

Registration number 499927 (England and Wales)

**R C GLAZE PROPERTIES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

THURSDAY



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**R C GLAZE PROPERTIES LIMITED**  
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**R C GLAZE PROPERTIES LIMITED**  
**COMPANY INFORMATION**

<b>Directors</b>	A J Sperrin D C Farley T Berglund
<b>Secretaries</b>	A J Sperrin J Naish
<b>Registered office</b>	12 Blacks Road Hammersmith London W6 9EU
<b>Auditors</b>	Harmer Slater Limited Statutory Auditor Salatin House 19 Cedar Road Sutton, Surrey SM2 5DA

**R C GLAZE PROPERTIES LIMITED**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010**

The directors present their report and the audited financial statements for the year ended 31 March 2010

**Principal activity**

The principal activity of the company during the year was that of property investment

**Results and dividend**

The results for the company are set out in the financial statements

An interim ordinary dividend of £2,208,709 was paid during the year

**Business review**

The company's investment properties were transferred to its parent company during the year and the company ceased to trade. The directors intend to dissolve the company in the foreseeable future. In consequence, the financial statements have not been prepared on a going concern basis. The effect of this is explained in note 1.

**Directors**

The directors who held office during the year were as follows

- A J Sperrin
- D C Farley
- T Berglund

**Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law, regulations and United Kingdom Generally Accepted Accounting Practice.

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

**R C GLAZE PROPERTIES LIMITED**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010**

(CONTINUED)

**Directors' responsibilities - continued**

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure 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 company and to prevent and detect fraud and other irregularities.

**Statement as to disclosure of information to auditors**

So far as each director is aware there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

The auditors, Harmer Slater Limited, will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

**Small company provisions**

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

Approved by the Board on 22 July 2010 and signed on its behalf by



A J Sperrin  
Director

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF R C GLAZE PROPERTIES LIMITED**

We have audited the financial statements of R C Glaze Properties Limited for the year ended 31 March 2010, set out on pages 6 to 15. 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). As described in note 1, they have not been prepared on a going concern basis.

This report is made solely to the company's member, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our work has been undertaken so that we might state to the company's member those matters we are required to state to it 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 member, 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 2, 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**

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.

### **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 2010 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 AUDITORS' REPORT TO THE MEMBER OF**  
**R C GLAZE PROPERTIES 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, 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



Colin Robert Harmer  
**Senior Statutory Auditor**

for and on behalf of  
Harmer Slater Limited  
Statutory Auditor

Salatin House  
19 Cedar Road  
Sutton, Surrey  
SM2 5DA

22 July 2010

**R C GLAZE PROPERTIES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 £	2009 £
Gross rental income	2	30,143	34,035
Property outgoings		(12,162)	(17,396)
<b>Net rental income</b>		<u>17,981</u>	<u>16,639</u>
Administrative expenses		(4,039)	2,856
<b>Operating profit</b>	3	<u>13,942</u>	<u>19,495</u>
Gains arising on sale of investments	5	44,075	32,548
Other interest receivable and similar income		-	328
<b>Profit on ordinary activities before taxation</b>		<u>58,017</u>	<u>52,371</u>
Tax on profit on ordinary activities	6	-	(47,233)
<b>Profit for the financial year</b>	13	<u><u>58,017</u></u>	<u><u>5,138</u></u>

**Discontinued operations**

Gross rental income and operating profit derive wholly from discontinued operations

The notes on pages 9 to 15 form an integral part of these financial statements



**R C GLAZE PROPERTIES LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £	2009 £
Profit for the financial year	58,017	5,138
Unrealised gains on trade investments	-	137,676
Total recognised gains for the year	<u>58,017</u>	<u>142,814</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**  
**FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £	2009 £
Reported profit on ordinary activities before taxation	58,017	52,371
Realisation of property revaluation gains of previous years	2,113,296	58,290
Historical cost profit on ordinary activities before taxation	<u>2,171,313</u>	<u>110,661</u>
Historical cost loss for the year after taxation	<u>(37,396)</u>	<u>(36,572)</u>

