

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010
FOR
SKYLON LIMITED

THURSDAY



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Company Number: 03213178

SKYLON LIMITED

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SKYLON LIMITED

COMPANY INFORMATION **FOR THE YEAR ENDED 31 MARCH 2010**

DIRECTORS:

Mr B J C Mire
Mr M J Yun

SECRETARY:

Mr S B Warner

REGISTERED OFFICE:

Trust House
2 Colindale Business Centre
126 Colindale Avenue
London
NW9 5HD

REGISTERED NUMBER.

03213178 (England and Wales)

AUDITOR:

Baker Tilly UK Audit LLP
Chartered Accountants
65 Kingsway
London
WC2B 6TD

SKYLON LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 MARCH 2010**

The directors present their report with the financial statements of the company for the year ended 31st March 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Chartered Surveyors including related property management services

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The directors considered the results for the year to be satisfactory and expect a satisfactory performance in the current year

Please refer to the directors' report in Trust Property Management Group plc's accounts for further details in relation to risks and uncertainties and future developments for the company

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2010

No dividends were declared or paid in the year

DIRECTORS

The directors shown below have held office during the whole of the year from 1 April 2009 to the date of this report

M J Yun
B J C Mire

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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 are sufficient to show and explain the company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that 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 it has been communicated to the auditor.

SKYLON LIMITED

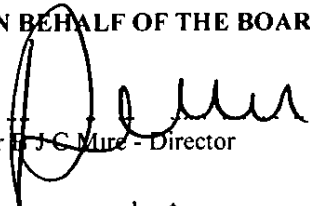
REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 MARCH 2010**

AUDITOR

Baker Tilly UK Audit LLP has indicated their willingness to continue in office

This report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies exemption

ON BEHALF OF THE BOARD:



Mr F J C Mire - Director

Date 23rd August 2010

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SKYLON LIMITED

We have audited the financial statements on pages five to fourteen. 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 more fully explained in the Directors' Responsibilities Statement set out on pages five to fourteen, 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

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 the 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.

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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.

Baker Tilly UK Audit LLP

ALAN RICHARDSON (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

65 Kingsway

London

WC2B 6TD

Date *1 September 2010*

SKYLON LIMITED

PROFIT AND LOSS ACCOUNT **FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £	2009 £
TURNOVER		463,323	431,860
Operating expenses (net)		(450,725)	(386,172)
OPERATING PROFIT	4	<u>12,598</u>	<u>45,688</u>
Interest receivable and similar income		93	682
Interest payable and similar charges	5	<u>(162)</u>	<u>(687)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		12,529	45,683
Tax on profit on ordinary activities	6	(1,488)	868
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	13	<u><u>11,041</u></u>	<u><u>46,551</u></u>

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The operating profit for the year arises from the company's continuing operations

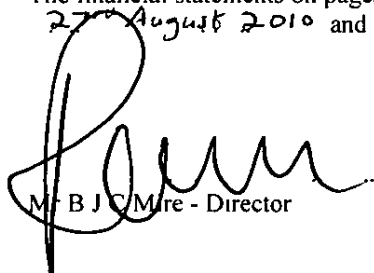
SKYLON LIMITED

BALANCE SHEET **31 MARCH 2010**

Company Number: 03213178

	Notes	2010 £	2009 £
FIXED ASSETS			
Intangible assets	7	269,425	277,713
Tangible assets	8	<u>5,807</u>	<u>10,754</u>
		<u>275,232</u>	<u>288,467</u>
 CURRENT ASSETS			
Debtors	9	324,566	396,004
Cash at bank and in hand		<u>210,576</u>	<u>28,954</u>
		535,142	424,958
CREDITORS			
Amounts falling due within one year	10	<u>(299,382)</u>	<u>(211,732)</u>
NET CURRENT ASSETS		<u>235,760</u>	<u>213,226</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		510,992	501,693
PROVISIONS FOR LIABILITIES	11	<u>1,680</u>	<u>(62)</u>
NET ASSETS		<u>512,672</u>	<u>501,631</u>
 CAPITAL AND RESERVES			
Called up share capital	12	2	2
Profit and loss account	13	<u>512,670</u>	<u>501,629</u>
SHAREHOLDERS' FUNDS	14	<u>512,672</u>	<u>501,631</u>

The financial statements on pages five to fourteen were approved by the Board of Directors and authorised for issue on ~~27~~ August 2010 and signed on its behalf by



Mr B J C Mire - Director

SKYLON LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2010**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

Turnover

Turnover represents amounts receivable from customers, exclusive of value added tax, in respect of charges for fees, rechargeable expenses and commission. Turnover is recognised so as to reflect the right to consideration as contract activity progresses by reference to the value of work performed. All turnover relates to the principal activity of the company which takes place principally in the United Kingdom.

Goodwill

Goodwill representing the excess of the purchase price of the business compared with the fair value of net assets acquired is capitalised and written off evenly over thirty five years as in the opinion of the directors this represents the period over which the goodwill is effective. The Directors believe this to be a reasonable assumption based on the industry average churn rate of 3%.

Tangible fixed assets

Depreciation is provided on all tangible assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows,

Fixtures & fittings	over 5 years
Computer equipment	over 3 years

Hire purchase and leasing commitments

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rents are charged to profit and loss account on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

SKYLON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2010**

2 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit on ordinary activities before taxation were all derived from its principal activity. All sales were made in the United Kingdom.

