

Registrar of Companies

Report of the Directors and  
Financial Statements  
for the Year Ended 31 March 2008  
for  
Rendlesham Estates plc

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**for the Year Ended 31 March 2008**

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**Rendlesham Estates plc**

**Company Information**  
**for the Year Ended 31 March 2008**

**DIRECTORS:** M J Walter  
Miss T J C Walter

**SECRETARY:** M J Walter

**REGISTERED OFFICE** Cedar House  
6A Court Close  
Bray  
Maidenhead  
Berkshire  
SL6 2DL

**REGISTERED NUMBER** 02781375 (England and Wales)

**AUDITORS** A C Mole & Sons  
Chartered Accountants  
& Registered Auditors  
Stafford House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

**SOLICITORS:** Turbervilles  
Hill House  
118 High Street  
Uxbridge  
Middlesex  
UB8 1JT

## **Rendlesham Estates plc**

### **Report of the Directors** **for the Year Ended 31 March 2008**

The directors present their report with the financial statements of the company for the year ended 31 March 2008

#### **PRINCIPAL ACTIVITY**

The principal activities of the company in the year under review were those of providing and maintaining flats and dwelling houses

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements

During the financial year the company continued to develop its lettings to corporate customers with the majority of apartments at Ascot House, Eton House and The Old Coalyard let to business clients with profitable added services. The company further consolidated its position by disposing of apartments which are not based in our two main developments

The house in Ascot, in which the company owned 50%, was sold at a profit during the year whilst the house in Virginia Water continues to be let with the tenant taking a new lease until August 2010. We continue to retain our long leasehold reversionary investment in Gosfield Street, London W1

The Haslemere joint venture was granted planning permission after unnecessarily having to take it to appeal. Build quotes are currently being negotiated with the contract to be awarded early September 2008

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the company

#### **FUTURE DEVELOPMENTS**

The Company will continue with the primary activity of locating and acquiring properties suitable for residential letting, and is exploring further joint ventures in the development field

#### **DIRECTORS**

M J Walter has held office during the whole of the period from 1 April 2007 to the date of this report

Other changes in directors holding office are as follows

Miss P J Sawyer - resigned 5 December 2007

Miss T J C Walter - appointed 5 December 2007

The directors holding office at 31 March 2008 did not hold any beneficial interest in the issued share capital of the company at 1 April 2007 or 31 March 2008

#### **SUPPLIER PAYMENT POLICY**

The Company strongly believes that prompt payment engenders good relationships with its suppliers and has implemented a policy to pay suppliers within 14 days of receipt of invoice

#### **STATEMENT OF 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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

**Rendlesham Estates plc**

**Report of the Directors**  
**for the Year Ended 31 March 2008**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

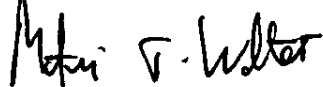
So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, A C Mole & Sons, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'M J Walter', is written over the printed name.

M J Walter - Director

28 August 2008

**Report of the Independent Auditors to the Shareholders of  
Rendlesham Estates plc**

We have audited the financial statements of Rendlesham Estates plc for the year ended 31 March 2008 on pages five to fifteen. 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 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 on pages two and three.

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 Report of the Directors 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 Report of the Directors 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.

**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 loss 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 Report of the Directors is consistent with the financial statements.

  
A C Mole & Sons  
Chartered Accountants  
& Registered Auditors  
Stafford House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

29 August 2008

**Rendlesham Estates plc****Profit and Loss Account**  
**for the Year Ended 31 March 2008**

	Notes	2008 £	2007 £
<b>TURNOVER</b>		325,227	347,849
Cost of sales		<u>34,572</u>	<u>41,905</u>
<b>GROSS PROFIT</b>		290,655	305,944
Administrative expenses		<u>146,874</u>	<u>144,208</u>
		143,781	161,736
Other operating income		<u>150</u>	<u>-</u>
<b>OPERATING PROFIT</b>	3	143,931	161,736
(Loss)/Profit on disposal of investment properties		<u>49,438</u>	<u>(120,622)</u>
		193,369	41,114
Interest receivable and similar income		<u>45,378</u>	<u>533</u>
		238,747	41,647
Share of (Profits)/Losses in Associated Undertakings	4	<u>(11,466)</u>	<u>(11,025)</u>
		250,213	52,672
Interest payable and similar charges	5	<u>405,101</u>	<u>357,813</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(154,888)	(305,141)
Tax on loss on ordinary activities	6	<u>-</u>	<u>11</u>
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>(154,888)</u>	<u>(305,152)</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**Rendlesham Estates plc**

