

Company registration number: 2109098

DEVELOPMENT SECURITIES (NO. 9) LIMITED

Annual report and financial statements

for the period from 1 January 2011 to 29 February 2012

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DEVELOPMENT SECURITIES (NO. 9) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 FEBRUARY 2012

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DEVELOPMENT SECURITIES (NO. 9) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 FEBRUARY 2012

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

M H Marx
C J Barwick
M S Weiner
Development Securities Estates PLC

COMPANY SECRETARY

H M Ratsey

REGISTERED OFFICE

Portland House
Bressenden Place
London
SW1E 5DS

BANKERS

Barclays Bank PLC
50 Pall Mall
London
SW1A 1QA

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

DEVELOPMENT SECURITIES (NO. 9) LIMITED

DIRECTORS' REPORT

for the period ended 29 February 2012

The directors present their report and financial statements of the company for the period from 1 January 2011 to 29 February 2012. The comparative results presented are for the year 1 January 2010 to 31 December 2010. The change in accounting reference date has been made in order to align the reference date of the company with that of its ultimate parent entity.

The company registration number is 2109098.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company during the period and for the foreseeable future is property investment. The directors do not foresee any change in the future activities of the company.

The company has an interest in a property in Birmingham.

RESULTS AND DIVIDENDS

The profit for the financial period is £63,236 (31 December 2010: £59,766). The directors are unable to recommend the payment of a dividend (31 December 2010: £nil).

DIRECTORS

The directors who held office throughout the period and up to the date of signing of the financial statements were as follows:

M H Marx
C J Barwick
M S Weiner
Development Securities Estates PLC

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The company maintains directors' and officers' liability insurance, which is reviewed annually and is considered to be adequately insured. Such qualifying third party indemnity provisions remain in place at the date of approving the directors' report.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. The company is a member of the Development Securities PLC group of companies. Further discussion of the risks and uncertainties, in the context of the group as a whole, is provided in the group's annual report which does not form part of this report.

KEY PERFORMANCE INDICATORS ("KPIs")

The directors of Development Securities PLC manage the group's operations on a group basis. For this reason, the company's directors believe that an analysis using KPIs for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company. The development, performance and position of the group is discussed in the group's annual report which does not form part of this report.

DEVELOPMENT SECURITIES (NO. 9) LIMITED

DIRECTORS' REPORT

for the period ended 29 February 2012 (continued)

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 prepared 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

GOING CONCERN

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Development Securities PLC. The directors have received confirmation that for the foreseeable future, Development Securities PLC intends to support the company such that it can meet its liabilities as they fall due.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each director in office at the date the directors' report is approved, the following applies:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the annual general meeting.

Approved by the board of directors
and signed by order of the board



H M Ratsey
Company Secretary
8th August 2012

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEVELOPMENT SECURITIES (NO. 9) LIMITED

We have audited the financial statements of Development Securities (No 9) Limited for the period from 1 January 2011 to 29 February 2012 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. 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).

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 and express an opinion on 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 29 February 2012 and of its profit for the period 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

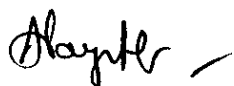
In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEVELOPMENT SECURITIES (NO. 9) LIMITED (continued)

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



Andrew Paynter (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

 August 2012

DEVELOPMENT SECURITIES (NO. 9) LIMITED

PROFIT AND LOSS ACCOUNT for the period ended 29 February 2012

	Note	Period from 1 Jan 2011 to 29 Feb 2012 £	Year ended 31 Dec 2010 £
TURNOVER	2	163,562	140,000
Cost of sales		<u>(23,704)</u>	<u>-</u>
GROSS PROFIT		139,858	140,000
Administrative expenses		<u>(76,622)</u>	<u>(80,234)</u>
OPERATING PROFIT	3	<u>63,236</u>	<u>59,766</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		63,236	59,766
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL PERIOD	11	<u>63,236</u>	<u>59,766</u>

All amounts relate to continuing activities

There is no material difference between profit on ordinary activities before taxation and the profit for the periods stated above and their historical cost equivalents

DEVELOPMENT SECURITIES (NO. 9) LIMITED

BALANCE SHEET as at 29 February 2012

	Note	29 Feb 2012 £	31 Dec 2010 £
FIXED ASSETS			
Investments	5	-	-
Operating property	6	<u>900,000</u>	<u>1,190,000</u>
		900,000	1,190,000
CURRENT ASSETS			
Debtors	7	52,036,650	51,896,303
Cash at bank and in hand		<u>3,680</u>	<u>4,173</u>
		52,040,330	51,900,476
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>(41,815,748)</u>	<u>(41,815,748)</u>
NET CURRENT ASSETS		<u>10,224,582</u>	<u>10,084,728</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		11,124,582	11,274,728
PROVISIONS FOR LIABILITIES AND CHARGES	9	<u>(15,037,354)</u>	<u>(15,037,354)</u>
NET LIABILITIES		<u>(3,912,772)</u>	<u>(3,762,626)</u>
CAPITAL AND RESERVES			
Called up share capital	10	1,000	1,000
Revaluation reserve	11	(487,380)	(273,998)
Profit and loss account	11	<u>(3,426,392)</u>	<u>(3,489,628)</u>
TOTAL SHAREHOLDERS' DEFICIT	11	<u>(3,912,772)</u>	<u>(3,762,626)</u>

