

Prestbury West Coast Limited

Report and Financial Statements

Year ended

31 December 2009

Registered number 4231858

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PRESTBURY WEST COAST LIMITED

Annual report and financial statements for the year ended 31 December 2009

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Directors

S L Gumm
N M Leslau
J C McMahon

Secretary and registered office

S L Gumm, Cavendish House, 18 Cavendish Square, London W1G 0PJ

Company number

4231858

Auditors

BDO LLP, Emerald House, East Street, Epsom, Surrey KT17 1HS

PRESTBURY WEST COAST LIMITED

Report of the directors for the year ended 31 December 2009

The directors present their report together with the audited financial statements for the year ended 31 December 2009

Results

The results of the group are set out in the profit and loss account on page 5 and show a loss after tax for the year of £503,868 (2008 profit of £64,962)

Principal activities

The principal activity of the group is that of property investment in the United Kingdom

Post balance sheet events

There have been no events since the balance sheet date that materially affect the position of the company or group

Directors

The directors who held office during the year were

S L Gumm
N M Leslau
J C McMahon

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and 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 group and company 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 group and company and of the profit or loss of the group 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, and
- * 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.

Auditors

All of the current directors have taken all the steps they ought to have taken to make themselves 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 which has not been brought to the attention of the auditors.

BDO LLP have expressed their willingness to continue in office.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the Board



S L Gumm
Director

2 December 2010

PRESTBURY WEST COAST LIMITED

Independent auditor's report to the members of Prestbury West Coast Limited

We have audited the financial statements of Prestbury West Coast Limited for the year ended 31 December 2009 on pages 5 to 15, which have been prepared under the accounting policies set out on page 10. 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 statement of directors' responsibilities set out on page 3, 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 group's and the parent 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 group's and the parent company's affairs as at 31 December 2009 and of the group's 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.

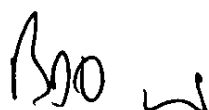
Opinion on other matter prescribed by the Companies Act 2006

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- * the parent company 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 prepare the financial statements and the directors' report in accordance with the small companies' regime.



Russell Field (senior statutory auditor)

For and on behalf of BDO LLP, statutory auditor

Epsom

United Kingdom

3 December 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

PRESTBURY WEST COAST LIMITED

Consolidated profit and loss account for the year ended 31 December 2009

	Note	2009 £	2008 £
Cost of sales - direct property costs		(13,026)	(7,500)
Gross loss		(13,026)	(7,500)
Administrative expenses		(37,930)	(31,720)
Operating loss	2	(50,956)	(39,220)
Provision against amounts due from immediate parent company		(332,742)	-
Loss on redemption of treasury stock	4	-	(363)
Loss on ordinary activities before interest		(383,698)	(39,583)
Interest receivable		19,465	95,735
(Loss)/profit on ordinary activities before taxation		(364,233)	56,152
Taxation on (loss)/profit from ordinary activities	5	(139,635)	8,810
(Loss)/profit on ordinary activities after taxation		(503,868)	64,962
Minority interest	16	(2,812)	1,390
(Loss)/profit for the financial year		(506,680)	66,352

All amounts relate to continuing activities

There were no differences between historical cost (loss)/profit and reported (loss)/profit on ordinary activities for either year

The notes on pages 10 to 15 form part of the financial statements

PRESTBURY WEST COAST LIMITED

Consolidated reconciliation of movements in shareholders' funds for the year ended 31 December 2009

	Note	2009 £	2008 £
(Loss) / profit for the year	13	(506,680)	66,352
Dividend	6	-	(13,470,000)
Net decrease in shareholders' funds		(506,680)	(13,403,648)
Opening shareholders' funds		772,966	14,176,614
Closing shareholders' funds		266,286	772,966

