

3404451

# **Renaissance Securities Limited**

## **Report and Financial Statements**

31 December 2006

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COMPANIES HOUSE

# Renaissance Securities Limited

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Registered No. 3404451

## **DIRECTORS**

N G Bannister FIRPM  
K C Rutherford FIRPM  
J Gray FCCA ATII

## **SECRETARY**

D C Edwards LLB

## **AUDITORS**

BDO Stoy Hayward LLP  
Arcadia House  
Maritime Walk  
Ocean Village  
Southampton  
SO14 3TL

## **BANKERS**

National Westminster Bank PLC  
10 St Peter's Street  
St Albans  
Hertfordshire AL1 3LY

## **SOLICITORS**

Nabarro Nathanson  
84 Theobald's Road  
London  
WC1X 8RW

## **REGISTERED OFFICE**

Queensway House  
11 Queensway  
New Milton  
Hampshire  
BH25 5NR

# Renaissance Securities Limited

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## DIRECTORS REPORT

The directors present their report and financial statements for the year ended 31 December 2006.

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £8,435 (2005: £12,043). The directors do not recommend the payment of a dividend (2005: £nil).

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company's principal activity during the year continued to be that of an investment company. The directors consider the affairs of the business to be satisfactory and look forward to the year ahead with confidence.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows:

N G Bannister  
K C Rutherford  
J Gray

No director had an interest in the ordinary share capital of the company or the ultimate parent undertaking, Holiday Retirement Corporation.

The directors are not liable to retire by rotation.

### INSURANCE OF COMPANY OFFICERS

The company has maintained insurance throughout the year for its directors and officers against the consequences of actions which may be brought against them in relation to their duties for the company.

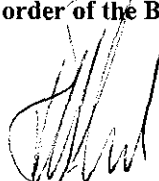
### AUDITORS

The 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 purpose 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 Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board

  
D C Edwards  
Secretary  
19 March 2007

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE  
FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year 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 year*. 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;
- 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.

# Renaissance Securities Limited

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## REPORT OF THE INDEPENDENT AUDITORS

### To the shareholders of Renaissance Securities Limited

We have audited the company's financial statements (the "financial statements") of Renaissance Securities Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### *Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with those financial statements. We also report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments 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.

REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



**BDO STOY HAYWARD LLP**  
**Chartered Accountants and Registered Auditors**  
**Southampton**  
**19 March 2007**

# Renaissance Securities Limited

## PROFIT AND LOSS ACCOUNT for the year ended 31 December 2006

	Notes	2006 £	2005 £
TURNOVER	2	12,050	17,205
OPERATING PROFIT	3	12,050	17,205
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		12,050	17,205
Tax on profit on ordinary activities	4	(3,615)	(5,162)
RETAINED PROFIT FOR THE FINANCIAL YEAR	10	8,435	12,043

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial years stated above, and their historical cost equivalents.

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 December 2006

	2006 £	2005 £
Profit for the financial year	8,435	12,043
Unrealised surplus on revaluation of investment properties	-	303,873
Total recognised gains and losses relating to the year	8,435	315,916

# Renaissance Securities Limited

## BALANCE SHEET at 31 December 2006

	Notes	2006 £	2005 £
<b>FIXED ASSETS</b>			
Investments	5	410,573	410,573
<b>CURRENT ASSETS</b>			
Debtors	6	154,575	149,796
		154,575	149,796
<b>CREDITORS: amounts falling due within one year</b>	7	(3,782)	(7,438)
<b>NET CURRENT ASSETS</b>		150,793	142,358
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		561,366	552,931
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2	2
Revaluation reserve	10	357,767	357,767
Profit and loss account	10	203,597	195,162
<b>SHAREHOLDERS' FUNDS - equity interests</b>		561,366	552,931

These financial statements were approved and authorised for issue by the board of directors on 19 March 2007 and were signed on its behalf by:



**N G Bannister**  
Chief Executive



NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2006

**1. ACCOUNTING POLICIES**

***Accounting convention***

The financial statements are prepared under the historical cost convention as modified to include the revaluation of freehold and leasehold reversions and in accordance with applicable accounting standards and with the requirements of the Companies Act 1985, except as explained below.

***Cash flow statement***

Advantage has been taken of the exemption available under Financial Reporting Standard 1 not to prepare a cash flow statement as the consolidated financial statements of the Holiday Retirement UK Limited group in which the company is included are publicly available.

