Company Registration No. 20961 (England and Wales)

THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2008

COMPANIES HOUSE COPY

FRIDAY

LADZS6Y3

L41 30/01/2009 186

COMPANIES HOUSE

UHY Hacker Young
Chartered Accountants

5502AC

THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

COMPANY INFORMATION

Directors	P L Murphy H T Klahr R D Adelman
Secretary	H T Klahr
Company number	20961
Registered office	Quadrant House - Floor 6 17 Thomas More Street Thomas More Square London E1W 1YW
Auditors	UHY Hacker Young LLP Quadrant House 17 Thomas More Street Thomas More Square London E1W 1YW

THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 12

THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2008

The directors present their report and financial statements for the year ended 31 March 2008.

Principal activities and review of the business
The principal activity of the company continued to be that of property investment.

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Results and dividends
The results for the year are set out on page 5.

The directors do not recommend payment of a final dividend.

Directors
The following directors have held office since 1 April 2007:

P L Murphy
H T Klahr
R D Adelman

Auditors
The auditors, UHY Hacker Young LLP, will be deemed to be reappointed under section 487(2) of the Companies Act 2006 at the end of the next period for appointing auditors.

Directors' responsibilities
The directors are responsible for preparing 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). The financial statements are required by law to 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 those financial statements, the directors are 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 company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

Statement of disclosure to auditors
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board

H T Klahr
Secretary
26 January 2009

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
17 Thomas More Street
Thomas More Square
London E1W 1YW

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

We have audited the financial statements of The Home Counties House Property Company Limited for the year ended 31 March 2008 set out on pages 5 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
17 Thomas More Street
Thomas More Square
London E1W 1YW

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

UHY Hacker Young LLP.

UHY Hacker Young LLP 27 January 2009

Chartered Accountants
Registered Auditor

THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £	2007 £
Turnover	2	155,917	148,949
Property expenses		(26,157)	(60,610)
Administrative expenses		(6,936)	(7,829)
Operating profit	3	122,824	80,510
Profit on sale of investment property		-	99,081
Profit on ordinary activities before interest		122,824	179,591
Interest payable and similar charges	4	-	(294)
Profit on ordinary activities before taxation		122,824	179,297
Tax on profit on ordinary activities	5	(15,000)	(14,092)
Profit for the year	11	107,824	165,205

The profit and loss account has been prepared on the basis that all operations are continuing operations.

THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £	2007 £
Profit for the financial year		107,824	165,205
Unrealised surplus on revaluation of properties		189,000	-
Total recognised gains and losses relating to the year		296,824	165,205

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2008 £	2007 £
Reported profit on ordinary activities before taxation	122,824	179,297
Realisation of property revaluation gains of previous years	-	228,996
Historical cost profit on ordinary activities before taxation	122,824	408,293
Historical cost profit/(loss) for the year retained after taxation, extraordinary items and dividends	107,824	(105,799)

THE HOME COUNTIES HOUSE PROPERTY COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2008

	Notes	2008 £	2008 £	2007 £	2007 £
Fixed assets					
Tangible assets	7		3,012,585		2,819,470
Current assets					
Debtors	8	3,222,651		3,116,972	
Creditors: amounts falling due within one year	9	(20,988)		(19,018)	
Net current assets			3,201,663		3,097,954
Total assets less current liabilities			6,214,248		5,917,424
Capital and reserves					
Called up share capital	10		34,425		34,425
Revaluation reserve	11		2,711,038		2,522,038
Other reserves	11		181,662		181,662
Profit and loss account	11		3,287,123		3,179,299
Shareholders' funds	12		6,214,248		5,917,424

Approved by the Board and authorised for issue on 26 January 2009

P L Murphy
Director

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

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 rents receivable during the year.