The financial statements on pages 6 to 14 were approved by the board of directors on 8th August 2012

Signed on behalf of the board of directors

M. S. Weiner

M S Weiner
Director

DEVELOPMENT SECURITIES (NO. 9) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the period ended 29 February 2012

	Note	Period from 1 Jan 2011 to 29 Feb 2012 £	Year ended 31 Dec 2010 £
Profit on ordinary activities after taxation		63,236	59,766
Deficit on revaluation of operating properties	11	<u>(213,382)</u>	<u>(309,767)</u>
Total recognised gains and losses for the financial period		<u>(150,146)</u>	<u>(250,001)</u>

DEVELOPMENT SECURITIES (NO. 9) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the period ended 29 February 2012

1 ACCOUNTING POLICIES

Basis of preparation

These financial statements are prepared in accordance with applicable United Kingdom law and accounting standards under the historical cost convention, as modified by the revaluation of investment properties. The true and fair override provisions of the Companies Act 2006 have been invoked, see 'operating property' below. The accounting policies adopted are consistent with the prior period.

Going concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Development Securities PLC. The directors have received confirmation that for the foreseeable future, Development Securities PLC intends to support the company such that it can meet its liabilities as they fall due.

Consolidated financial statements

The financial statements contain information about Development Securities (No. 9) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent undertaking, Development Securities PLC.

Cash flow statement and related party disclosures

The company is a wholly-owned subsidiary of Development Securities PLC and is included in the consolidated financial statements of Development Securities PLC, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard number 1 "Cash flow statements" (revised 1996). The company is also exempt under the terms of Financial Reporting Standard number 8 "Related party disclosures" from disclosing related party transactions with entities that are part of the Development Securities PLC group.

Turnover

Rental income and other property income, net of value added tax, is accrued based on the amounts earned in the period.

Investment in subsidiaries

The shares in subsidiaries shown in the balance sheet of the company are included at cost less any deficits arising from diminutions in value considered to be permanent, which are charged to the profit and loss account.

Provision is also made in respect of the liabilities of its subsidiaries that are unable to meet its obligations, where appropriate.

DEVELOPMENT SECURITIES (NO. 9) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the period ended 29 February 2012 (continued)

1 ACCOUNTING POLICIES (continued)

Taxation

Current tax, including United Kingdom corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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 financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. 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.

Operating property

Operating property are those properties classified as being held for business purposes rather than for investment. These properties are revalued each period by independent, professional valuers on the basis of Existing Use Value. Surpluses and deficits are transferred to the revaluation reserve via the statement of total recognised gains and losses, except where the carrying value is below depreciated cost. If the diminution in value is permanent they are recognised in the profit and loss account. Should the diminution be a result of general market movements and the revaluation deemed recoverable, then the total deficit is shown through the statement of total recognised gains and losses. Depreciation is provided so as to write off the value of the properties over their expected useful lives. The principal annual rates used for this purpose are

Operating properties 4 per cent

Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The accretion in the discount is recognised as an interest expense.

2 TURNOVER

	Period from 1 Jan 2011 to 29 Feb 2012 £	Year ended 31 Dec 2010 £
Rental income	163,333	140,000
Other property income	229	-
	<u>163,562</u>	<u>140,000</u>

Turnover, which is stated net of value added tax, represents rental income and other property income. All turnover is attributable to continuing activities undertaken in the United Kingdom.

DEVELOPMENT SECURITIES (NO. 9) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the period ended 29 February 2012 (continued)

3 OPERATING PROFIT

Operating profit is stated after charging

	Period from 1 Jan 2011 to 29 Feb 2012 £	Year ended 31 Dec 2010 £
Depreciation	<u>76,618</u>	<u>80,233</u>

The auditors' remuneration of £2,500 (31 December 2010 £2,500) has been borne by Development Securities PLC, the ultimate parent company

None of the directors received any emoluments in respect of qualifying services provided to the company during the period (31 December 2010 £nil) Directors are remunerated by Development Securities PLC

The company does not have any employees (31 December 2010 none)

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

Tax charge

There is no tax charge in the current period (31 December 2010 £nil)

The tax assessed for the period is lower (31 December 2010 lower) than the standard rate of corporation tax in the United Kingdom of 26.5% (31 December 2010 28%). The differences are explained below

Factors affecting the current tax charge for the period

	Period from 1 Jan 2011 to 29 Feb 2012 £	Year ended 31 Dec 2010 £
Profit on ordinary activities before taxation	<u>63,236</u>	<u>59,766</u>
Profit on ordinary activities multiplied by the standard rate in the United Kingdom 26.5% (31 December 2010 28%)	16,758	16,734
Effect of Group relief claimed for nil consideration	<u>(16,758)</u>	<u>(16,734)</u>
Current tax charge for the period	<u>-</u>	<u>-</u>

As announced in the March 2011 Budget, the main rate of UK corporation tax was reduced to 26% from 1 April 2011 and 25% from 1 April 2012. The reductions were substantively enacted at balance sheet date and, therefore, recognised in these financial statements.

