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Registered No 1633187

Valley Fixings Limited

REPORT AND ACCOUNTS
for the year ended 31 December 2009

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Valley Fixings Limited

Directors' Report

The directors present their report and the audited accounts for the year ended 31 December 2009

This report has been prepared in accordance with the special provisions relating to small companies under Section 417 of the Companies Act 2006

Principal activity and review of the business

During the year the principal activity of the Company was the renting out of properties. It is not anticipated that there will be any changes to the Company's activities for the foreseeable future.

The directors have considered the use of the going concern basis in the preparation of the financial statements and concluded that it is appropriate. In reaching this conclusion, the Directors have specifically considered the Company's relationship with its immediate parent company. More information is provided in note 1 to the financial statements.

Results

The results are set out in the profit and loss account on page 4.

Dividend

The directors do not recommend the payment of a dividend (2008: £nil).

Directors

The following directors served throughout the year:

J R Russell
N J Tarn

Valley Fixings Limited

Directors' Report (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 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.

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.

Guinness Peat Group plc ("GPG") provides certain protections for directors of companies within the group against personal financial exposure that they might incur in the course of their professional duties.

Auditors

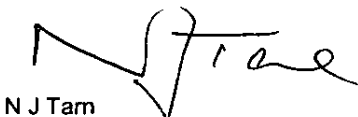
In the case of each of the persons who is a director at the date when this report is approved

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware, and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board



N J Tam
Director

Registered office

1st Floor, Times Place
45, Pall Mall
London SW1Y 5GP

28 May 2010

Independent auditors' report to the member of Valley Fixings Limited

We have audited the financial statements of Valley Fixings Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 13. 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 for the Company's member, 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 member 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 member, 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 Directors' Responsibilities Statement, 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 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 company's affairs as at 31 December 2009 and of its 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.

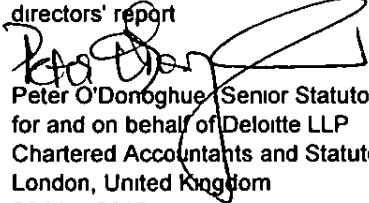
Opinion on other matter prescribed by the Companies Act 2006

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, 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.


Peter O'Donoghue (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
28 May 2010

Valley Fixings Limited

Profit and Loss Account

For the year ended 31 December

	Notes	2009 £	2008 £
Rents receivable		19,527	18,760
Operating expenses	2	(16,840)	(18,112)
Provision charged	7	(3,408)	(2,049)
Operating loss		(721)	(1,401)
Finance costs	3	(264)	(293)
Loss on ordinary activities before taxation		(985)	(1,694)
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation and retained loss for the year	9	(985)	(1,694)

Continuing operations

None of the Company's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The company has no recognised gains and losses other than the losses above and consequently no separate statement of total recognised gains and losses has been presented

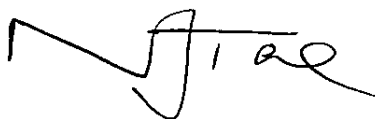
The notes on pages 6 to 8 form part of these financial statements

Valley Fixings Limited

Balance Sheet At 31 December

	Notes	2009 £	2008 £
Debtors - amounts falling due within one year	5	4,279	4,279
Creditors - amounts falling due within one year			
Amounts owed to Group undertakings	6	(439,966)	(442,653)
Net current liabilities		(435,687)	(438,374)
Provision for liabilities	7	(8,883)	(5,211)
Net liabilities		(444,570)	(443,585)
Capital and Reserves			
Called up share capital	8	100	100
Profit and loss account	9	(444,670)	(443,685)
Shareholder's deficit	10	(444,570)	(443,585)

Approved by the Board on 28 May 2010 and signed on its behalf by



N J Tarn
Director
Valley Fixings Limited
Registered company number 1633187

The notes on pages 6 to 8 form part of these financial statements

Valley Fixings Limited

Notes to the financial statements

1 Statement of accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). A summary of the particular accounting policies adopted, which have been applied consistently throughout the current and prior year, is set out below.

The company has net current liabilities as at 31 December 2009 and is reliant on the support of its immediate parent company to be able to meet its liabilities as they fall due. This creates an uncertainty over the use of the going concern basis in the preparation of the financial statements. However, after making enquiries and, in particular, taking account of the support referred to above, the Directors have a reasonable expectation that the company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparing the financial statements.