The notes on pages 10 to 15 form part of the financial statements

PRESTBURY WEST COAST LIMITED

Consolidated balance sheet at 31 December 2009

	Note	2009 £	2009 £	2008 £	2008 £
Current assets					
Debtors due within one year	9	1,077		139,177	
Debtors due after more than one year	9	-		314,858	
		<u>1,077</u>		<u>454,035</u>	
Cash at bank and in hand	13	415,009		438,788	
		<u>416,086</u>		<u>892,823</u>	
Creditors: amounts falling due within one year	10	(42,951)		(15,820)	
		<u></u>		<u></u>	
Net current assets			373,135		877,003
Net assets			<u>373,135</u>		<u>877,003</u>
Capital and reserves					
Called up share capital	12		2		2
Special reserve	13		370,931		379,931
Profit and loss account	13		(104,647)		393,033
			<u>266,286</u>		<u>772,966</u>
Shareholders' funds			266,286		772,966
Minority interest	16		106,849		104,037
			<u>373,135</u>		<u>877,003</u>
Total capital employed			<u>373,135</u>		<u>877,003</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies

The financial statements were approved by the Board and authorised for issue on 2 December 2010


S. L. Gamm
Director

The notes on pages 10 to 15 form part of the financial statements

Company balance sheet at 31 December 2009

	Note	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Investments in subsidiaries	8		109		109
Current assets					
Debtors due within one year	9	-		328	
Debtors due after more than one year	9	-		314,858	
		-		315,186	
Cash at bank and in hand	13	415,009		438,788	
		415,009		753,974	
Creditors' amounts falling due within one year	10	(362,033)		(321,105)	
Net current assets			52,976		432,869
Net assets			53,085		432,978
Capital and reserves					
Called up share capital	12		2		2
Special reserve	13		370,931		379,931
Profit and loss account	13		(317,848)		53,045
Shareholders' funds			53,085		432,978

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies

The financial statements were approved by the Board and authorised for issue on 2 December 2010

S L Gamm
Director

The notes on pages 10 to 15 form part of the financial statements

PRESTBURY WEST COAST LIMITED

Consolidated cash flow statement for the year ended 31 December 2009

	Note	2009 £	2009 £	2008 £	2008 £
Net cash outflow from operating activities	14		(24,540)		(54,655)
Returns on investments and servicing of finance					
Interest received		<u>1,581</u>		<u>13,745</u>	
Net cash inflow from returns on investments and servicing of finance			1,581		13,745
Capital expenditure and financial investment					
Redemption of treasury stock			-		24,722
Tax (paid)/received			(820)		4,148
Equity dividend paid			-		(13,470,000)
Cash outflow before financing			<u>(23,779)</u>		<u>(13,482,040)</u>
Financing					
Repayment of shareholder loans		<u>-</u>		<u>13,470,000</u>	
Cash outflow from financing			-		13,470,000
Decrease in cash			<u>(23,779)</u>		<u>(12,040)</u>

Reconciliation of net cash outflow to movement in net funds

	2009 £	2008 £
Decrease in cash in the year	(23,779)	(12,040)
Net funds at the start of the year	<u>438,788</u>	<u>450,828</u>
Net funds at the end of the year	<u>415,009</u>	<u>438,788</u>

The notes on pages 10 to 15 form part of the financial statements

PRESTBURY WEST COAST LIMITED

Notes forming part of the financial statements for the year ended 31 December 2009

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements

Basis of preparation

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

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the group anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Cash and liquid resources

For the purposes of the cash flow statement, cash comprises cash in hand and deposits repayable on demand. Liquid resources consist of cash deposits not repayable on demand without penalty

Fixed asset investments including investments in subsidiary undertakings

Investments held as fixed assets are stated at cost. Any permanent diminution in value is written off to the profit and loss account

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when they are paid. Final equity dividends are recognised when approved by shareholders at an annual general meeting

2 Operating loss	2009	2008
	£	£
This is arrived at after charging		
Auditors' remuneration		
- audit services (group)	5,650	6,900
- non audit services (group)	31,900	9,375
Included in the group audit fee is an amount of £1,500 (2008: £1,940)		
Fees paid to the auditors for non-audit services mainly relate to tax advisory and compliance work		
3 Employees and directors		
The average number of employees of the group during the year, excluding directors, was nil (2008: nil)		
No director received any emoluments from the group during the year (2008: £nil)		
4 Loss on redemption of treasury stock	2009	2008
	£	£
Proceeds on redemption	-	24,722
Historical cost of treasury stock sold	-	(25,085)
Loss on redemption of treasury stock	-	(363)

