

Financial statements Plandsmarp Investments Limited

For the year ended 30 November 2010



Company no 01122022

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Report of the directors

The directors present their report together with the audited financial statements for the year ended 30 November 2010

Principal activity

The company is principally engaged in property investment. The company was insolvent during the year. As highlighted in Note 1(iii) of the notes to the financial statements, the company meets its day to day requirements through continuous support from the company's bankers, its parent company and the Charles Street Group Funded Unapproved Retirement Benefits Scheme. Based on the above the directors consider it appropriate to prepare the accounts on a going concern basis. During the year the company disposed of its property at Glenfield, Leicester to another group company. In addition two properties in Leicester were acquired from another group company.

Review of the business

The loss for the year after taxation related to the company's continuing activity and amounted to £42,323,345 (2009 £39,591,035)

In view of the deficit on reserves the directors cannot recommend payment of a dividend and the loss has been transferred from reserves.

Future developments

There are no development plans at present.

Directors

The directors in office at the end of the year were Mr H P Murphy, Mrs W M Linnert, Mr R H Smith, Mrs M A Murphy, Mr P H Murphy and Mr J J Murphy.

All of the directors served on the Board throughout the year.

Directors' responsibilities for the financial statements

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 Accounting Standards (United Kingdom Generally Accepted Accountancy Practice). 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 these 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
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements
- 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 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the directors (continued)

Statement of disclosure to auditor

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Fixed assets

Investment properties

Professional valuations of the investment properties as at 30 November 2010 were supplied by Mather Jamie, Chartered Surveyors. All properties were valued on the basis of open market value.

Close company

The company is a close company as defined by section 414 of the Income and Corporation Taxes Act 1988

Auditor

Sedley Richard Laurence Voulters changed their name to SRLV during the year. SRLV are deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

BY ORDER OF THE BOARD



R H SMITH F C A
Secretary

18 February 2011

Registered office.

856 Melton Road
Thurmaston
Leicester
LE4 8BT

Report of the independent auditor to the members of Plandsmarp Investments Limited

We have audited the financial statements of Plandsmarp Investments Limited for the year ended 30 November 2010 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the reconciliation of movement in shareholders' funds and the related notes. 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 and 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

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

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 30 November 2010 and of its loss 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.

Emphasis of matter

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £42,323,345 during the year ended 30 November 2010 and, at that date, the company's current liabilities exceeded its total assets by £411,901,130. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

Report of the independent auditor to the members of Plandsmarp Investments Limited (continued)

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

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.



Marc Voulters

Senior Statutory Auditor

for and on behalf of SRLV

Statutory Auditor, Chartered Accountants

89 New Bond Street
London
W1S 1DA

18 February 2011

Profit and loss account

	Note	2010 £	2009 £
Rents receivable		848,229	884,843
Administrative expenses		(39,394)	(53,547)
Profit on ordinary activities before interest payable		808,835	831,296
Interest payable and similar charges	2	(45,148,383)	(40,430,416)
Loss on ordinary activities before taxation	3	(44,339,548)	(39,599,120)
Tax credit on loss on ordinary activities	4	2,016,203	8,085
Loss for the financial year	9	(42,323,345)	(39,591,035)

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

Statement of total recognised gains and losses

	2010 £	2009 £
Loss for the financial year	(42,323,345)	(39,591,035)
Unrealised loss on revaluation of freehold investment property	(4,254)	(1,250,000)
Total recognised gains and losses for the year	<u>(42,327,599)</u>	<u>(40,841,035)</u>

Balance sheet

	Note	2010 £	2009 £
Fixed assets			
Tangible assets	5	1,412,650	6,750,000
Current assets			
Debtors	6	805,559	185,219
Cash at bank		<u>1,127,853</u>	<u>208,668</u>
		1,933,412	393,887
Creditors: amounts falling due within one year			
Creditors	7	<u>(415,247,192)</u>	<u>(376,717,418)</u>
Net current liabilities		(413,313,780)	(376,323,531)
Total assets less current liabilities		<u>(411,901,130)</u>	<u>(369,573,531)</u>
Capital and reserves			
Called up share capital	8	134	134
Capital reserve	9	7,904,875	7,904,875
Revaluation reserve	9	(4,254)	(910,782)
Profit and loss account			
Accumulated losses	9	(419,801,885)	(376,567,758)
Shareholders' funds	10	<u>(411,901,130)</u>	<u>(369,573,531)</u>
Equity shareholder's funds	10	(411,901,164)	(369,573,565)
Non-equity shareholder's fund	10	34	34
		<u>(411,901,130)</u>	<u>(369,573,531)</u>

The financial statements were approved by the Board of Directors on 18 February 2011



Mr H P Murphy
Director

Company No 01122022

Notes to the financial statements

1 Accounting policies

(i) General

The principal accounting policies of the company have remained unchanged from the previous year

(ii) Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with applicable United Kingdom Accounting Standards. The financial statements incorporate the results of the principal activity which is described in the Directors' report and which is continuing. The company has taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 per cent of the voting rights are controlled within the group.

(iii) Going concern

The company incurred a net loss of £42,323,345 during the year ended 30 November 2010 and at that date, the company's current liabilities exceeded its total assets by £411,901,130. The company met its day to day working capital requirements through the company's bankers, its parent company and the Charles Street Group Funded Unapproved Retirement Benefit Scheme. The parent company and the Group Benefit Scheme have indicated their willingness to support the company for at least the next 12 months. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The accounts do not include any adjustments that would result from the withdrawal of support from the above parties.

(iv) Rental income

Rental income comprises rent receivable from freehold investment properties.