The notes on pages 9 to 15 form an integral part of these financial statements

**R C GLAZE PROPERTIES LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2010**

		2010	2009
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	8	-	2,324,666
<b>Current assets</b>			
Debtors	9	8,623	11,470
Cash at bank		673	3,559
		<u>9,296</u>	<u>15,029</u>
<b>Creditors' Amounts falling due within one year</b>	10	<u>(9,196)</u>	<u>(153,478)</u>
<b>Net current assets/(liabilities)</b>		<u>100</u>	<u>(138,449)</u>
<b>Total assets less current liabilities</b>		100	2,186,217
<b>Creditors. Amounts falling due after more than one year</b>	11	<u>-</u>	<u>(35,425)</u>
<b>Net assets</b>		<u><u>100</u></u>	<u><u>2,150,792</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Revaluation reserve	13	-	2,113,296
Profit and loss reserve	13	<u>-</u>	<u>37,396</u>
<b>Shareholder's funds</b>	14	<u><u>100</u></u>	<u><u>2,150,792</u></u>

Approved and authorised for issue by the Board of Directors on 22 July 2010 and signed on its behalf by



A J Sperrin  
Director

The notes on pages 9 to 15 form an integral part of these financial statements

**R C GLAZE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

**1 ACCOUNTING POLICIES**

**Going concern**

The directors intend to dissolve the company in the foreseeable future. As required by FRS 18 and the Companies Act 2006, the directors have prepared the financial statements on the basis that the company is no longer a going concern and have used measures based on break-up values.

The effect of adopting this approach is that all assets have been written down to their recoverable amounts and reclassified as current and all long term liabilities have been reclassified as current.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and have been prepared in accordance with the Companies Act 2006 and applicable accounting standards.

In accordance with Financial Reporting Standard No 18 "Accounting Policies" the company's directors have reviewed the company's accounting policies and confirm that they continue to be the most appropriate.

A summary of the significant accounting policies which have been consistently applied in the current and the preceding year is set out below.

**Cash flow statement**

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 1 (Revised 1996), from presenting a cash flow statement on the grounds that it qualifies as a subsidiary undertaking, 90% or more of whose voting rights are controlled within the group and consolidated financial statements (which includes the company) are publicly available.

**Gross rental income**

Rental income represents amounts invoiced to third parties in relation to the leasing of the company's investment properties.

Rental income from investment property leased out under an operating lease is recognised in the profit and loss account on a straight-line basis over the term of the lease.

**R C GLAZE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

(CONTINUED)

**1 ACCOUNTING POLICIES CONTINUED**

**Investment properties**

Investment properties are properties owned by the company which are held for long-term rental income or for capital appreciation or both and are included in fixed assets at their latest valuation plus subsequent additions at cost. Surpluses and deficits arising on valuation are taken direct to the revaluation reserve.

The Group's property portfolio is valued annually. At least 25 per cent of the properties held at the previous year end together with any additions during the year will be valued by an external valuation agent and the remainder by the directors so that within every four year period all properties would have been subject to an external valuation.

Depreciation is not provided in respect of freehold properties. This treatment may be a departure from the Companies Act 2006 concerning the depreciation of fixed assets in respect of certain of these properties. However such properties are not held for consumption but for investment and the directors consider that annual depreciation would be inappropriate and that this policy is necessary to give a true and fair view. Depreciation is only but one of many factors reflected in the valuation and the amount which might have been shown cannot be separately identified or quantified. Any permanent diminution in value of properties is charged to the profit and loss account.

**Taxation**

The company is a Real Estate Investment Trust (REIT), therefore deferred tax is not provided on timing differences arising from revaluation of those assets as any gains realised would be exempt from taxation as long as the REIT conditions are met.

**Estimates**

Financial statements prepared in accordance with United Kingdom generally accepted accounting practice require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The company makes estimates and assumptions concerning the future and other key sources of estimation uncertainty. Actual results could differ materially from those estimates. The company makes significant assumptions in its determination of a number of assets and liabilities including investment properties, prepaid expense and accrued expenses.

**Financial instruments**

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

**R C GLAZE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

(CONTINUED)

**2 GROSS RENTAL INCOME**

In the opinion of the directors the company's gross rental income, profit before taxation and net assets are not attributable to classes of business or geographical segments which differ substantially from each other

The gross rental income and profit before taxation is attributable to the one principal activity of the company

**3 OPERATING PROFIT**

Operating profit is stated after charging

	2010 £	2009 £
The audit of the company's annual accounts	<u>2,350</u>	<u>2,300</u>

**4 DIRECTORS' REMUNERATION**

No remuneration was paid to the directors during the year (2009 - £nil)