PRESTBURY WEST COAST LIMITED

Notes forming part of the financial statements for the year ended 31 December 2009

(continued)

5 Taxation on (loss) / profit from ordinary activities

	2009 £	2008 £
<i>Current tax</i>		
UK corporation tax on profits	3,924	820
Adjustments in respect of prior years	135,711	(9,630)
	<u>139,635</u>	<u>(8,810)</u>
Taxation on (loss) / profit on ordinary activities	<u>139,635</u>	<u>(8,810)</u>

The tax assessed for the year varies from the standard rate of corporation tax in the UK. The differences are explained below

	2009 £	2008 £
(Loss) / profit on ordinary activities before tax	<u>(364,233)</u>	<u>56,152</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008: 28.5%)	(101,985)	16,004
Effects of		
Capital allowances in excess of depreciation	-	(5,757)
Group relief claimed and not paid for	-	(43,422)
Adjustment in respect of prior years	135,711	(9,630)
Losses carried forward	11,650	33,995
Expenses not deductible for tax	1,091	-
Provision against intercompany loan - non taxable	93,168	-
	<u>139,635</u>	<u>(8,810)</u>
Current tax charge / (credit) for the year	<u>139,635</u>	<u>(8,810)</u>

Unprovided deferred tax asset

The group has an unprovided deferred tax asset of £134,084 (2008: £181,958)

6 Dividend

	2009 £	2008 £
Dividend of £nil (2008: £6,735,000) per share	-	13,470,000

7 Profit for the financial year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements

The group profit for the year includes a loss after tax and before dividends paid and payable of £379,893 (2008: £60,899) which is dealt with in the financial statements of the parent company

PRESTBURY WEST COAST LIMITED

Notes forming part of the financial statements for the year ended 31 December 2009

(continued)

8 Investments in subsidiaries

Company
only
£

Cost and net book value

At 31 December 2008 and 31 December 2009

109

The following were the principal subsidiary undertakings at the end of the year and have all been included in the consolidated financial statements

Name	Country of incorporation or registration	Proportion of voting rights held	Nature of the business during the year
Prestbury West Coast Maidenhead Limited	England	100%	Property investment
Prestbury West Coast Caledonian Limited*	Scotland	25%	Property investment
Prestbury West Coast Kensington Limited	England	100%	Investment activities
Kensington Nominee No 1 Limited**	England	100%	Property investment

For all undertakings listed above, the country of operation is the same as its country of incorporation or registration

* Although only 25% of the total issued share capital is held, the company is entitled to 49% of the economic benefits

** Kensington Nominee No 1 Limited is a subsidiary of Prestbury West Coast Caledonian Limited

9 Debtors

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Due within one year				
Amounts due from fellow group undertakings	-	135,935	-	-
Other debtors	1,077	3,242	-	328
	1,077	139,177	-	328
Due after more than one year				
Amounts receivable from immediate parent undertaking	-	314,858	-	314,858
Total debtors	1,077	454,035	-	315,186

Amounts of £nil (2008 £132,032) receivable from the company's immediate parent undertaking is shown net of provisions amounting to £332,742 (2008 £nil). The provisions reflect the underlying financial position of the immediate parent undertaking at 31 December 2009. Accrued interest of £84,731 (2008 £66,847) is included in the above figures. The amounts are unsecured, bear interest at a rate of 7.21% and have no fixed repayment date.