(v) Investment Property

Investment property is shown at its open market value in accordance with the requirements of Statement of Standard Accounting Practice No 19 Accounting for investment properties. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve.

Diminutions in value of investment property below historical cost are treated as follows.

- if the fall in value is expected to be permanent then the amount is dealt with through the profit and loss account
- if the fall in value is expected to be temporary then the amount is dealt with through the revaluation reserve

Depreciation is not provided on investment properties. This treatment, as regards certain of the company's investment properties, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

(vi) Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Notes to the financial statements

2 Interest payable and similar charges

	2010 £	2009 £
Interest payable on		
The Charles Street Group FURBS debt	45,148,383	40,430,416
	<u>45,148,383</u>	<u>40,430,416</u>

3 Loss on ordinary activities before taxation

This is stated after charging

	2010 £	2009 £
Auditor's remuneration - audit fee	4,000	4,000
- non audit fee	<u>1,350</u>	<u>1,350</u>

4 Taxation

(a) Analysis of credit

	2010 £	2009 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2009 28%)	(2,016,179)	(8,085)
Adjustment to tax credit in respect of prior year	<u>(24)</u>	<u>(-)</u>
Total current tax	<u>(2,016,203)</u>	<u>(8,085)</u>

The above tax credit relates to group relief surrendered to another group company.

(b) Factors affecting tax credit

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 28%)

	2010 £	2009 £
Loss on ordinary activities before taxation	<u>(44,339,548)</u>	<u>(39,599,120)</u>
Loss on ordinary activities multiplied by rate of tax	(12,415,073)	(11,087,754)
Expenses not deductible for tax purposes	10,401,547	11,085,316
Capital allowances for the year in excess of depreciation	<u>(2,653)</u>	<u>(5,647)</u>
Total current tax (Note 4(a))	<u>(2,016,179)</u>	<u>(8,085)</u>

Notes to the financial statements

4 Taxation (continued)

No provision has been made for a potential deferred tax asset of £85,110,101 (2009 £74,461,535) on the basis that the recovery of such tax assets is unlikely

5 Tangible fixed assets

	2010 £	2009 £
Freehold investment property		
At valuation		
At 1 December 2009	6,750,000	8,000,000
Additions	1,416,904	-
Disposals	(6,750,000)	-
Revaluation	(4,254)	(1,250,000)
At 30 November 2010	<u>1,412,650</u>	<u>6,750,000</u>

In accordance with the provisions of Statement of Standard Accounting Practice No 19 Accounting for investment properties, investment property is included in the balance sheet at open market value.

Investment property is stated at independent professional valuation on the basis of open market value, carried out by Mather Jamie (Chartered Surveyors) having regard to the RICS Valuation Standards (6th Edition) January 2008

If the above assets had not been revalued, they would have been included on the historical cost basis at cost and net book value at 30 November 2010 of £1,416,904 (2009 £7,660,782)

6 Debtors

	2010 £	2009 £
Trade debtors	189,380	185,219
Amounts owed by group undertakings	616,179	-
	<u>805,559</u>	<u>185,219</u>

Notes to the financial statements

7 Creditors

	2010 £	2009 £
Amounts falling due within one year		
Trade creditors	-	15
Taxation and social security	1,475,053	37,973
Amounts owing to group undertakings	2,690	1,553
Accruals and deferred income	15,275	72,086
The Charles Street Group FURBS	109,789,530	109,789,530
Accrued interest payable to the Charles Street Group FURBS	303,964,644	266,816,261
	<u>415,247,192</u>	<u>376,717,418</u>

8 Share capital

	2010 and 2009 £
Authorised, allotted, called up and fully paid	
100 ordinary shares of £1 each	100
34 non-cumulative 5% preference shares of £1 each	34
	<u>134</u>

Preference shares

The non-cumulative 5% preference shares carry an entitlement to a fixed non-cumulative preferential dividend at the rate of 5% per annum, such dividend to be paid as regards each financial year out of the profits of such financial year only. Preference share holders have the right on a winding up to receive £1 per share in priority to the holders of the ordinary shares. The preference shares are considered to be, in all material respects, equity shares.

9 Reserves

	Capital reserve £	Revaluation reserve £	Profit and loss account £
Original balance at 1 December 2009	7,904,875	(910,782)	(376,567,758)
Loss for the year	-	-	(42,323,345)
Transfer	-	910,782	(910,782)
Other gains and losses			
- Revaluation of fixed assets	-	(4,254)	-
At 30 November 2010	<u>7,904,875</u>	<u>(4,254)</u>	<u>(419,801,885)</u>

Notes to the financial statements

10 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Loss for the financial year	(42,323,345)	(39,591,035)
Other net recognised gains and losses	(4,254)	(1,250,000)
Net additions to shareholders' deficit	(42,327,599)	(40,841,035)
Opening shareholders' deficit	(369,573,531)	(328,732,496)
Shareholders' funds at 30 November 2010	<u>(411,901,130)</u>	<u>(369,573,531)</u>
Attributable to		
Equity shareholder	(411,901,164)	(369,573,565)
Non-equity shareholder		
Non-cumulative 5% preference shares	34	34
	<u>(411,901,130)</u>	<u>(369,573,531)</u>

11 Transactions with related parties

As a company whose ordinary shares are wholly owned by Charles Street Buildings (Leicester) Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by Charles Street Buildings (Leicester) Limited.

12 Ultimate parent undertaking/controlling related party

The ultimate controlling party and ultimate parent company is Charles Street Buildings (Leicester) Limited, by virtue of its shareholding.

Charles Street Buildings (Leicester) Limited is a company registered in England and Wales and prepares group financial statements, which can be obtained from Companies House