



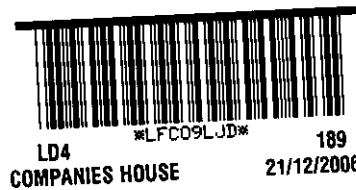
**Penn House (Swansea) Limited**

2841835

Report and Financial Statements

Period Ended

31 March 2005



**BDO Stoy Hayward**  
Chartered Accountants

**Penn House (Swansea) Limited**

**Annual report and financial statements for the period ended 31 March 2005**

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Directors

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**Directors**

REIT (Corporate Directors) Limited

**Secretary and registered office**

REIT (Corporate Services) Limited, 5 Wigmore Street, London W1U 1PB

**Company number**

2841835

**Auditors**

BDO Stoy Hayward LLP, 8 Baker Street, London, W1U 3LL.

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## **Penn House (Swansea) Limited**

### **Report of the directors for the period ended 31 March 2005**

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The directors present their report together with the audited financial statements for the period ended 31 March 2005.

#### **Change of accounting reference date**

During the period the company changed its accounting reference date from 31 December to 31 March.

#### **Results and dividends**

The profit and loss account is set out on page 5. The company did not trade during the period.

The directors do not recommend the payment of a dividend (31 December 2003 - £Nil).

#### **Principal activities, trading review and future developments**

The principal activity of the company is property investment and the management of its property.

The position of the company at the end of the period is set out in the balance sheet.

The directors consider the company will perform satisfactorily in the forthcoming year.

#### **Directors**

The directors of the company during the period were:

P J Holland	(resigned 15 July 2004)
K D Malone	(resigned 15 July 2004)
R J Dossett	(resigned 15 July 2004)
B S Clegg	(resigned 15 July 2004)

REIT (Corporate Directors) Limited (appointed 15 July 2004)

None of the directors had beneficial interest in the share capital of the company or the parent company.

## **Penn House (Swansea) Limited**

### **Report of the directors for the period ended 31 March 2005 (*Continued*)**

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#### **Directors' responsibilities**

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

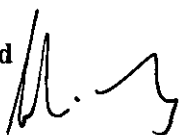
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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**

Deloitte & Touche LLP resigned as auditors of the company during the year and BDO Stoy Hayward LLP were appointed as auditors of the company by the directors. BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

**By order of the Board**



For and on behalf of REIT (Corporate Services) Limited

**Secretary**

Date 14/12/06

**Penn House (Swansea) Limited**

**Report of the independent auditors**

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**To the shareholders of Penn House (Swansea) Limited**

We have audited the financial statements of Penn House (Swansea) Limited for the period ended 31 March 2005 on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

*Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 with the company 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 United Kingdom Auditing Standards 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.

**Penn House (Swansea) Limited**

**Report of the independent auditors (*Continued*)**

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*Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*BDO Stoy Hayward*

**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and Registered Auditors  
London*

Date *14/12/06*

**Penn House (Swansea) Limited****Profit and loss account for the period ended 31 March 2005**

	Note	15 month period ended 31 March 2005 £	Year ended 31 December 2003 £
<b>Turnover</b>	1	-	112,101
Cost of sales		-	89
<b>Gross profit</b>		-	112,190
Administrative expenses	1	-	(19,532)
<b>Operating profit</b>	2	-	92,658
Profit on sale of investment property		-	276,482
Interest receivable and similar income		-	420
Interest payable and similar charges	3	-	(189,213)
<b>Profit on ordinary activities before taxation</b>		-	180,347
Taxation on profit on ordinary activities	4	-	22,693
<b>Profit on ordinary activities after taxation transferred to reserves</b>	8	-	203,040

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior period are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior period apart from (loss)/profit for the period

The notes on pages 7 to 10 form part of these financial statements.

**Penn House (Swansea) Limited**

**Balance sheet at 31 March 2005**

	Note	31 March 2005 £	31 December 2003 £
<b>Current assets</b>			
Debtors	5	2,250,169	2,250,169
<b>Creditors: amounts falling due within one year</b>	6	(479,035)	(479,035)
<b>Net assets</b>		<u>1,771,134</u>	<u>1,771,134</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account	8	<u>1,771,133</u>	<u>1,771,133</u>
<b>Equity shareholders' funds</b>		<u>1,771,134</u>	<u>1,771,134</u>

The financial statements were approved by the Board on 14/02/06



For and on behalf of REIT (Corporate Directors) Limited  
**Director**

The notes on pages 7 to 10 form part of these financial statements.

