

COMPANY REGISTRATION NUMBER 2910783

**The General Property Investment Company
Ltd**

Annual Report and Financial Statements

for the year ended 30 June 2014

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The General Property Investment Company Ltd

Financial Statements

for the year ended 30 June 2014

Contents	Page
Directors' report	1
Independent auditor's report to the members	3
Profit and loss account	5
Balance sheet	6
Notes to the financial statements.	7

The General Property Investment Company Ltd

Directors' Report

for the year ended 30 June 2014

The directors present their report and the audited financial statements of the company for the year ended 30 June 2014.

Principal activities and business review

The principal activity of the company during the year that of an investment holding company. The directors intend to continue this activity for the foreseeable future.

In the opinion of the directors the financial position of the company at the balance sheet date was satisfactory.

Key performance indicators ("KPIs")

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The profit for the year amounted to £15,573 (2013: £83,249). The directors have not recommended a dividend (2013: £2,020,000).

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of the Pacific Investments group, which include those of the company, are discussed within the "Principal risks and uncertainties" paragraph in the directors' report in the consolidated financial statements of Pacific Investments Limited, which do not form part of this report.

Liquidity and interest rate risk

The company has access to the Pacific Investments group loan facility. This is sufficient for current and planned future operations. Interest rate exposure is not considered a risk given the nature of its interest bearing assets and liabilities. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Directors

The directors who served the company during the year were as follows:

JL Beckwith
SP Beckwith
SD Roberts

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 year.

The General Property Investment Company Ltd

Directors' Report *(continued)*

for the year ended 30 June 2014

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.

Auditor

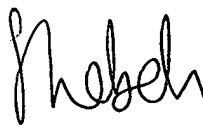
Nexia Smith & Williamson have been appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is 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 and to establish that the company's auditor is aware of that information.

Registered office:
124 Sloane Street
London
United Kingdom
SW1X 9BW

Signed on behalf of the directors



SD Roberts
Director

Approved by the directors on **22** December 2014

The General Property Investment Company Ltd

Independent Auditor's Report to the Members of The General Property Investment Company Ltd

for the year ended 30 June 2014

We have audited the financial statements of The General Property Investment Company Ltd for the year ended 30 June 2014 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 16. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 to 2, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 30 June 2014 and of its profit 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.

The General Property Investment Company Ltd

Independent Auditor's Report to the Members of The General Property Investment Company Ltd *(continued)*

for the year ended 30 June 2014

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 from the requirement to prepare a Strategic Report.

Nexia Smith & Williamson

Guy Swarbreck
Senior Statutory Auditor, For and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

22 December 2014

The General Property Investment Company Ltd

Profit and Loss Account

for the year ended 30 June 2014

	Note	2014 £	2013 £
Turnover		—	—
Administrative expenses		(26,493)	(4,631)
Operating loss	2	(26,493)	(4,631)
Interest receivable	4	42,066	87,880
Profit on ordinary activities before taxation		<u>15,573</u>	<u>83,249</u>
Tax on profit on ordinary activities	5	—	—
Profit for the financial year		<u><u>15,573</u></u>	<u><u>83,249</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 7 to 13 form part of these financial statements.


The General Property Investment Company Ltd

Balance Sheet

as at 30 June 2014

	Note	2014 £	2013 £
Fixed assets			
Investments	7	<u>525,202</u>	<u>59,133</u>
Current assets			
Debtors	8	2,027,859	2,478,858
Creditors: amounts falling due within one year	9	<u>(2,504,200)</u>	<u>(2,503,900)</u>
Net current liabilities		<u>(476,341)</u>	<u>(25,042)</u>
Total assets less current liabilities		48,861	34,091
Creditors: amounts falling due after more than one year	10	<u>(11,826)</u>	<u>(12,629)</u>
		<u>37,035</u>	<u>21,462</u>
Capital and reserves			
Called-up share capital	12	1	1
Profit and loss account	13	<u>37,034</u>	<u>21,461</u>
Shareholders' funds	14	<u>37,035</u>	<u>21,462</u>

These accounts were approved by the directors and authorised for issue on **22** December 2014, and are signed on their behalf by:


JL Beckwith
Director

Company Registration Number: 2910783

The notes on pages 7 to 13 form part of these financial statements.