PRESTBURY WEST COAST LIMITED

Notes forming part of the financial statements for the year ended 31 December 2009

(continued)

10 Creditors Amounts falling due within one year

	Group	Group	Company	Company
	2009	2008	2009	2008
	£	£	£	£
Corporation tax	3,701	820	-	-
Accruals and deferred income	39,250	15,000	39,250	15,000
Amounts due to fellow group undertakings	-	-	322,783	306,105
	<u>42,951</u>	<u>15,820</u>	<u>362,033</u>	<u>321,105</u>

The amounts due to fellow group undertakings are unsecured, bear interest at a rate of 7.21% and have no fixed repayment date. Accrued interest of £79,545 (2008: £61,935) is included in the above company figures.

11 Provisions for liabilities and charges

Analysis of deferred tax	Group	Group	Company	Company
	2009	2008	2009	2008
	Unprovided	Unprovided	Unprovided	Unprovided
	£	£	£	£
Capital allowances	-	20,960	-	-
Tax losses	134,084	160,998	-	-
	<u>134,084</u>	<u>181,958</u>	<u>-</u>	<u>-</u>

12 Share capital

	2009	2009	2008	2008
	Number	£	Number	£
<i>Allotted, called up and fully paid</i>				
1 ordinary 'A' share of £1	1	1	1	1
1 ordinary 'B' share of £1	1	1	1	1
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

PRESTBURY WEST COAST LIMITED

Notes forming part of the financial statements for the year ended 31 December 2009

(continued)

13 Reserves

Group	Special reserve £	Profit and loss account £
At 1 January 2009	379,931	393,033
Transfer to special reserve (see below)	(9,000)	9,000
Loss for the year	-	(506,680)
At 31 December 2009	370,931	(104,647)

Company	Special reserve £	Profit and loss account £
At 1 January 2009	379,931	53,045
Transfer to special reserve (see below)	(9,000)	9,000
Loss for the year	-	(379,893)
At 31 December 2009	370,931	(317,848)

On 12 November 2007, the company, by special resolution, resolved to cancel its capital redemption reserve of £12,500,000. The cancellation was confirmed by an Order of the High Court of Justice, Chancery Division on 5 December 2007.

Under the terms of the Order the company transferred £440,000 from the capital redemption reserve to an special reserve and paid it into a trust account in order to provide for the estimated future liabilities of the company. The balance of £12,060,000 was released from the capital redemption reserve to the profit and loss reserve and is treated as realised profits.

The special reserve shall not be treated as representing realised profits of the company and is to be treated as an undistributable reserve of the company for the purposes of section 831 of the Companies Act 2006 until the liabilities to which it relates are extinguished. The company may reduce the amount of the special reserve in the event that all or any part of the amounts due to the creditors of the company referred to in the order is paid, waived, has been over provided or otherwise satisfied. The special reserve has reduced by £nil since the balance sheet date.

During the year the company transferred £9,000 from special reserves to the profit and loss account. The reduction in this reserve represents the reduction in amounts due to creditors referred to in the order.

£370,931 of the total balance of cash at bank and in hand at the balance sheet date relates to the amounts held in trust for creditors under the terms of the Special Reserve.

14 Reconciliation of operating loss to net cash outflow from operating activities

	2009 £	2008 £
Operating loss	(50,956)	(39,220)
Decrease / (increase) in debtors	2,166	(3,198)
Increase / (decrease) in creditors	24,250	(12,237)
Net cash outflow from operating activities	(24,540)	(54,655)

15 Related party transactions

The amounts due from the immediate parent company are disclosed at note 9

The directors are not aware of any other related party transactions and balances to be disclosed other than those referred to elsewhere in these financial statements

16 Minority interests

The minority interest at 31 December 2009 relates to shares issued at a premium to an unconnected third party during a previous year in the company's subsidiary, Prestbury West Coast Caledonian Limited, together with minority interest in the results of the group for the current and previous years

17 Controlling party information

The company's immediate and ultimate parent company is Prestbury West Coast Holdings Limited, which is registered in England and Wales. Prestbury West Coast Holdings Limited is a joint venture company and is not controlled by any one entity. On 31 August 2010, liquidators were appointed pursuant to s109 of the Insolvency Act 1986 by the directors to Prestbury West Coast Holdings Limited.