

**Prestbury Wentworth Acquisitions Limited**

**Report and Financial Statements**

**Year ended**

**31 May 2007**

**Company No 04892226**

THURSDAY



L10

"LUAOUVNP"  
20/12/2007  
COMPANIES HOUSE

52

# **PRESTBURY WENTWORTH ACQUISITIONS LIMITED**

**Annual report and financial statements for the year ended 31 May 2007**

---

## **Contents**

### **Page**

3	Report of the directors
5	Report of the independent auditors
6	Profit and loss account
7	Reconciliation of movements in shareholders' funds
8	Balance sheet
9	Notes forming part of the financial statements

---

## **Directors**

N M Leslau  
S L Gumm

## **Secretary and registered office**

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

## **Company number**

04892226

## **Auditors**

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

## **PRESTBURY WENTWORTH ACQUISITIONS LIMITED**

### **Report of the directors for the year ended 31 May 2007**

---

The directors present their report together with the audited financial statements for the year ended 31 May 2007

#### **Results and dividends**

The results of the company for the year are set out in the profit and loss account on page 6 and show a profit after tax for the year of £29,575,391 (2006 £29,575,392)

The directors do not recommend the payment of a dividend (2006 £nil)

#### **Principal activities, review of business and future developments**

The principal activity of the company is acting as an intermediate holding company within the property investment group headed by Prestbury Wentworth Holdings Limited. All the group's operations are within the United Kingdom.

The company itself did not undertake any operating activities during the year and does not have any employees.

There have been no events since the balance sheet date which materially affect the position of the company.

#### **Directors**

The directors who held office during the year were

S L Gumm  
N M Leslau

No director had any interest in the share capital of the company during the year.

Both directors are also directors of the ultimate parent company, Prestbury Wentworth Holdings Limited, and their interests in the share capital of that company, if any, are shown in its financial statements.

#### **Principal risks and uncertainties - risk management objectives and policies**

The company's only significant financial instruments are investments in subsidiary undertakings and inter-company balances.

The company is not exposed to any significant risks or uncertainties.

## **PRESTBURY WENTWORTH ACQUISITIONS LIMITED**

### **Report of the directors for the year ended 31 May 2007 (continued)**

---

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year 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 year. In preparing those financial statements, the directors are required to

- \* select suitable accounting policies and then apply them consistently,
- \* make judgments and estimates that are reasonable and prudent,
- \* state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

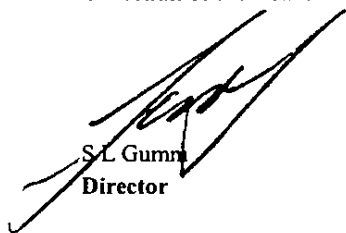
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditors**

Both of the current directors have taken all steps that 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 Stoy Hayward LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

#### **On behalf of the Board**



S.L. Gumm  
Director

4 December 2007

## PRESTBURY WENTWORTH ACQUISITIONS LIMITED

### Report of the independent auditors

---

#### To the shareholders of Prestbury Wentworth Acquisitions Limited

We have audited the financial statements of Prestbury Wentworth Acquisitions Limited for the year ended 31 May 2007 on pages 6 to 12 which have been prepared under the accounting policies set out on page 9

#### *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 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 Directors' Report is 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 transactions is not disclosed.

We read the Directors' Report 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.

#### *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 May 2007 and of its profit 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

Chartered Accountants and Registered Auditors  
Epsom

4 December 2007

**PRESTBURY WENTWORTH ACQUISITIONS LIMITED**

**Profit and loss account for the year ended 31 May 2007**

	<b>Note</b>	<b>2007 £</b>	<b>2006 £</b>
Net income from financing	3	29,575,391	29,575,392
<b>Profit on ordinary activities before taxation</b>		<b>29,575,391</b>	<b>29,575,392</b>
Taxation on profit on ordinary activities	4	-	-
<b>Retained profit for the year</b>	9	<b>29,575,391</b>	<b>29,575,392</b>
All amounts relate to continuing activities			

There were no differences between historical cost result and reported result on ordinary activities for either year

