

1723832

**Forecourt Properties Limited**

Report and Financial Statements

Year Ended

31 March 2008



**BDO Stoy Hayward**  
Chartered Accountants

## **Forecourt Properties Limited**

### **Annual report and financial statements for the year ended 31 March 2008**

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#### **Directors**

C White  
M Benady  
Trafalgar Officers Limited

#### **Secretary and registered office**

REIT (Corporate Services) Limited, 5 Wigmore Street, London W1U 1PB

#### **Company number**

1723832

#### **Auditors**

BDO Stoy Hayward LLP, 55 Baker Street, London, W1U 7EU.

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## **Forecourt Properties Limited**

### **Report of the directors for the year ended 31 March 2008**

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The directors present their report together with the audited financial statements for the year ended 31 March 2008.

#### **Results and dividends**

The profit and loss account is set out on page 5 and shows the result for the year.

No dividend was paid during the year (31 March 2007 - £10,554,858).

#### **Principal activities, trading review and future developments**

The principal activity of the company and its subsidiaries is property investment and management.

The position of the company at the end of the year is set out in the balance sheet.

The directors consider that the company will perform satisfactorily in the forthcoming year.

#### **Directors**

The directors of the company during the period were:

REIT (Corporate Directors) Limited (resigned 10 November 2008)

C White (appointed 10 November 2008)

M Benady (appointed 10 November 2008)

Trafalgar Officers Limited (appointed 10 November 2008)

The directors had no beneficial interest in the share capital of the company or the parent company.

## **Forecourt Properties Limited**

### **Report of the directors for the year ended 31 March 2008 (Continued)**

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#### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period which 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

#### **Auditors**

The directors have taken all the steps that it ought to have taken to make itself aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**By order of the Board**



For and on behalf of REIT (Corporate Services) Limited  
**Secretary**

Date: 30.01.09

## **Forecourt Properties Limited**

### **Report of the independent auditors**

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#### **To the shareholders of Forecourt Properties Limited**

We have audited the financial statements of Forecourt Properties Limited for the year ended 31 March 2008 which comprise the profit and loss account, the statement of reconciliation of movements in shareholders' funds, the balance sheet, the note of historical cost profits and losses, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### *Respective responsibilities of the directors and the auditors*

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the Report of the directors are consistent with those financial statements. We also 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 Report of the directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *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.

**Forecourt Properties Limited**

**Report of the independent auditors (*Continued*)**

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*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 result 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.

*BDO Stoy Hayward LLP*

**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and Registered Auditors*  
London

*30/1/2009*

**Forecourt Properties Limited****Profit and loss account for the year ended 31 March 2008**

	<b>Note</b>	<b>2008 £</b>	<b>2007 £</b>
<b>Turnover</b>	1	-	1,210
<b>Gross profit</b>		-	1,210
Administrative expenses		(3,349,042)	(162)
<b>Operating (loss)/profit</b>	2	(3,349,042)	1,048
Dividends receivable	3	-	10,541,553
Interest receivable and similar income	4	626	8
Interest payable	5	(1,756,356)	(1,533,500)
<b>(Loss)/profit on ordinary activities before and after taxation transferred to reserves</b>	12	(5,104,772)	9,009,109

All amounts relate to continuing activities.

There are no recognised gains or losses other than disclosed in the profit and loss account.

The notes on pages 8 to 13 form part of these financial statements.

**Forecourt Properties Limited****Statement of reconciliation of movements in shareholders' funds for the year ended 31 March 2008**

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	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
(Loss)/profit for the year	<b>(5,104,772)</b>	9,009,109
Dividend paid	<b>-</b>	(10,554,858)
	<hr/>	<hr/>
Net reduction to shareholders' funds	<b>(5,104,772)</b>	(1,545,749)
Opening shareholders' funds	<b>1,653,382</b>	3,199,131
	<hr/>	<hr/>
Closing shareholders' (deficit)/funds	<b>(3,451,390)</b>	1,653,382
	<hr/>	<hr/>

The notes on pages 8 to 13 form part of these financial statements.




