Peer Holdings Limited

Report and Financial Statements

Year Ended

31 July 2013

Company Number 3300281

Peer Holdings Limited

Report and financial statements
for the year ended 31 July 2013

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Directors

M B Birrane
H Dawson
A P Birrane-Rule
S A Birrane

Secretary and registered office

M Breeze, The Peer Suite, The Hop Exchange, 24 Southwark St, London, SE1 1TY

Company number

3300281

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Peer Holdings Limited

Report of the directors
for the year ended 31 July 2013

The directors present their report together with the audited financial statements for the year ended 31 July 2013.

Results

The profit and loss account is set out on page 5 and shows the profit for the year.

Principal activities, review of business and future developments

The company's principal activity was that of property investment and dealing.

The directors consider the results to be satisfactory.

On the 15 February 2013 the company transferrred all of its investment properties to another member of the group headed by Peer Group plc. The company has not traded since that date and is unlikely to do so in the foreseeable future.

Directors

The directors of the company during the year were:

M B Birrane
H Dawson
A P Birrane-Rule
S A Birrane
B K Birrane (resigned 19 March 2013)
P J Smith (resigned 21 December 2012)

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 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.

Auditors

All of the current directors have taken all the 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 of which the auditors are unaware.

BDO LLP has expressed its willingness to continue in office and a resolution to re-appoint it will be proposed at the annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

By order of the board

M Breeze
Secretary

11 December 2013

Peer Holdings Limited

Independent auditor's report

To the member of Peer Holdings Limited

We have audited the financial statements of Peer Holdings Limited for the year ended 31 July 2013 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the note of historical cost profits 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).

This report is made solely to 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 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 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 statement of directors' responsibilities, 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council'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 31 July 2013 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.

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 prepare the financial statements and the directors' report in accordance with the small companies' regime.

BDO LLP

John Everingham (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom
11 December 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Peer Holdings Limited

Profit and loss account
for the year ended 31 July 2013

	Note	2013 £	2012 £
Turnover	2	**1,800,345**	2,725,885
Administrative expenses		**216,466**	1,114,795
Operating profit	3	**1,583,879**	1,611,090
Other interest receivable and similar income	5	**2,493**	9,054
Interest payable and similar charges	6	**(334,314)**	(718,246)
Profit on ordinary activities before taxation		**1,252,058**	901,898
Taxation on profit on ordinary activities	7	**99,447**	(75,918)
Profit on ordinary activities after taxation		**1,351,505**	825,980

All amounts relate to continuing activities.

The notes on pages 8 to 14 form part of these financial statements.

Peer Holdings Limited

Statement of total recognised gains and losses
and note of historical cost profits and losses
for the year ended 31 July 2013

	Note	2013 £	2012 £
Statement of total recognised gains and losses			
Profit for the financial year		**1,351,505**	825,980
Unrealised deficit on revaluation of properties	13	**-**	(7,805,000)
Total recognised gains and losses for the financial year		**1,351,505**	(6,979,020)

	2013 £	2012 £
Note of historical cost profits and losses		
Reported profit on ordinary activities before taxation	**1,252,058**	901,898
Realisation of property revaluation losses of previous years	**(10,188,220)**	-
Historical cost (loss)/profit on ordinary activities before taxation	**(8,936,162)**	901,898
Historical cost (loss)/profit for the year after taxation	**(8,836,715)**	825,980

The notes on pages 8 to 14 form part of these financial statements.

Peer Holdings Limited

Balance sheet
at 31 July 2013

Company number 3300281	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible assets	8		-		27,640,000
Current assets					
Debtors - due within one year	9	**14,216,748**		7,469,406	
Debtors - due after more than one year	9	-		52,718	
Total debtors		**14,216,748**		7,522,124	
Cash at bank and in hand		**24,319**		160,428	
		14,241,067		7,682,552	
Creditors: amounts falling due within one year	10	**18,291,982**		40,724,972	
Net current liabilities			**(4,050,915)**		(33,042,420)
Total assets less current liabilities			**(4,050,915)**		(5,402,420)
Capital and reserves					
Called up share capital	12		**2**		2
Revaluation reserve	13		-		(10,188,220)
Profit and loss account	13		**(4,050,917)**		4,785,798
Shareholder's deficit	14		**(4,050,915)**		(5,402,420)

The financial statements were approved by the board of directors and authorised for issue on 11/12/13

H Dawson
Director

The notes on pages 8 to 14 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties.

The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Peer Group plc and the company is included in consolidated financial statements.