**1 Accounting policies**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

*Turnover*

Turnover derives from one class of business and represents gross rents receivable. All turnover derives from activities within the United Kingdom.

*Administrative expenses*

Group administrative expenses are charged to the company by the parent company in proportion to gross rental income receivable.

*Interest*

All interest is charged to the profit and loss account as accrued.

*Sales of properties*

Sales of investment properties are recognised when contracts are unconditionally exchanged. The surpluses arising on the sale of investment properties, based on the excess of sale proceeds over book value, are included within the profit and loss account. Surpluses resulting from revaluation of property, previously taken to revaluation reserves, are included in the surplus on realisation, and shown as a movement on reserves.

*Deferred taxation*

Deferred tax is provided in full on timing differences which, at the balance sheet date result in obligation to pay more tax, or a right to pay less tax, at a future date. Such provision is made 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.

**Penn House (Swansea) Limited**

**Notes forming part of the financial statements for the period ended 31 March 2005**

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**2 Operating profit**

The company had no employees during the current or preceding period.

None of the directors of the company received any emoluments during the current or preceding period in respect of services to the company.

Auditors' remuneration was borne by the parent company in the current and preceding period.

Details of employee costs and auditors' remuneration are shown in the financial statements of the parent company.

**3 Interest payable and similar charges**

	15 month period ended 31 March 2005 £	Year ended 31 December 2003 £
Interest payable to group undertakings	-	189,213
	<u>          </u>	<u>          </u>

**4 Taxation on profit from ordinary activities**

	15 month period ended 31 March 2005 £	Year ended 31 December 2003 £
<i>Current tax</i>		
UK corporation tax on profits of the period	-	-
	<u>          </u>	<u>          </u>
<i>Deferred tax</i>		
Capital allowances in excess of depreciation – current year	-	(4,793)
Capital allowances in excess of depreciation – prior year	-	(17,900)
	<u>          </u>	<u>          </u>
	-	(22,693)
	<u>          </u>	<u>          </u>

**Penn House (Swansea) Limited****Notes forming part of the financial statements for the period ended 31 March 2005 (Continued)****4 Taxation on profit from ordinary activities (Continued)**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	15 month period ended 31 March 2005 £	Year ended 31 December 2003 £
Profit on ordinary activities before tax	-	180,347
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (31 December 2003 - 30%)	-	54,104
Effects of:		
Group relief received		
Capital gain transferred to group companies	-	(304,914)
Capital allowances in excess of depreciation	-	(4,793)
Accounting profit on capital sale in excess of taxable profit	-	221,969
Group relief suffered / (received)	-	33,634
Current tax charge for period	-	-

**5 Debtors**

	31 March 2005 £	31 December 2003 £
Amounts owed by group undertakings	2,250,169	2,250,169

All amounts shown under debtors fall due for payment within one year

**6 Creditors: amounts falling due within one year**

	31 March 2005 £	31 December 2003 £
Amounts owed to group undertakings	479,035	479,035

**Penn House (Swansea) Limited**

**Notes forming part of the financial statements for the period ended 31 March 2005 (Continued)**

**7 Share capital**

	Authorised			
	31 March 2005 Number	31 December 2003 Number	31 March 2005 £	31 December 2003 £
Ordinary shares of £1 each	5,000,000	5,000,000	5,000,000	5,000,000

	Allotted, called up and fully paid			
	31 March 2005 Number	31 December 2003 Number	31 March 2005 £	31 December 2003 £
Ordinary shares of £1 each	1	1	1	1

**8 Profit and loss account**

	£
At 1 January 2004 and at 31 March 2005	1,771,133

**9 Related party transactions**

The company is taking advantage of the exemption granted by paragraph 3(c) of FRS 8 "Related Party Disclosures" not to disclose transactions with group companies which are related parties.

**10 Ultimate parent company**

The immediate parent company is Forecourt Properties Limited and the largest parent company in the UK is Estates & General Limited for which group financial statements are prepared. Both are incorporated and registered in England and Wales. The ultimate controlling entity, in the director's opinion is Trafalgar Overseas Limited, a company registered in the British Virgin Islands.

**11 Cash flow statement**

The company is not presenting a cash flow statement. It has taken advantage of the exemption in FRS 1 as the parent company, Estates & General Limited, has included a consolidated cash flow statement within its own consolidated financial statements.