**Forecourt Properties Limited****Balance sheet at 31 March 2008**

	Note	2008 £	2008 £	2007 £	2007 £
<b>Fixed assets</b>					
Investments	8		2,816,874		2,816,874
<b>Current assets</b>					
Debtors	9	13,664,172		33,257,925	
Cash at bank and in hand		-		9,572	
		<u>13,664,172</u>		<u>33,267,497</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(19,932,436)</u>		<u>(34,430,989)</u>	
<b>Net current liabilities</b>			<u>(6,268,264)</u>		<u>(1,163,492)</u>
<b>Net (liabilities)/assets</b>			<u>(3,451,390)</u>		<u>1,653,382</u>
<b>Capital and reserves</b>					
Called up share capital	11		3,185,825		3,185,825
Profit and loss account	12		<u>(6,637,215)</u>		<u>(1,532,443)</u>
<b>Equity shareholders' (deficit)/funds</b>			<u>(3,451,390)</u>		<u>1,653,382</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved and authorised for issue by the Board.

  
For and on behalf of Trafalgar Officers Limited  
Director

30.01.09

The notes on pages 8 to 13 form part of these financial statements.

## Forecourt Properties Limited

### Notes forming part of the financial statements for the year ended 31 March 2008

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#### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

##### *Financial statements*

The company is a wholly owned subsidiary of Estates & General Limited. In accordance with S228 of the Companies Act the company is exempt from preparing group financial statements and as such the financial statements present information about the company as an individual undertaking and not about its group.

##### *Turnover*

Turnover derives from one class of business and represents gross rents receivable. All turnover derives from activities within the United Kingdom.

##### *Interest*

All interest is charged to the profit and loss account as accrued.

##### *Investments*

Investments in subsidiaries are stated at cost less provision for impairment.

##### *Deferred taxation*

Deferred tax is provided in full on timing differences which, at the balance sheet date result in obligation to pay more tax, or a right to pay less tax, at a future date. Such provision is made at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax assets and liabilities are not discounted.

##### *Going concern*

As at 31 March 2008 the company had net liabilities of £3,451,390. The company is dependant on the continued support of its parent company, Estates & General Limited, who at the year end was owed £18,654,981 by the company.

The directors of Estates & General Limited have confirmed that they do not intend to demand repayment of the loan until the company is in a financial position to do so. As a result the directors have prepared the accounts on a going concern basis.

## **Forecourt Properties Limited**

### **Notes forming part of the financial statements for the year ended 31 March 2008**

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#### **2 Operating loss**

The company had no employees during the current or preceding period.

The directors of the company did not receive any emoluments during the current or preceding period in respect of services to the company.

Auditors' remuneration was borne by the parent company in the current and preceding period.

Details of employee costs and auditors' remuneration are shown in the financial statements of the parent company.

During the year a provision for bad debt was charged £3,349,000 (2007 – nil).

#### **3 Dividends receivable**

	<b>2008</b> <b>£</b>	<b>2007</b> <b>£</b>
Interim dividends received from subsidiary undertakings	-	10,541,553
	<hr/>	<hr/>

#### **4 Interest receivable and similar income**

	<b>2008</b> <b>£</b>	<b>2007</b> <b>£</b>
Other interest receivable and similar income	626	8
	<hr/>	<hr/>

#### **5 Interest payable**

	<b>2008</b> <b>£</b>	<b>2007</b> <b>£</b>
Interest payable to group undertakings	1,756,356	1,533,500
	<hr/>	<hr/>

**Forecourt Properties Limited****Notes forming part of the financial statements for the year ended 31 March 2008 (Continued)****6 Taxation on profit on ordinary activities**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<i>Current tax</i>		
UK corporation tax on profits of the period	-	-
	<u>          </u>	<u>          </u>
<i>Deferred tax</i>		
Utilisation of losses	-	-
	<u>          </u>	<u>          </u>

The tax assessed for the period differs from the standard rate of corporation tax in the UK. The differences are explained below:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
(Loss)/profit on ordinary activities before tax	<b>(5,104,772)</b>	9,009,109
	<u>          </u>	<u>          </u>
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (31 March 2007 - 30%)	<b>(1,531,432)</b>	2,702,733
Effects of:		
Expenses not deductible for tax purposes	<b>1,004,700</b>	-
Income from subsidiary companies	-	(3,162,466)
Capital allowances in excess of depreciation	-	(95)
Group relief surrendered	<b>526,732</b>	459,798
Disallowed expenses	-	30
	<u>          </u>	<u>          </u>
Current tax charge for period	-	-
	<u>          </u>	<u>          </u>