Turnover

Turnover represents gross rents receivable from external tenants. Value added tax is excluded where applicable.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

Investment properties

In accordance with SSAP 19 'Accounting for investment properties', investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

Going concern

The company made a profit in the current year but has net current liabilities and net liabilities at the year end. The directors believe that the company will continue as a going concern and be able to settle its liabilities as they full due for the next 12 months due to the continuing support of the ultimate parent undertaking, Peer Group plc.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating profit

	2013 £	2012 £
This is arrived at after charging:		
Fees payable to the company's auditor or an associate of the company's auditor for the auditing of the company's annual accounts	**2,500**	6,000
Fees payable to the company's auditor or an associate of the company's auditor for taxation compliance services	**2,000**	-

4 Employees

Staff costs (including directors) consist of £Nil (2012 - £Nil)

There were no employees during the year apart from the directors (2012 - None). None of the directors received any remuneration from the company in either year, with their remuneration being borne by a fellow group company.

5 Other interest receivable and similar income

	2013 £	2012 £
Bank deposits	**2,493**	9,054

6 Interest payable and similar charges

	2013 £	2012 £
Bank loans	**334,314**	718,246

Peer Holdings Limited

Notes forming part of the financial statements
for the year ended 31 July 2013 *(continued)*

7 Taxation on profit on ordinary activities

	2013 £	2012 £
UK Corporation tax		
Current tax on profits of the year	-	152,165
Adjustment in respect of previous periods	**(152,165)**	(81,990)
Total current tax	**(152,165)**	70,175
Deferred tax		
Origination and reversal of timing differences	**52,718**	5,743
Taxation on profit on ordinary activities	**(99,447)**	75,918

The tax assessed for the year is different to the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	**1,252,058**	901,898
Profit on ordinary activities at the standard rate of corporation tax in the UK of 23.67% (2012 - 25.33%)	**296,362**	231,083
Effect of:		
Expenses not deductible for tax purposes	**2,380**	31,103
Capital allowances for period in excess of depreciation	-	(9,232)
Utilisation of tax losses	**(261,397)**	-
Adjustment to tax charge in respect of previous periods	**(152,165)**	(81,990)
Group relief	**57,624**	-
Transfer pricing adjustment	**(94,969)**	(100,789)
Current tax (credit)/charge for the year	**(152,165)**	70,175

8 Tangible fixed assets

	Freehold land and buildings £
Cost or valuation	
At 1 August 2012	27,640,000
Disposals	(27,640,000)
At 31 July 2013	-
At 31 July 2012	27,640,000

All of the investment properties were transferred to another subsidiary company during the year.

On an historical cost basis these would have been included at an original cost of £Nil (2012 £37,828,940).

9 Debtors

	2013 £	2012 £
Amounts receivable within one year		
Trade debtors	-	61,144
Amounts owed by group undertakings	**14,175,610**	6,825,856
Corporation tax recoverable	**28,698**	-
Other debtors	**12,440**	569,673
Prepayments and accrued income	-	12,733
	14,216,748	7,469,406
Amounts receivable after more than one year		
Deferred taxation (see note 11)	-	52,718
Total debtors	**14,216,748**	7,522,124

10 Creditors: amounts falling due within one year

	2013	2012
	£	£
Bank loans and overdrafts (secured - see below)	-	21,676,500
Trade creditors	**117**	131,451
Amounts owed to group undertakings	**18,010,709**	18,010,709
Corporation tax	-	152,165
Other taxation and social security	**10,572**	1,952
Other creditors	**266,084**	317,259
Accruals and deferred income	**4,500**	434,936
	18,291,982	40,724,972

During the year the bank loan was repaid in full, the investment properties transferred at carrying value to another group company, and a new loan facility drawn down in that company.

11 Provisions for liabilities

	Deferred taxation
	£
Transferred from debtors	(52,718)
Charged to profit and loss account	52,718
At 31 July 2013	-

Deferred taxation

	2013	2012
	£	£
Accelerated capital allowances	-	(52,718)

There is unprovided deferred taxation asset of £Nil (2012 - £152,720). This is due to the transfer of the investment properties to other subsidiary entities in the group.

12 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

13 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 August 2012	(10,188,220)	4,785,798
Profit for the year	-	1,351,505
Transfer of historic revaluation losses	10,188,220	(10,188,220)
At 31 July 2013	**-**	**(4,050,917)**

14 Reconciliation of movements in shareholder's deficit

	2013 £	2012 £
Profit for the year	**1,351,505**	825,980
Other net recognised gains and losses relating to the year		
- Unrealised deficit on revaluation of properties	**-**	(7,805,000)
Net additions to/(deductions from) shareholder's deficit	**1,351,505**	(6,979,020)
Opening shareholder's (deficit)/funds	**(5,402,420)**	1,576,600
Closing shareholder's deficit	**(4,050,915)**	(5,402,420)

15 Related party disclosures

The company is a wholly owned subsidiary of Peer Group plc and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with Peer Group plc or other wholly owned subsidiaries within the group.

16 Ultimate parent company and ultimate controlling party

The company's immediate parent undertaking is Peer Group plc. Peer Group plc is the company's ultimate parent undertaking and the parent of the largest group for which consolidated accounts are prepared that include the results of the company. The financial statements of Peer Group plc are available from Companies House.

Peer Group plc has no single overall controlling party.