***Related parties***

Advantage has been taken of the exemption available under Financial Reporting Standard 8 not to disclose details of transactions with Holiday Retirement UK Limited or other group undertakings as the consolidated financial statements of the Holiday Retirement UK Limited group in which the company is included are publicly available.

***Freehold and leasehold investment properties***

In accordance with Statement of Standard Accounting Practice No.19 (as amended):

- Investment properties are included in the balance sheet at their open market value. Changes in the market value of investment properties are taken to the revaluation reserve. Any permanent diminution is taken to the profit and loss account for the year; and
- No depreciation or amortisation is provided in respect of leasehold investment properties with over 20 years to run.

This treatment, as regards the company's investment properties, is a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is, therefore, necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount that might otherwise have been shown cannot be separately identified or quantified.

***Deferred tax***

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# Renaissance Securities Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2006

### 2. TURNOVER

Turnover represents the amounts derived from ground rents and transfer fees from freehold and leasehold reversionary interests, stated net of value added tax, all of which is attributable to continuing operations generated in the UK.

### 3. OPERATING PROFIT AND DIRECTORS' EMOLUMENTS

The auditors are remunerated by a fellow subsidiary undertaking, Peverel Limited. The total audit fee for the UK group, of which Renaissance Securities Limited is a member, amounted to £98,500 (2005: £95,000).

The directors were paid by a fellow subsidiary undertaking, Peverel Limited, of which they are also directors. The directors' remuneration for the UK group amounted to £957,144 (2005 restated: £864,595). The directors are unable to quantify the allocation of these amounts between individual companies within the group.

There were no staff employed during the year or the previous year.

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2006 £	2005 £
<i>Current tax</i>		
UK Corporation tax	3,615	5,162
Total current tax	<u>3,615</u>	<u>5,162</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is equal to the standard rate of corporation tax in the UK of 30%.

	2006 £	2005 £
Profit on ordinary activities before tax	12,050	17,205
Profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 30% (2005: 30%)	<u>3,615</u>	<u>5,162</u>
Current tax charge	<u>3,615</u>	<u>5,162</u>

# Renaissance Securities Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 2006

### 5. FIXED ASSET INVESTMENTS

*Freehold  
and leasehold  
reversionary  
interests  
£*

Valuation:

At 1 January 2006 and at 31 December 2006

410,573

Investment properties, including freehold and leasehold reversions are included in the financial statements at their open market value. These are valued by projecting their future associated income streams for a fifty year period, and discounting them by an appropriate investment rate of return.

The historical cost of investment properties included at valuation is as follows:

£

At 31 December 2005 and 31 December 2006

52,806

### 6. DEBTORS

*2006                      2005  
£                              £*

Trade debtors

-                      4,698

Amounts due from fellow subsidiary undertakings

154,575                      145,098

154,575                      149,796

### 7. CREDITORS: amounts falling due within one year

*2006                      2005  
£                              £*

Other Creditors

167                      -

Corporation tax

3,615                      2,588

Accruals and deferred income

-                      4,850

3,782                      7,438

### 8. DEFERRED TAX

In accordance with the stated accounting policy, no deferred tax is provided on the revaluation of properties where there is no intention of disposal.

The potential deferred tax upon such properties, which has not been provided in these accounts amounts to £107,330 (2005: £107,330)

# Renaissance Securities Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 2006

### 9. SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>2006</i>	<i>2005</i>	<i>2006</i>	<i>2005</i>
	<i>No.</i>	<i>No.</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	1,000	1,000	2	2

### 10. RECONCILIATION OF SHAREHOLDERS FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital</i>	<i>Revaluation reserve</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
At 1 January 2005	2	53,894	183,119	237,015
Profit for the year	-	-	12,043	12,043
Surplus on revaluation of investment properties	-	303,873	-	303,873
At 31 December 2005	2	357,767	195,162	552,931
Profit for the year	-	-	8,435	8,435
At 31 December 2006	2	357,767	203,597	561,366

### 11. CONTINGENT LIABILITIES

Under a Deed of Charge, the company has unconditionally and irrevocably guaranteed the due and punctual payment of all sums due by Peverel Freeholds Limited, a fellow subsidiary undertaking of Holiday Retirement UK Limited, associated with the £18,665,818 bank loan to that company.

Furthermore, this guarantee is supported by a fixed charge in favour of the Bank, granted over all the company's fixed asset investments (see note 5).

### 12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent undertaking and controlling party is Holiday Retirement Corporation, a company registered in Oregon USA. Holiday Retirement UK Limited is the smallest and largest group for which group financial statements are prepared and are available to the public and may be obtained from Companies House, Cardiff.