics) BV	-	-	-	83,931
Targetfollow Koeln BV	-	-	-	83,931

The following companies charged Targetfollow Estates Limited in respect of various expenses A Naghshineh, Mrs V A Fletcher and S Naghshineh were directors of all of these companies during the year

	Year End Balance		Turnover	
	2009	2008	2009	2008
	£	£	£	£
RCP Parking Ltd	**18,011**	-	**28,309**	57,535
Targetfollow (Warrington) Ltd	**812**	812	**9,359**	10,912
Targetfollow Property Holdings Ltd	-	-	-	-
Leaguepull Ltd	**46,452**	59,625	**191,857**	233,782
Targetfollow (Edinburgh) Ltd	-	(2,932)	-	13,230
Targetfollow (Regional) Limited	-	60,000	-	60,000

Notes *(continued)*

22 Related party transactions *(continued)*

The following companies charged Targetfollow Estates Limited in respect of various expenses A Naghshineh and Mrs V A Fletcher were directors of this company during the year

	Year End Balance		Turnover	
	2009	2008	**2009**	2008
	£	£	**£**	£
Targetspace Limited	**31,026**	11,432	**45,441**	57,828

In addition to the above, the group was also charged £13,557*(2008 £11,669)* from Salle Organics, an entity of which A Naghshineh is the sole proprietor, and recharged Salle Organics costs of £955*(2008 £8,292)* At the year end the group owed Salle Organics £nil *(2008 £732)*

During the year, Targetfollow Group Limited, a company in which A Naghshineh, Mrs V A Fletcher and S Naghshineh are directors, lent the group £3,300,000 *(2008 £800,000)* Interest of £248,363 was charged in the year *(2008 £Nil)* The balance outstanding at the year end was £4,348,363 *(2008 £800,000)*

23 Contingent liabilities

In common with other companies of similar size and complexity, the group is subject to enquiries from HMRC from time to time in relation to the tax treatment of certain transactions

Having taken appropriate professional advice, the directors do not consider that a material liability will arise as a result of ongoing enquiries

24 Control

The group is controlled by A Naghshineh