The General Property Investment Company Ltd

Notes to the Financial Statements

for the year ended 30 June 2014

1. Accounting policies

Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards.

The company is a subsidiary of the Pacific Investments group of companies and is included in the consolidated financial statements of Pacific Investments Limited, which are publicly available. The company is therefore exempt from preparing its own consolidated financial statements.

Going concern

These financial statements have been prepared on the going concern basis which assumes the continued support of the parent company. The directors have received a letter from Pacific Investments Management Limited, confirming its support for a period of at least 12 months from the date of approval of these financial statements.

Cash flow statement

Over 90% of the voting rights are controlled within the Pacific Investments group and consequently the company is exempt under the terms of FRS1 from preparing a cash flow statement.

Related parties transactions

The company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are wholly owned by a member or members of the Pacific Investments group of companies.

Investments

Investments are stated at cost less any provisions for permanent diminution in value. Realised gains and losses are dealt with through the profit and loss account. A review for impairment is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable, in which case an impairment provision is recognised and charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed, at the balance sheet date that may give rise to an obligation 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. Deferred tax assets are recognised only 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.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into Sterling at the year end exchange rates. All differences are taken to the profit and loss account.

The General Property Investment Company Ltd

Notes to the Financial Statements

for the year ended 30 June 2014

1. Accounting policies *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Dividends

Dividend distributions payable to equity shareholders are included in current liabilities when the dividends are approved in the general meeting prior to the balance sheet date.

2. Operating loss

Operating loss is stated after charging:

	2014 £	2013 £
Auditor's remuneration		
- as auditor	4,200	3,900
Net loss on foreign currency translation	<u>22,032</u>	<u>731</u>

3. Particulars of employees

During the year, the company had no employees (2013: nil) and paid no remuneration to directors (2013: £nil).

4. Interest receivable

	2014 £	2013 £
Interest from group undertakings	<u>42,066</u>	<u>87,880</u>

The General Property Investment Company Ltd

Notes to the Financial Statements

for the year ended 30 June 2014

5. Taxation on ordinary activities

Factors affecting current tax credit

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2013 - 23%).

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>15,573</u>	<u>83,249</u>
Profit on ordinary activities by rate of tax	3,270	19,147
Tax chargeable at higher rates	(840)	624
Share of unrecognised foreign income	(15,025)	-
Group relief claimed without charge	<u>12,595</u>	<u>(19,771)</u>
Total current tax	<u>-</u>	<u>-</u>

6. Dividends

Equity dividends

	2014 £	2013 £
Paid during the year:		
Dividends on ordinary shares	<u>-</u>	<u>2,020,000</u>

7. Investments

Investments are analysed as follows:

	2013 £	2012 £
Subsidiary undertakings	1,156	1,156
Associated undertakings	<u>524,046</u>	<u>57,977</u>
	<u>525,202</u>	<u>59,133</u>

Investments in subsidiary undertakings

	Shares £	Loans £	Total £
Cost			
At 30 June 2014 and 30 June 2013	<u>1,156</u>	<u>147,459</u>	<u>148,615</u>
Provision for diminution in value			
At 30 June 2014 and 30 June 2013	<u>-</u>	<u>147,459</u>	<u>147,459</u>
Net book value at 30 June 2014 and 30 June 2013	<u>1,156</u>	<u>-</u>	<u>1,156</u>

The General Property Investment Company Ltd

Notes to the Financial Statements

for the year ended 30 June 2014

Details of subsidiary undertakings at 30 June 2014 are given below:

The Company owns 67% of Trinity Lake Corporation Inc., a company registered in North Carolina, USA. This company is developing a residential site in Greensboro, North Carolina. The company provides the infrastructure to the site before selling tranches of individual building plots to building contractors. At the year end a loan of £147,459 (2013: £147,459) was outstanding to the Company, against which £147,459 has been provided as at 30 June 2014 (2013: £147,459). The loan is unsecured and repayable on demand.