Further reductions to the UK corporation tax rate were announced in the March 2012 Budget. The changes, which are expected to be enacted separately each year, propose to reduce the rate to 24% from 1 April 2012, followed by 1% reduction per annum to 22% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements.

DEVELOPMENT SECURITIES (NO. 9) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the period ended 29 February 2012 (continued)

5 INVESTMENTS

Unlisted Investments:

	Investment in subsidiary £
Cost:	
At 1 January 2011 and 29 February 2012	1,000
Impairment:	
At 1 January 2011 and 29 February 2012	(1,000)
Net carrying amount as at 1 January 2011 and 29 February 2012	-

The company holds 100% of the ordinary share capital of Landpack Limited, a dormant company registered in England and Wales

6 OPERATING PROPERTY

	Long leasehold £
At valuation:	
1 January 2011	1,190,000
Deficit on revaluation	(213,382)
Depreciation charge for the period	(76,618)
29 February 2012	900,000

The original cost of operating properties which are stated at valuation is £1,815,851 (31 December 2010 1,815,851)

The company's operating properties have been valued as at 29 February 2012 by DTZ Debenham Tie Leung, Chartered Surveyors, on the basis of Open Market Value in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors

7 DEBTORS

	29 Feb 2012 £	31 Dec 2010 £
Amounts owed by ultimate parent undertaking	49,831,210	49,667,757
Amounts owed by subsidiary undertakings	2,205,440	2,205,440
Other debtors	-	23,106
	<u>52,036,650</u>	<u>51,896,303</u>

The amounts owed by ultimate parent undertaking and subsidiary undertakings are unsecured, do not bear interest and there are no fixed terms for the repayment of these amounts

DEVELOPMENT SECURITIES (NO. 9) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the period ended 29 February 2012 (continued)

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	29 Feb 2012 £	31 Dec 2010 £
Amounts owed to group undertakings	35,639,567	35,639,567
Amounts owed to ultimate parent undertaking	<u>6,176,181</u>	<u>6,176,181</u>
	<u>41,815,748</u>	<u>41,815,748</u>

The amounts owed to group undertakings and ultimate parent undertaking are unsecured, do not bear interest and there are no fixed terms for the repayment of these amounts

9 PROVISION FOR LIABILITIES AND CHARGES

	29 Feb 2012 £	31 Dec 2010 £
Deferred taxation	66,003	66,003
Provision for net liabilities of subsidiary	<u>14,971,351</u>	<u>14,971,351</u>
	<u>15,037,354</u>	<u>15,037,354</u>

A deferred tax liability has been recognised in respect of timing differences relating to accelerated capital allowances

A provision for net liabilities of subsidiary has been recognised in respect of the company's 100% wholly owned subsidiary Landpack Limited

10 CALLED UP SHARE CAPITAL

	29 Feb 2012 £	31 Dec 2010 £
Allotted and fully paid:		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

11 RECONCILIATION OF TOTAL SHAREHOLDERS' DEFICIT AND MOVEMENT ON RESERVES

	Called up share capital £	Profit and loss account £	Revaluation reserve £	Total shareholders' deficit £
At 1 January 2011	1,000	(3,489,628)	(273,998)	(3,762,626)
Profit for the financial period	-	63,236	-	63,236
Deficit on revaluation of operating property	<u>-</u>	<u>-</u>	<u>(213,382)</u>	<u>(213,382)</u>
At 29 February 2012	<u>1,000</u>	<u>(3,426,392)</u>	<u>(487,380)</u>	<u>(3,912,772)</u>

DEVELOPMENT SECURITIES (NO. 9) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the period ended 29 February 2012 (continued)

12 ULTIMATE PARENT UNDERTAKING

The ultimate parent, controlling company and parent company of the largest group of which the company is a member and for which consolidated financial statements are produced is Development Securities PLC

The immediate parent company and parent company of the smallest group for which consolidated financial statements are produced is Development Securities (Investments) PLC

Both companies are registered in England and Wales and incorporated in the Great Britain

Copies of the annual report and financial statements of Development Securities PLC and Development Securities (Investments) PLC can be obtained from Portland House, Bressenden Place, London SW1E 5DS