1.4 Tangible fixed assets and depreciation

In accordance with SSAP 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation charge is provided for. The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Profits or losses on disposal are arrived at by comparing sale proceeds with the revalued book amount at the beginning of the year, and making an appropriate transfer from the revaluation reserve of the previously unrealised surplus or deficit relating thereto which has become realised as a result of the disposal, to arrive at the realised profit or loss against historical cost.

1.5 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision is made for deferred tax on gains recognised on revaluing property to its market value unless the company has a binding contract, at the balance sheet date, to sell the revalued assets.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2008 £	2007 £
Operating profit is stated after charging:		
Fees payable to the company's auditor for the audit of the company's annual accounts	4,000	4,000

4 Interest payable

	2008 £	2007 £
On overdue tax	-	294

5 Taxation

	2008 £	2007 £
Domestic current year tax		
U.K. corporation tax	15,000	14,250
Adjustment for prior years	-	(158)
Current tax charge	15,000	14,092
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	122,824	179,297
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2007 - 30.00%)	36,847	53,789
Effects of:		
Capital allowances	(4)	(5)
Group relief	(14,343)	(1,560)
Adjustments to previous periods	-	(158)
Chargeable disposals	-	(29,724)
Other tax adjustments	(7,500)	(8,250)
	(21,847)	(39,697)
Current tax charge	15,000	14,092

6 Dividends

	2008 £	2007 £
Ordinary final paid	-	500,000

7 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 April 2007	2,819,470
Additions	4,115
Revaluation	189,000
At 31 March 2008	3,012,585

The investment properties were valued as at 31 March 2008 on an open market basis by the directors.

The historical cost of the investment properties is £297,434 (2007: £297,434).

It is the company's intention to retain the properties for the forseeable future. No deferred tax has been provided on the gains arising from the revaluation as such tax would only become payable if the properties were sold. The tax which would be payable in such circumstances is estimated to be £425,000 (2007: £410,000).

8 Debtors

	2008 £	2007 £
Trade debtors	4,755	847
Amounts owed by parent and fellow subsidiary undertakings	3,193,469	3,093,707
Other debtors	870	870
Prepayments and accrued income	23,557	21,548
	3,222,651	3,116,972

9 Creditors: amounts falling due within one year

	2008 £	2007 £
Trade creditors	810	-
Amounts owed to subsidiary undertakings	100	100
Corporation tax	15,000	14,250
Accruals and deferred income	5,078	4,668
	20,988	19,018

10 Share capital

	2008 £	2007 £
Authorised		
100,000 Ordinary shares of 50p each	50,000	50,000
Allotted, called up and fully paid		
68,850 Ordinary shares of 50p each	34,425	34,425

11 Statement of movements on reserves

	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2007	2,522,038	181,662	3,179,299
Profit for the year	-	-	107,824
Revaluation during the year	189,000	-	-
Balance at 31 March 2008	2,711,038	181,662	3,287,123

Other reserves	
Capital redemption reserve	
Balance at 1 April 2007 & at 31 March 2008	169,662
Reserves provided for by the Articles of Association	
Balance at 1 April 2007 & at 31 March 2008	12,000

12 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Profit for the financial year	107,824	165,205
Dividends	-	(500,000)
	107,824	(334,795)
Other recognised gains and losses	189,000	-
Net addition to/(depletion in) shareholders' funds	296,824	(334,795)
Opening shareholders' funds	5,917,424	6,252,219
Closing shareholders' funds	6,214,248	5,917,424

13 Contingent liabilities

Unlimited guarantees have been given by the company, under reciprocal arrangements, to the Bankers of the Group, for the borrowings made by the Group Companies.

The liability is constantly changing due to the day to day movements of the Bank accounts of the companies concerned. The maximum potential liability should not exceed the overall group facilities granted by the bankers, which at the balance sheet date amounted to £799,825 (2007: £799,900).

14 Employees

Number of employees
There were no employees during the year apart from the directors.

15 Control

The ultimate parent company is M25 Group Limited, a company registered in England and Wales. A copy of this company's accounts can be obtained from its registered office.

16 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.