**7 Dividends Payable**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Interim dividends	-	10,554,858
	<u>          </u>	<u>          </u>

# Forecourt Properties Limited

## Notes forming part of the financial statements for the year ended 31 March 2008 (Continued)

8 Investments	Shares in group undertakings £
<i>Cost and net book value</i> April 2007 and at 31 March 2008	<b>2,816,874</b>

The shares in group companies represent holdings in the following subsidiaries, all of which are property investment companies incorporated in Great Britain and registered in England and Wales.

	Class of shares held	Percentage of nominal value of issued shares held
Penn House (Bracknell) Limited	Ordinary	100
Penn House (Bristol) Limited	Ordinary	100
Penn House (Crawley) Limited	Ordinary	100
Penn House (Dalkeith) Limited	Ordinary	100
Penn House (Norton) Limited	Ordinary	100
Penn House (Ravensbank) Limited	Ordinary	100
Penn House (Redditch) Limited	Ordinary	100
Penn House (Swansea) Limited	Ordinary	100
Penn House (Wigston) Limited	Ordinary	100
Station House (Nominees) Limited	Ordinary	100
Station House Bracknell Limited	Ordinary	100

9 Debtors	2008 £	2007 £
Amounts owed by group undertakings	<b>13,661,613</b>	33,254,781
Other debtors	<b>2,559</b>	3,144
	<b>13,664,172</b>	33,257,925

All amounts shown under debtors fall due for payment within one year

**Forecourt Properties Limited**

**Notes forming part of the financial statements for the year ended 31 March 2008 (Continued)**

**10 Creditors: amounts falling due within one year**

	2008 £	2007 £
Trade creditors	10	10
Amount owed to group undertakings	19,932,426	33,815,806
Accruals and deferred income	-	584
Other Creditors	-	614,589
	<u>19,932,436</u>	<u>34,430,989</u>

**11 Share capital**

	2008 Number	2007 Number	2008 £	2007 £
'A' ordinary shares of £1 each	3,200,000	3,200,000	3,200,000	3,200,000
'B' ordinary shares of £1 each	50	50	50	50
	<u>3,200,050</u>	<u>3,200,050</u>	<u>3,200,050</u>	<u>3,200,050</u>

	2008 Number	2007 Number	2008 £	2007 £
'A' ordinary shares of £1 each	3,185,775	3,185,775	3,185,775	3,185,775
'B' ordinary shares of £1 each	50	50	50	50
	<u>3,185,825</u>	<u>3,185,825</u>	<u>3,185,825</u>	<u>3,185,825</u>

The 'A' and 'B' equity ordinary shares rank pari passu in terms of rights to dividend payments, voting rights and participation rights in a surplus on a winding up.

## Forecourt Properties Limited

### Notes forming part of the financial statements for the year ended 31 March 2008 (Continued)

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<b>12 Profit and loss account</b>	<b>£</b>
At April 2007	(1,532,443)
Loss for the year	(5,104,772)
<b>At 31 March 2008</b>	<b><u>(6,637,215)</u></b>

### 13 Related party transactions

As at 31 March 2008, the company owed Winten Limited £Nil (31 March 2007 - £614,589). Winten Limited is a related party by virtue of being related to the ultimate parent undertaking, Trafalgar Overseas Limited.

The company is taking advantage of the exemption granted by paragraph 3(c) of FRS 8 – Related Party Disclosures not to disclose transactions with group companies which are related parties.

### 14 Cash flow statement

The company is not presenting a cash flow statement. It has taken advantage of the exemption in FRS 1 as the parent company, Estates & General Limited, has included a consolidated cash flow statement within its own consolidated financial statements.

### 15 Ultimate parent company

The parent company in the UK is Estates & General Limited for which group financial statements are prepared. Estate & General Limited is incorporated and registered in England and Wales. The ultimate controlling entity, in the directors' opinion is Trafalgar Overseas Limited, a company registered in Gibraltar.

Copies of the financial statements of Estates & General Limited are available from Companies House.