There were also no differences between the recognised gains and losses and reported result on ordinary activities for either year

The notes on pages 9 to 12 form part of the financial statements

**PRESTBURY WENTWORTH ACQUISITIONS LIMITED**

**Reconciliation of movements in shareholders' funds for the year ended 31 May 2007**

	Note	2007 £	2006 £
<b>Reconciliation of movements in shareholders' funds</b>			
Retained profit for the year		29,575,391	29,575,392
Net movement in shareholders' funds		29,575,391	29,575,392
Opening shareholders' funds		494,837,547	465,262,155
Closing shareholders' funds		524,412,938	494,837,547

The notes on pages 9 to 12 form part of the financial statements

**PRESTBURY WENTWORTH ACQUISITIONS LIMITED**

**Balance sheet at 31 May 2007**

	Note	2007 £	2006 £
<b>Fixed assets</b>			
Investment in subsidiary undertaking	5	5,766,428	5,766,428
<b>Current assets</b>			
<b>Debtors: amounts falling due after more than one year</b>	6	525,776,442	495,738,727
<b>Total assets</b>		531,542,870	501,505,155
<b>Creditors: amounts falling due after more than one year</b>	7	(7,129,932)	(6,667,608)
<b>Net assets</b>		524,412,938	494,837,547
<b>Capital and reserves</b>			
Called up share capital	8	465,701,013	465,701,013
Profit and loss account	9	58,711,925	29,136,534
<b>Shareholders' funds</b>		524,412,938	494,837,547

The financial statements were approved by the Board and authorised for issue on 4 December 2007



S.L. Gumm  
Director

The notes on pages 9 to 12 form part of the financial statements



# PRESTBURY WENTWORTH ACQUISITIONS LIMITED

Notes forming part of the financial statements for the year ended 31 May 2007

## 1 Accounting policies

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

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group. The consolidated financial statements of Prestbury Wentworth Holdings Limited, within which this company is included, can be obtained from the address given in note 12.

### *Fixed asset investments including investment in subsidiary undertakings*

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

## 2 Employees, directors and auditors' remuneration

The average number of employees of the company during the year, excluding directors, was nil (2006 nil).

No director received any emoluments from the company during the year (2006 nil).

The auditors' remuneration is borne by a fellow group company. Fees for the audit of the company were £2,000 (2006 £1,800).

## 3 Net cost of financing

	2007 £	2006 £
Interest receivable		
On unsecured loans to fellow group undertakings	30,037,715	30,037,715
Interest payable and similar charges		
On loans from fellow group undertakings	(462,324)	(462,323)
	<u>29,575,391</u>	<u>29,575,392</u>

## 4 Taxation on profit from ordinary activities

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

	2007 £	2006 £
Profit on ordinary activities before tax	<u>29,575,391</u>	<u>29,575,392</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2006 30%)	8,872,617	8,872,618
Effects of Group relief claimed	(8,872,617)	(8,872,618)
Current tax charge for the year	<u>-</u>	<u>-</u>

# PRESTBURY WENTWORTH ACQUISITIONS LIMITED

Notes forming part of the financial statements for the year ended 31 May 2007

(Continued)

## 5 Investment in subsidiary undertaking

	Subsidiary undertakings £
<i>Cost and net book value</i>	
At 31 May 2007 and 31 May 2006	<u>5,766,428</u>

### Subsidiary undertaking

The following company was a principal subsidiary undertaking at the end of the year

Name	Country of incorporation and operation	Proportion of voting rights and ordinary share capital held	Nature of business
Prestbury Wentworth Intermediate Limited	England	100%	Intermediate holding company

The above company owns 100% of the issued share capital of Prestbury Wentworth Portfolio Limited. Prestbury Wentworth Portfolio Limited is an intermediate parent company incorporated in England and Wales, which holds the entire issued share capital of ten property investment companies.

6 Debtors: Amounts falling due after more than one year	2007 £	2006 £
Intercompany loan A (see below)	<u>525,776,442</u>	<u>495,738,727</u>

Intercompany loan A is unsecured, bears interest at a rate of 6.45% and has no fixed repayment date. Accrued interest of £60,075,430 (2006: £30,037,715) is included in the current year.