**Statement of Total Recognised Gains and Losses**  
**for the Year Ended 31 March 2008**

	2008 £	2007 £
<b>LOSS FOR THE FINANCIAL YEAR</b>	(154,888)	(305,152)
Unrealised surplus on property revaluations	—	—
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>(154,888)</u>	<u>(305,152)</u>

**Note of Historical Cost Profits and Losses**  
**for the Year Ended 31 March 2008**

	2008 £	2007 £
<b>REPORTED LOSS</b>		
<b>ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	(154,888)	(305,141)
Realisation of property revaluation gains of previous years	-	77,878
<b>HISTORICAL COST LOSS</b>		
<b>ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u>(154,888)</u>	<u>(227,263)</u>
<b>HISTORICAL COST LOSS</b>		
<b>FOR THE YEAR RETAINED AFTER TAXATION</b>	<u>(154,888)</u>	<u>(227,274)</u>



**Rendlesham Estates plc****Balance Sheet**  
**31 March 2008**

	Notes	2008		2007	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		6,211,794		7,112,625
Investments	8		<u>668,866</u>		<u>668,866</u>
			6,880,660		7,781,491
<b>CURRENT ASSETS</b>					
Debtors	9	238,915		38,902	
Cash at bank		<u>53,646</u>		<u>88,327</u>	
		292,561		127,229	
<b>CREDITORS</b>					
Amounts falling due within one year	10	<u>708,500</u>		<u>659,072</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(415,939)</u>		<u>(531,843)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			6,464,721		7,249,648
<b>CREDITORS</b>					
Amounts falling due after more than one year			(4,624,605)		(5,254,644)
<b>PROVISIONS FOR LIABILITIES</b>	14		<u>(60)</u>		<u>(60)</u>
<b>NET ASSETS</b>			<u>1,840,056</u>		<u>1,994,944</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		586,000		586,000
Share premium	16		5,632		5,632
Revaluation reserve	16		485,353		485,353
Profit and loss account	16		<u>763,071</u>		<u>917,959</u>
<b>SHAREHOLDERS' FUNDS</b>	19		<u>1,840,056</u>		<u>1,994,944</u>

The financial statements were approved by the Board of Directors on 28 August 2008 and were signed on its behalf by



M J Walter - Director



Miss T J C Walter - Director

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 31 March 2008**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Leasehold Property	- See Below
Computer equipment	- 33% on cost

The property from which the company operates has been revalued with the other properties and is not depreciated as it is considered that depreciation would be immaterial. Annual impairment reviews are undertaken in respect of this property to ensure its carrying value can be supported

**Investment Properties**

In accordance with Statement of Standard Accounting Practice (SSAP) 19 no depreciation is provided in respect of investment properties

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP19. The directors consider that as these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation 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.

Investment properties are revalued annually and shown in the accounts at valuation. Net surpluses are credited to the revaluation reserve.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

As required by Financial Reporting Standard 19 no deferred tax is provided on revaluation gains unless there exists a binding agreement to sell the asset.

**2 STAFF COSTS**

	2008	2007
	£	£
Wages and salaries	107,916	105,962
Social security costs	<u>11,536</u>	<u>12,928</u>
	<u>119,452</u>	<u>118,890</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2008**

**2 STAFF COSTS - continued**

The average monthly number of employees during the year was as follows

	2008	2007
Directors	2	2
Administration	<u>2</u>	<u>3</u>
	<u>4</u>	<u>5</u>

The highest paid director is as follows

	2008 £	2007 £
Salary	<u>62,000</u>	<u>68,000</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging

	2008 £	2007 £
Auditors remuneration	<u>4,465</u>	<u>4,465</u>
Directors' emoluments	<u>93,400</u>	<u>93,200</u>

