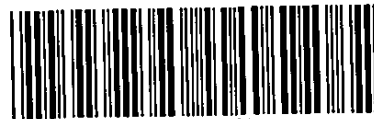


Registered number: 1122

BTR Property Holdings Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

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COMPANIES HOUSE

BTR Property Holdings Limited

COMPANY INFORMATION

DIRECTORS

V M Hull
K C Smith
D J Thomas

COMPANY SECRETARY

Invensys Secretaries Limited

COMPANY NUMBER

1122

REGISTERED OFFICE

3rd Floor
40 Grosvenor Place
London
SW1X 7AW

AUDITOR

Ernst & Young LLP
1 More London Place
London
SE1 2AF

BTR Property Holdings Limited

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BTR Property Holdings Limited

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their report and the financial statements for the year ended 31 March 2012

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £128,000 (2011 loss £88,000)

The directors do not recommend the payment of a dividend to the ordinary shareholders in respect of the year (2011 £nil)

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the Company during the year continued to be that of a property leaseholding company. The directors do not expect any change in the principal activity during the next financial year.

The results for the year are set out on page 6

DIRECTORS

The directors who served during the year were

V M Hull
K C Smith
D J Thomas

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Invensys International Holdings Limited, a wholly owned subsidiary of Invensys plc (the ultimate parent of the Company) has granted to all the directors an indemnity (to the extent permitted by the Companies Act 2006) in respect of liabilities relating to proceedings brought by third parties and incurred as a result of their office. These qualifying third party indemnities remain in force as at the date of approving the Directors' Report. The indemnities do not provide cover in the event that the director is proved to have acted dishonestly or fraudulently.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are in respect of exposure to credit and liquidity risks.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. The Company's credit risk is principally with other group companies. The terms of inter-company financing have been set so that no inter-company liability may be demanded unless the relevant creditor, including the Company, has sufficient funds to meet that liability. Accordingly, the Company does not have to meet all such liabilities as they fall due.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets.

BTR Property Holdings Limited

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

EVENTS SINCE THE END OF THE YEAR

No significant events affecting the Company have occurred since the balance sheet date

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

SUPPLIERS' PAYMENT POLICY

It is company policy in respect of its suppliers to develop long term relationships with them which includes making payment consistent with established practices agreed with suppliers and ensuring that they are aware of the terms of payment and that such terms are followed.

AUDITOR

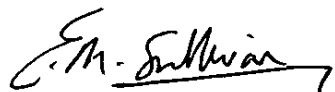
Under section 487(2) of the Companies Act 2006, Ernst & Young LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

This report was approved by the board and signed on its behalf



Per pro Invensys Secretaries Limited
Secretary

Date 25 June 2012

3rd Floor
40 Grosvenor Place
London
SW1X 7AW

BTR Property Holdings Limited

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

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 the directors have 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 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 Company and of the profit or loss of the Company for that period. In preparing these 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BTR PROPERTY HOLDINGS LIMITED

We have audited the financial statements of BTR Property Holdings Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, the Balance Sheet and related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom 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 AUDITOR'S REPORT TO THE MEMBERS OF BTR PROPERTY HOLDINGS LIMITED

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

Ernst & Young LLP

J I Gordon (Senior Statutory Auditor)
for and on behalf of
Ernst & Young LLP
Statutory Auditor
London

Date *26 June 2012*

BTR Property Holdings Limited

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 £000	2011 £000
Administrative expenses		(6)	(5)
Other operating income		538	21
Other operating charges		(400)	(104)
		<hr/>	<hr/>
OPERATING PROFIT/(LOSS)		132	(88)
Interest receivable and similar income	6	1	-
Interest payable and similar charges	7	(5)	-
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		128	(88)
Tax on profit/(loss) on ordinary activities	8	-	-
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	13	128	(88)
		<hr/>	<hr/>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and Loss Account

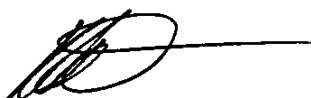
The notes on pages 8 to 14 form part of these financial statements

BTR Property Holdings Limited
REGISTERED NUMBER: 1122

BALANCE SHEET
AS AT 31 MARCH 2012

	Note	£000	2012 £000	2011 £000
CURRENT ASSETS				
Debtors	9	1,143	1,424	
Cash in hand		93	185	
		<u>1,236</u>	<u>1,609</u>	
CREDITORS: amounts falling due within one year				
	10	<u>(45,155)</u>	<u>(42,531)</u>	
NET CURRENT LIABILITIES			<u>(43,919)</u>	<u>(40,922)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(43,919)</u>	<u>(40,922)</u>
PROVISIONS FOR LIABILITIES				
Other provisions	11		<u>(10,386)</u>	<u>(13,511)</u>
NET LIABILITIES			<u><u>(54,305)</u></u>	<u><u>(54,433)</u></u>
CAPITAL AND RESERVES				
Share capital	12		500	500
Profit and loss account	13		<u>(54,805)</u>	<u>(54,933)</u>
SHAREHOLDERS' DEFICIT	14		<u><u>(54,305)</u></u>	<u><u>(54,433)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



K C Smith
Director

Date **25 JUNE 2012**

The notes on pages 8 to 14 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The terms of intercompany financing have been set so no intercompany liability may be demanded unless the relevant creditor, including the Company, has sufficient funds to meet that liability. Accordingly, the Company does not have to meet such liabilities as they fall due. Consequently, the directors conclude that they consider it appropriate to adopt the going concern basis of accounting in preparing the annual financial statements of the Company.