Investments in associated undertakings

Investment in associated undertakings is analysed as follows:

	Shares £	Loans £	Total £
Cost			
At 1 July 2013	4,997	52,980	57,977
Additions in year	–	488,904	488,904
Foreign exchange movement in year	–	(22,835)	(22,835)
At 30 June 2014	<u>4,997</u>	<u>519,049</u>	<u>524,046</u>

The Company has the following associated undertakings:

Associate	Principal Activity	Effective Equity Share	Place of Incorporation
Pacific Investments (Asia) Limited	Property investment	50%	Bermuda
Red River (Ireland) Limited	Property development	40%	England & Wales

8. Debtors

	2014 £	2013 £
Trade debtors	–	145
Amounts owed by group undertakings	2,027,859	2,478,713
	<u>2,027,859</u>	<u>2,478,858</u>

The General Property Investment Company Ltd

Notes to the Financial Statements

for the year ended 30 June 2014

9. Creditors: amounts falling due within one year

	2014 £	2013 £
Shares classed as financial liabilities	2,500,000	2,500,000
Accruals and deferred income	4,200	3,900
	<u>2,504,200</u>	<u>2,503,900</u>

10. Creditors: amounts falling due after more than one year

	2014 £	2013 £
Amounts owed to group undertakings	<u>11,826</u>	<u>12,629</u>

11. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

12. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary share of £1 each	1	1	1	1
Preference Shares share of £1 each	2,500,000	2,500,000	2,500,000	2,500,000
	<u>2,500,001</u>	<u>2,500,001</u>	<u>2,500,001</u>	<u>2,500,001</u>

	2014 £	2013 £
Amounts presented in equity:		
Ordinary share of £1 each	<u>1</u>	<u>1</u>

	2014	2013
Amounts presented in liabilities:		
Preference Shares share of £1 each	<u>2,500,000</u>	<u>2,500,000</u>

The Preference Shares were redeemable at par by the company between six and eleven years from the date of issue or as soon thereafter as the company would be able to comply with the statutory provisions for the time being effecting such redemption. Although it is over eleven years since the issue date the Preference Shares have not yet been redeemed due to statutory provisions restrictions, however they remain redeemable and will continue to do so until the statutory provisions are met, at which point they will be redeemed.

The General Property Investment Company Ltd

Notes to the Financial Statements

for the year ended 30 June 2014

12. Share capital *(continued)*

In the event of a winding up of the company, the Preference Shares will be repaid in priority of the ordinary shares. The Preference Shares do not carry the right to receive notice of or vote at any general meeting of the company.

The Preference Shares do not entitle the holders to any further rights or other participation in the profits or assets of the company. The Preference shareholders do not have the right to receive notice of, attend or vote at general meetings of the company.

13. Profit and loss account

	2014	2013
	£	£
Balance brought forward	21,461	1,958,212
Profit for the financial year	15,573	83,249
Equity dividends	–	(2,020,000)
Balance carried forward	<u>37,034</u>	<u>21,461</u>

14. Reconciliation of movements in shareholders' funds

	2014	2013
	£	£
Profit for the financial year	15,573	83,249
Equity dividends paid in the year	–	(2,020,000)
Net addition/(reduction) to shareholders' funds	<u>15,573</u>	<u>(1,936,751)</u>
Opening shareholders' funds	21,462	1,958,213
Closing shareholders' funds	<u>37,035</u>	<u>21,462</u>

15. Guarantees

The Company provides a corporate cross-guarantee to Lloyds Bank in respect of bank loans and overdrafts of Pacific Investments Management Limited, Pacific Leisure, Entertainment & Media Limited, Beckwith Capital Investment Limited, Beckwith Capital Development Limited, Pacific Healthcare Limited and Odyssey Venture Partners Limited. As security, the bank holds a debenture comprising fixed and floating charges over the assets of the Company.

The General Property Investment Company Ltd

Notes to the Financial Statements

for the year ended 30 June 2014

16. Ultimate parent company

The Company's immediate parent company is Pacific Investments Management Limited, a company registered in England and Wales.

The Company's ultimate parent company is Pacific Investments Limited, a company registered in England & Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Pacific Investments Limited's consolidated financial statements can be obtained from Companies House.

In the opinion of the directors the ultimate controlling party of the company is JL Beckwith, a director and majority shareholder of the ultimate parent company.