3 STAFF COSTS

	2010	2009
	£	£
Wages and salaries	215,664	132,926
Social security costs	<u>15,609</u>	<u>13,879</u>
	<u>231,273</u>	<u>146,805</u>

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

	2010	2009
Administration	1	1
Surveying staff	<u>4</u>	<u>4</u>
	<u>5</u>	<u>5</u>

	2010	2009
	£	£
Directors' emoluments	<u>39,386</u>	<u>-</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>-</u>	<u>-</u>
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SKYLON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2010**

4 OPERATING PROFIT

The operating profit is stated after charging

	2010	2009
	£	£
Depreciation - owned assets	4,947	6,321
Goodwill amortisation	8,288	8,288
Auditor's remuneration - statutory audit	<u>4,500</u>	<u>5,111</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Bank interest	<u>162</u>	<u>687</u>

6 TAXATION

Analysis of the tax charge

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

	2010	2009
	£	£
Current tax		
UK corporation tax	3,230	-
Deferred tax Origination and reversal of timing differences	<u>(1,742)</u>	<u>(868)</u>
Tax charges/(credit) on profit on ordinary activities	<u>1,488</u>	<u>(868)</u>

Factors affecting the tax charge

The tax assessed for the year is higher than the small companies rate of corporation tax in the UK The difference is explained below

	2010	2009
	£	£
Profit on ordinary activities before tax	<u>12,529</u>	<u>45,683</u>
Profit on ordinary activities		
multiplied by the small companies rate of corporation tax		
in the UK of 21% (2009 - 21%)	2,631	9,593
Effects of		
Items not deductible for tax purposes		-
Capital allowances different to depreciation	599	777
Losses surrendered by group companies	<u>-</u>	<u>(10,370)</u>
Current tax charge for the year	<u>3,230</u>	<u>-</u>

SKYLON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2010**

7 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2009 and 31 March 2010	568,351
AMORTISATION	
At 1 April 2009	290,638
Amortisation for year	<u>8,288</u>
At 31 March 2010	<u>298,926</u>
NET BOOK VALUE	
At 31 March 2010	<u>269,425</u>
At 31 March 2009	<u>277,713</u>

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generation unit and a suitable discount rate in order to calculate present value.

8 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2009 and 31 March 2010	<u>40,502</u>	<u>33,076</u>	<u>73,578</u>
DEPRECIATION			
At 1 April 2009	32,946	29,878	62,824
Charge for year	<u>3,131</u>	<u>1,816</u>	<u>4,947</u>
At 31 March 2010	<u>36,077</u>	<u>31,694</u>	<u>67,771</u>
NET BOOK VALUE			
At 31 March 2010	<u>4,425</u>	<u>1,382</u>	<u>5,807</u>
At 31 March 2009	<u>7,556</u>	<u>3,198</u>	<u>10,754</u>

SKYLON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2010**

9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Trade debtors	248,826	329,089
Amounts owed by group undertakings	64,104	30,202
Other debtors	-	6,956
Prepayments and accrued income	<u>11,636</u>	<u>29,757</u>
	<u><u>324,566</u></u>	<u><u>396,004</u></u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Trade creditors	140,858	21,264
Amounts owed to group undertakings	99,343	83,005
Corporation Tax	3,230	9,475
Other tax and social security	39,073	68,165
Other creditors	-	5,498
Directors' current accounts	10,039	10,039
Accrued expenses	<u>6,839</u>	<u>14,286</u>
	<u><u>299,382</u></u>	<u><u>211,732</u></u>

Money held on behalf of clients, which has not been included in the balance sheet, was £7,397 (2009 £98,443)

11 PROVISIONS FOR LIABILITIES

	2010	2009
	£	£
Deferred tax at start of period	62	62
Movement in period	(1,742)	-
Deferred tax at end of period	<u>(1,680)</u>	<u>62</u>

Accelerated
Capital
Allowances

	£
Balance at 1 April 2009	62
Movement in the year	<u>(1,742)</u>
Balance at 31 March 2010	<u><u>(1,680)</u></u>

SKYLON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2010**

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2010 £	2009 £
2	Ordinary	£1 00	<u>2</u>	<u>2</u>

13 RESERVES

	Profit and loss account £
At 1 April 2009	501,629
Profit for the year	<u>11,041</u>
At 31 March 2010	<u>512,670</u>

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Profit for the financial year	<u>11,041</u>	<u>46,551</u>
Net addition to shareholders' funds	11,041	46,551
Opening shareholders' funds	<u>501,631</u>	<u>455,080</u>
Closing shareholders' funds	<u>512,672</u>	<u>501,631</u>

15 ULTIMATE PARENT COMPANY

The company's ultimate holding company is Trust Property Management Group plc, a company incorporated in England and Wales. The consolidated financial statements of Trust Property Management Group plc are available to the public and copies may be obtained from the company's registered office at Trust House, 2 Colindale Business Centre, 126 Colindale Avenue, London NW9 5HD.

16 CONTINGENT LIABILITIES

The company has provided an unlimited guarantee in respect of the parent company's bank borrowings which are, in addition, secured by a debenture over the assets and undertakings of the company and its fellow subsidiaries. The amount outstanding under these arrangements at 31 March 2010 was £794,562 (2009 £1,120,998).

17 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption granted under FRS8 that transactions do not need to be disclosed with companies where 100% of the voting rights are controlled within the group. Within creditors is a balance of £10,039 (2009 £10,039) due to Mr BJC Mire, a director of the company. This amount is interest free and is repayable on demand.