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 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 have occurred at that date that will result in an obligation to pay more, or a right to pay less tax, in the future, with the following exception:

- Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

2. OPERATING PROFIT/ (LOSS)

Operating profit/ (loss) is stated after charging

	2012 £000	2011 £000
Increase in onerous lease provision	400	104

BTR Property Holdings Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

3 AUDITOR'S REMUNERATION

	2012 £000	2011 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4	4
These costs are borne by the parent company		

4 DIRECTORS' REMUNERATION

During the year, no director received any emoluments (2011 £nil)

5 EMPLOYEES

There were no employees during the year (2011 nil)

6. INTEREST RECEIVABLE

	2012 £000	2011 £000
Bank interest receivable	1	-

7. INTEREST PAYABLE

	2012 £000	2011 £000
Interest on late payment of tax	5	-

8. TAXATION

	2012 £000	2011 £000
UK corporation tax charge on profit/(loss) for the year	-	-

BTR Property Holdings Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

8 TAXATION (continued)**Factors affecting tax charge for the year**

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 26% (2011 28%)
The differences are explained below

	2012 £000	2011 £000
Profit/(loss) on ordinary activities before tax	128	(88)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 28%)	33	(25)
Effects of		
Other timing differences leading to a decrease in taxation	(1)	(1)
Group relief (claim)/surrender	(32)	26
Current tax charge for the year (see note above)	-	-

BTR Property Holdings Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

8 TAXATION (continued)**Factors that may affect future tax charges**

As a UK resident company in the Invensys plc group the Company is eligible to surrender UK group relief to, or claim UK group relief from, other Invensys plc group companies. These claims and/or surrenders may be made with or without charge.

Deferred tax (assets) not recognised in the balance sheet are as follows

	2012 £000	Restated 2011 £000
Decelerated capital allowances	(3)	(3)
Property losses	(1,741)	(1,886)
Overseas trade losses	(169)	(183)
	<u>(1,913)</u>	<u>(2,072)</u>

The deferred tax assets have not been recognised since there is no persuasive evidence that there will be suitable taxable profits against which the timing differences will reverse. It is likely that the assets will be recoverable once suitable taxable profits are generated.

The standard rate of UK corporation tax will reduce to 24% from 1 April 2012. Deferred tax not recognised has therefore been calculated using the standard rate of UK corporation tax of 24% (2011: 26%).

Further reductions to the standard rate are proposed to reduce the rate by a further 1% each 1 April thereafter until it reaches 22% with effect from 1 April 2014. As this legislation was not substantively enacted by the balance sheet date it has not been reflected in these financial statements.

A reduction to the standard rate of UK corporation tax from 24% to 22% would reduce the deferred tax asset not recognised by £159,000.

9. DEBTORS

	2012 £000	2011 £000
Trade debtors	57	378
Amounts owed by group undertakings	270	313
Other debtors	205	101
Prepayments and accrued income	611	632
	<u>1,143</u>	<u>1,424</u>

BTR Property Holdings Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

10 CREDITORS:**Amounts falling due within one year**

	2012	2011
	£000	£000
Amounts owed to group undertakings	45,155	42,269
Other creditors	-	81
Accruals and deferred income	-	181
	<u>45,155</u>	<u>42,531</u>

11 PROVISIONS

	Other £000
At 1 April 2011	13,511
Additions	900
Amounts used	(2,987)
Amounts released	(1,038)
At 31 March 2012	<u>10,386</u>

A provision is recognised for onerous lease rentals in respect of certain sub-let and vacant properties. It is expected that costs will be incurred evenly over the remaining life of the various leases, of up to 10 years.

12 SHARE CAPITAL

	2012	2011
	£000	£000
Allotted, called up and fully paid		
500,000 Ordinary shares of £1 each	<u>500</u>	<u>500</u>

BTR Property Holdings Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

13 RESERVES

	Profit and loss account £000
At 1 April 2011	(54,933)
Profit for the year	128
	<hr/>
At 31 March 2012	(54,805)
	<hr/>

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2012 £000	2011 £000
Opening shareholders' deficit	(54,433)	(54,345)
Profit/(loss) for the year	128	(88)
	<hr/>	<hr/>
Closing shareholders' deficit	(54,305)	(54,433)
	<hr/>	<hr/>

15 OPERATING LEASE COMMITMENTS

At 31 March 2012 the Company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2012 £000	2011 £000
Expiry date		
Within 1 year	11	-
Between 2 and 5 years	496	519
After more than 5 years	2,234	2,421
	<hr/>	<hr/>

16 CONTINGENT LIABILITIES

The Company has contingent liabilities arising in the ordinary course of business from which it is anticipated that the likelihood of any material liabilities arising is remote

17. POST BALANCE SHEET EVENTS

No significant events affecting the Company have occurred since the balance sheet date

BTR Property Holdings Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

18. RELATED PARTY TRANSACTIONS

As the Company is a wholly owned subsidiary undertaking of Invensys plc, a company registered in England and Wales, which publishes consolidated accounts, the Company has pursuant to paragraph 17 of Financial Reporting Standard No 8 Related Party Disclosures (FRS 8) not included details of transactions with other companies which are subsidiaries of the Invensys group. There are no other related party transactions.

19. IMMEDIATE PARENT UNDERTAKING

The immediate parent undertaking of BTR Property Holdings Limited is BTR Industries Limited, a company registered in England and Wales.

20. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of BTR Property Holdings Limited is Invensys plc, a company registered in England and Wales. The only group preparing consolidated accounts which include BTR Property Holdings Limited is Invensys plc. Copies of the accounts of Invensys plc can be obtained from the Group Secretarial Department, Invensys plc, 3rd Floor, 40 Grosvenor Place, London, SW1X 7AW.