7 Creditors: Amounts falling due after more than one year	2006 £	2005 £
Amounts due to fellow group undertaking	<u>7,129,932</u>	<u>6,667,608</u>

The above amounts are unsecured, bear interest at a rate of 8.02% and have no fixed repayment date. Accrued interest of £1,363,505 is included in the current year (2006: £901,181).

# PRESTBURY WENTWORTH ACQUISITIONS LIMITED

Notes forming part of the financial statements for the year ended 31 May 2007

(Continued)

## 8 Share capital

	2007	2007	2006	2006
<i>Authorised</i>	Number	£	Number	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
A ordinary shares of £1 each	480,000,000	480,000,000	480,000,000	480,000,000
	<u>480,001,000</u>	<u>480,001,000</u>	<u>480,001,000</u>	<u>480,001,000</u>
<i>Allotted, called up and fully paid</i>				
Ordinary share of £1	1	1	1	1
A ordinary shares of £1	465,701,012	465,701,012	465,701,012	465,701,012
	<u>465,701,013</u>	<u>465,701,013</u>	<u>465,701,013</u>	<u>465,701,013</u>

*Class rights (as amended pursuant to a written resolution dated 31 May 2005)*

The separate classes of shares rank *pari passu*, save as explained below

### A ordinary shares

a *Income* confer upon the holder the right to receive a dividend equal to Z times\* the amount of any dividend declared in respect of each fully paid ordinary share divided by the aggregate number of A ordinary shares in issue on the date that such dividend is declared

b *Capital* On a liquidation, reduction of capital, dissolution or winding up of the company, confer upon the holder the right to receive a proportion of the assets available for distribution equal to Z times\* the proportion of such assets the holder of each ordinary share shall be entitled to in respect of each ordinary share on any such distribution, divided by the aggregate number of A ordinary shares in issue on the date of such distribution

c *Voting* On a show of hands or a poll declared at a general meeting, confer to the holder thereof a number of votes equal to Z\* times the number of votes afforded in respect of each ordinary share to the holder thereof divided by the aggregate number of A ordinary shares in issue at the time of the vote

\* For this purpose Z shall be equal to  $432,600,000 + (76,445.75 \times D)$  where D is equal to the number of days between 26 March 2004 and the date the A ordinary shares are first issued (being 31 May 2005) inclusive

The A ordinary shares shall be allotted and issued by the company on one occasion only

## 9 Reserves

	Profit and loss account £
At 31 May 2006	29,136,534
Retained profit for the year	29,575,391
At 31 May 2007	<u>58,711,925</u>

---

**10 Related party transactions**

The company has taken advantage of the exemption available to wholly owned subsidiary undertakings under Financial Reporting Standard 8, "Related Party Transactions", not to disclose details of any transactions with entities that are included in the consolidated financial statements of Prestbury Wentworth Holdings Limited

**11 Cash flow statement**

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement, as a consolidated cash flow statement is included in the financial statements of its ultimate parent company

**12 Controlling party information**

The company's immediate parent company is Prestbury Wentworth Finance Limited. The company's ultimate parent company is Prestbury Wentworth Holdings Limited. Prestbury Wentworth Holdings Limited is a joint venture company incorporated in England and Wales and is not controlled by any one entity or individual. The consolidated accounts of this company are available to the public and may be obtained from the company secretary, Cavendish House, 18 Cavendish Square, London W1G 0PJ

**13 Commitments and contingencies**

The company, along with the other subsidiaries of the ultimate parent company, has entered into an agreement with the bankers of a fellow subsidiary company to cross-guarantee the bank loans made to that company. At 31 May 2007 these bank loans amounted to £493,283,252 (2006 £450,238,221)

Certain tax computations of companies within the group are being enquired into by HM Revenue & Customs. The Directors believe that the tax provisions in these accounts reflect the correct technical position and that no further sums should become payable by any group company once the enquiries are concluded. However, should the Directors' position prove incorrect, tax could become payable by the company for 2006 and 2007