CASH FLOW The company has taken advantage granted by paragraph 5(a) of FRS 1 (revised), and has not prepared a cash flow statement.

RENTS RECEIVABLE Rents receivable is recognised on a straight-line basis over the period of the lease. All rents receivable are derived in the UK.

LEASES Operating lease payments are charged as an expense in the year in which they are incurred.

TAXATION Provision is made for taxation assessable on the loss for the year as adjusted for disallowable and non-taxable items.

DEFERRED TAXATION Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, 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 the financial statements. 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.

2 Operating expenses	2009 £	2008 £
Operating expense include		
Operating lease rentals		
Land and buildings	17,112	18,112

The directors received no remuneration for their services to the company (2008: £nil). There were no other persons employed by the Company in the year (2008: £nil).

Fees payable to the Company's auditors for the audit of the Company's annual accounts of £6,000 (2008: £5,000) are borne by the Company's parent undertaking.

3 Finance costs	2009 £	2008 £
Unwinding of discount on onerous lease provisions	264	293

4 Taxation	2009 £	2008 £
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UK corporation tax at 28% (2008: 28.5%)	-	-
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The standard rate of current tax for the year, based on the UK standard rate of corporation tax, is 28% (2008: 28.5%).

The differences are explained below:

	2009 £	2008 £
Loss on ordinary activities before taxation	(985)	(1,694)
Loss on ordinary activities multiplied by the standard rate of tax in the UK of 28% (2008: 28%)	(276)	(483)
Permanent differences	(8,459)	-
Group relief surrendered/ (claimed) without charge	8,735	483
Current tax charge for the year	-	-

Valley Fixings Limited

Notes to the financial statements (continued)

5 Debtors - amounts falling due within one year	2009	2008
	£	£
Prepayments	<u>4,279</u>	<u>4,279</u>
6 Creditors - amounts falling due within one year	2009	2008
	£	£
Amounts owed to group companies	<u>439,966</u>	<u>442,653</u>
7 Provision for liabilities - onerous leases	2009	2008
	£	£
As at 1 January	5,211	2,869
Unwinding of discount	264	293
P&L charge	<u>3,408</u>	<u>2,049</u>
As at 31 December	<u>8,883</u>	<u>5,211</u>
Amounts falling due after one year	<u>8,883</u>	<u>5,211</u>

The provision covers the period to June 2010 and is based on assumptions concerning the outcome of rent reviews and the rent receivable from new sub-tenants, the outcome of which is uncertain. It is the directors' opinion that the provision is sufficient to cover these future changes.

The expected future cash flows have been discounted on a pre-tax basis at a nominal interest rate of 4% (2008: 4.01%).

8 Share capital	2009	2008
	£	£
Ordinary shares of £1 each		
Authorised	<u>100</u>	<u>100</u>
Allotted, called up and fully paid	<u>100</u>	<u>100</u>
9 Profit and loss account	2009	2008
	£	£
At 1 January	(443,685)	(441,991)
Loss for the year	(985)	(1,694)
At 31 December	<u>(444,670)</u>	<u>(443,685)</u>

Valley Fixings Limited

Notes to the financial statements (continued)

10 Reconciliation of movements in shareholders' deficit	2009	2008
	£	£
Loss for the year	<u>(985)</u>	<u>(1,694)</u>
Net increase in shareholders' deficit	<u>(985)</u>	<u>(1,694)</u>
Opening shareholders' deficit	<u>(443,585)</u>	<u>(441,891)</u>
Closing shareholders' deficit	<u>(444,570)</u>	<u>(443,585)</u>

11 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8(3) not to disclose transactions with entities 100% of whose voting rights are controlled within the Group

12 Ultimate parent undertaking

The company's immediate and ultimate parent undertaking and controlling party is Guinness Peat Group plc, which is incorporated in Great Britain and registered in England and Wales. Copies of the company's financial statements for the year ended 31 December 2009 are available from The Company Secretary, Guinness Peat Group plc, First floor, Times Place, 45 Pall Mall, London SW1Y 5GP

GPG is the parent undertaking of the only group to consolidate the Company's financial statements