**5 GAINS ARISING ON SALE OF INVESTMENTS**

	2010 £	2009 £
Gains arising on sale of investment properties	<u>44,075</u>	<u>32,548</u>

**R C GLAZE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

(CONTINUED)

**6 TAXATION**

**Analysis of current period tax charge**

	2010 £	2009 £
<b>Current tax</b>		
REIT conversion charge	-	47,233

**Factors affecting current period tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than (2009 - higher than) the standard rate of corporation tax in the UK of 28.00% (2009 - 28.00%)

The differences are reconciled below

	2010 £	2009 £
Profit on ordinary activities before taxation	58,017	52,371
Standard rate corporation tax charge	16,245	14,664
Group relief	-	(2,548)
Exempt property gain	(12,341)	(7,714)
Exempt property rental profits	(3,904)	(4,402)
REIT conversion charge	-	47,233
Total current tax for the year	-	47,233

**Factors which may affect future tax charges**

The company and its group is a Real Estate Investment Trust (REIT). Consequently, the company no longer pays UK corporation tax on the profits and gains from qualifying rental business provided it meets certain conditions. Non-qualifying profits and gains of the company continue to be subject to corporation tax as normal.

**7 DIVIDENDS**

	2010 £	2009 £
Equity dividends paid	2,208,709	100,000

**R C GLAZE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

(CONTINUED)

**8 TANGIBLE FIXED ASSETS**

	<b>Freehold investment properties £</b>
<b>Cost or Valuation</b>	
As at 1 April 2009	2,324,666
Intra group transfers	(1,757,441)
Disposals	(567,225)
As at 31 March 2010	<u>-</u>
<b>Net book value</b>	
As at 31 March 2010	<u>-</u>
As at 31 March 2009	<u>2,324,666</u>

**9 DEBTORS**

	<b>2010 £</b>	<b>2009 £</b>
Amount owed by parent undertaking	8,623	-
Other debtors	-	7,740
Prepayments	-	3,730
	<u>8,623</u>	<u>11,470</u>

**10 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2010 £</b>	<b>2009 £</b>
Bank overdraft	-	1,156
Other loans	-	1,000
Trade creditors	5,338	9,265
REIT conversion tax	-	11,808
Amount owed to parent undertaking	-	125,589
Accrued expenditure	3,858	4,660
	<u>9,196</u>	<u>153,478</u>

**R C GLAZE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

(CONTINUED)

**11 CREDITORS' AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2010 £	2009 £
REIT conversion tax	<u>-</u>	<u>35,425</u>

**12 SHARE CAPITAL**

	2010 £	2009 £
<b>Allotted, called up and fully paid</b>		
<b>Equity</b>		
2,000 Ordinary shares of 5 pence each	<u>100</u>	<u>100</u>

**13 RESERVES**

	Revaluation reserve £	Profit and loss reserve £	Total £
At 1 April 2009	2,113,296	37,396	2,150,692
Profit for the year	-	58,017	58,017
Transfer of realised profits	(2,113,296)	2,113,296	-
Dividends	<u>-</u>	<u>(2,208,709)</u>	<u>(2,208,709)</u>
At 31 March 2010	<u>-</u>	<u>-</u>	<u>-</u>



**R C GLAZE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

(CONTINUED)

**14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

	2010 £	2009 £
Profit attributable to the member of the company	58,017	5,138
Dividends	(2,208,709)	(100,000)
	<u>(2,150,692)</u>	<u>(94,862)</u>
Other recognised gains for the year	-	137,676
Net (reduction)/addition to shareholder's funds	<u>(2,150,692)</u>	<u>42,814</u>
Opening shareholder's funds	2,150,792	2,107,978
Closing shareholder's funds	<u>100</u>	<u>2,150,792</u>

**15 FINANCIAL INSTRUMENTS**

The company has taken advantage of the disclosure requirements set out within FRS 25 "Financial Instruments disclosure and presentation" on the grounds it qualifies as a subsidiary, 90 per cent or more whose voting rights are controlled within the group

**16 RELATED PARTIES**

**Controlling party**

The ultimate parent undertaking is Pineapple Corporation Plc, incorporated in England and Wales, accounts of which are available from 12 Blacks Road, Hammersmith, London W6 9EU

**Related party transactions**

The company has taken advantage of FRS8 which exempts wholly owned subsidiary undertakings from disclosing transactions with entities that are part of the group or investees of the group qualifying as related parties