**4 SHARE OF (PROFITS)/LOSSES IN ASSOCIATED UNDERTAKINGS**

	2008 £	2007 £
Share of (profits)/losses in associated undertaking	<u>(11,466)</u>	<u>(11,025)</u>

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	2008 £	2007 £
Bank interest	-	1,830
Bank loan interest	372,303	355,147
Corporation tax interest	-	836
Inter-company loan interest	<u>32,798</u>	<u>-</u>
	<u>405,101</u>	<u>357,813</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2008**

**6 TAXATION**

**Analysis of the tax charge**

The tax charge on the loss on ordinary activities for the year was as follows

	2008 £	2007 £
Current tax		
UK corporation tax	<u>-</u>	<u>11</u>
Tax on loss on ordinary activities	<u>-</u>	<u>11</u>

**Factors affecting the tax charge**

The tax assessed for the year is the same as the standard rate of corporation tax in the UK

	2008 £	2007 £
Loss on ordinary activities before tax	<u>(154,888)</u>	<u>(305,141)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 0% (2007 - 0%)	-	-
Effects of property gains from accounting for tax of depreciation		
Under provision in previous period	<u>-</u>	<u>11</u>
Current tax charge	<u>-</u>	<u>11</u>

**7 TANGIBLE FIXED ASSETS**

	Investment property £	Leasehold Property £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 April 2007	6,887,625	225,000	9,905	7,122,530
Disposals	<u>(900,831)</u>	<u>-</u>	<u>-</u>	<u>(900,831)</u>
At 31 March 2008	<u>5,986,794</u>	<u>225,000</u>	<u>9,905</u>	<u>6,221,699</u>
<b>DEPRECIATION</b>				
At 1 April 2007 and 31 March 2008	<u>-</u>	<u>-</u>	<u>9,905</u>	<u>9,905</u>
<b>NET BOOK VALUE</b>				
At 31 March 2008	<u>5,986,794</u>	<u>225,000</u>	<u>-</u>	<u>6,211,794</u>
At 31 March 2007	<u>6,887,625</u>	<u>225,000</u>	<u>-</u>	<u>7,112,625</u>

**Rendlesham Estates plc****Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2008****7 TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 March 2008 is represented by

	Investment property £	Leasehold Property £	Computer equipment £	Totals £
Valuation in 2004	196,518	26,908	-	223,426
Valuation in 2005	309,386	-	-	309,386
Cost	<u>5,480,890</u>	<u>198,092</u>	<u>9,905</u>	<u>5,688,887</u>
	<u>5,986,794</u>	<u>225,000</u>	<u>9,905</u>	<u>6,221,699</u>

The properties were revalued on an open market basis by

Location	Valuer	Date
Egham/Virginia Water	N D Hanson & Co Chartered Surveyors	March 2005
Suffolk	James Aldrige Chartered Surveyors	March 2004

The property portfolio is divided geographically and areas are valued on a rotational basis. The valuation as stated in 2008 relates to the accumulated effect of all brought forward valuations.

The properties were revalued at 31 March 2008 on an open market basis by the directors, and the figures shown above reflect this valuation. There was no material change from the valuation carried out last year.

**8 FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Unlisted investments £	Totals £
<b>COST</b>			
At 1 April 2007 and 31 March 2008	<u>658,366</u>	<u>10,500</u>	<u>668,866</u>
<b>NET BOOK VALUE</b>			
At 31 March 2008	<u>658,366</u>	<u>10,500</u>	<u>668,866</u>
At 31 March 2007	<u>658,366</u>	<u>10,500</u>	<u>668,866</u>

The company's investments at the balance sheet date in the share capital of companies include the following

**Pinetype Limited**

Country of incorporation England

Nature of business Property development

	% holding	2008 £	2007 £
Class of shares	97.69		
Ordinary			
Aggregate capital and reserves		617,992	534,518
Profit/(Loss) for the year		<u>72,591</u>	<u>(139,400)</u>

**Rendlesham Estates plc**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2008**

**8 FIXED ASSET INVESTMENTS - continued**

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

The fixed asset investment represents a 20% interest in The Old Coalyard LLP. The partnership provides lettings of short-term serviced accommodation. The company's share in each of the following items at 31 March 2008 is as follows

	£
Turnover	87,157
Fixed assets	1,269
Current assets	33,964
Creditors amounts falling due within one year	13,555

The fixed asset investment also represents a 50% interest in First Surrey Developments Limited. The company is involved in property development. The company's share in each of the following items at 31 March 2008 is as follows

	£
Turnover	-
Profit before taxation	1,833
Taxation	-
Loss after taxation	1,833
Fixed assets	-
Current assets	418,479
Creditors amounts falling due within one year	64,868
Creditors amounts falling due after one year	355,000

**9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008	2007
	£	£
Other debtors	<u>238,915</u>	<u>38,902</u>

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

	2008	2007
	£	£
Social security and other taxes	3,343	5,349
Other creditors	15,157	68,288
Amounts owed to group undertakings	<u>690,000</u>	<u>585,435</u>
	<u>708,500</u>	<u>659,072</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2008**

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

	2008 £	2007 £
Bank loans (see note 12)	4,398,055	5,067,382
Other loans (see note 12)	<u>226,550</u>	<u>187,262</u>
	<u>4,624,605</u>	<u>5,254,644</u>

**12 LOANS**

An analysis of the maturity of loans is given below

	2008 £	2007 £
Amounts falling due in more than five years		
Repayable otherwise than by instalments		
Bank loans	4,398,055	5,067,382
Minority interest	<u>226,550</u>	<u>187,262</u>
	<u>4,624,605</u>	<u>5,254,644</u>

The bank loans falling due after more than 5 years are interest only at a rate linked to LIBOR

The minority interest represents a 12% stake in six properties owned by the company

**13 SECURED DEBTS**

The following secured debts are included within creditors

	2008 £	2007 £
Bank loans	<u>4,398,055</u>	<u>5,067,382</u>

The banks have security by way of a first charge over 25 properties owned by the company for any advance made to the company by them

**14 PROVISIONS FOR LIABILITIES**

	2008 £	2007 £
Deferred tax provision	<u>60</u>	<u>60</u>
		Deferred tax
		£
Balance at 1 April 2007		<u>60</u>
Balance at 31 March 2008		<u>60</u>

**Rendlesham Estates plc**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2008**

**14 PROVISIONS FOR LIABILITIES - continued**

Unprovided deferred tax on property revaluations at the year end is as follows

	£
Unprovided deferred tax	<u>11,266</u>

**15 CALLED UP SHARE CAPITAL**

Authorised Number	Class	Nominal value £1	2008 £	2007 £
10,000,000	Ordinary Shares		<u>10,000,000</u>	<u>10,000,000</u>

Allotted, issued and fully paid Number	Class	Nominal value £1	2008 £	2007 £
586,000	Ordinary Shares		<u>586,000</u>	<u>586,000</u>

**16 RESERVES**

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1 April 2007	917,959	5,632	485,353	1,408,944
Deficit for the year	<u>(154,888)</u>			<u>(154,888)</u>
At 31 March 2008	<u>763,071</u>	<u>5,632</u>	<u>485,353</u>	<u>1,254,056</u>

**17 ULTIMATE PARENT COMPANY**

The company is a 100% subsidiary of Rendlesham Park Properties Limited, a company registered in England and Wales

Copies of the group accounts can be obtained from Companies House, Crown Way, Cardiff

**18 RELATED PARTY DISCLOSURES**

The Directors control 70.84% of Rendlesham Park Properties Limited

Intergroup balances are shown in the notes to the accounts

During the year the company provided services to The Old Coalyard LLP to the value of £210,000 for rent and a cross charge of wages of £54,181. The directors control The Old Coalyard LLP



**Rendlesham Estates plc**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2008**

**19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2008	2007
	£	£
Loss for the financial year	<u>(154,888)</u>	<u>(305,152)</u>
Net reduction of shareholders' funds	(154,888)	(305,152)
Opening shareholders' funds	<u>1,994,944</u>	<u>2,300,096</u>
Closing shareholders' funds	<u>1,840,056</u>	<u>1,994,944</u>