

Prospect Number Three Limited

Report and Financial Statements

Year Ended

30 June 2010

Company Number 04232628

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Prospect Number Three Limited

**Report and financial statements
for the year ended 30 June 2010**

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Director

N A C Candy

Secretary and registered office

E Parsons, Thames House, Portsmouth Road, Esher, Surrey, KT10 9AD

Company number

04232628

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Prospect Number Three Limited

Report of the director for the year ended 30 June 2010

The director presents his annual report and the audited financial statements for the year ended 30 June 2010

Results and dividends

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

No final ordinary dividend (2009 - £Nil) was paid during the year

Principal activities

The principal activity of the company is that of property development

Director

The director who held office during the year was as follows

N A C Candy

Directors' responsibilities

The director is responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Prospect Number Three Limited

**Report of the director
for the year ended 30 June 2010 (*Continued*)**


Auditors

The current director has taken all the steps that he ought to have taken to make himself 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 director is not aware of any relevant audit information of which the auditors are unaware.

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

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

On behalf of the Board



N A C Candy

Director

23 September 2010

Prospect Number Three Limited

Independent auditor's report

TO THE MEMBERS OF PROSPECT NUMBER THREE LIMITED

We have audited the financial statements of Prospect Number Three Limited for the year ended 30 June 2010 which comprise the profit and loss account, the balance sheet 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 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 auditors

As explained more fully in the statement of director's responsibilities, the director is 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 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 (APB's) Ethical Standards for Auditors.

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 director, and the overall presentation of the financial statements.

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 2010 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Prospect Number Three Limited

Independent auditor's report (*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 explanation we require for our audit, or
- the director was not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime



*Nigel Gamble, (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

Date 23 September 2010

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

Prospect Number Three Limited

Profit and loss account for the year ended 30 June 2010

	Note	2010 £	2009 £
Administrative expenses		28	122
Operating profit		28	122
Interest received		20,484	-
Profit on ordinary activities before taxation		20,512	122
Tax on profit on ordinary activities	3	138,714	-
Profit on ordinary activities after taxation	8	159,226	122

The results stated above are derived from continuing operations
All recognised gains and losses are included in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

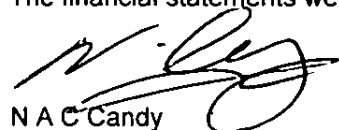
Prospect Number Three Limited

Balance sheet at 30 June 2010

<i>Company number 04232628</i>	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Investments	4		1		1
Current assets					
Debtors	5	163,448		134,711	
Creditors: amounts falling due within one year	6	3,901		134,390	
Net current assets			159,547		321
Total assets less current liabilities			159,548		322
Net assets			159,548		322
Capital and reserves					
Called up share capital	7		100		100
Capital redemption reserve	8		100		100
Profit and loss account	8		159,348		122
Shareholders' funds	9		159,548		322

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved and authorised for issue on 23 September 2010



N A C Candy
Director

The notes on pages 7 to 11 form part of these financial statements

Prospect Number Three Limited

Notes forming part of the financial statements for the year ended 30 June 2010

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:

Basis of preparation

The company is exempt by virtue of S 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Candy & Candy Group Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Candy & Candy Group Limited, within which this company is included, can be obtained from the address given in note 10.

Fixed asset investments

Fixed asset investments are held at cost less amounts provided for permanent diminution in value. The carrying value of fixed asset investments is reviewed for impairment where events or changes in circumstances indicate that the carrying value may not be recoverable.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Taxation

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Dividends

In accordance with FRS 21, interim dividends are included in the profit and loss account when they are paid and final dividends are recognised when they are approved by shareholders at a general meeting.

Prospect Number Three Limited

Notes forming part of the financial statements
for the year ended 30 June 2010 (*Continued*)

2 Director's remuneration

The director received no remuneration in the year

3 Taxation

	2010 £	2009 £
Analysis of charge in year		
<i>UK corporation tax</i>		
Current tax on income for the year	-	(36)
Overprovision in previous periods	138,714	-
	<hr/>	<hr/>
Current tax credit/(charge)	138,714	(36)
	<hr/>	<hr/>

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2009 - lower) than the standard rate of corporation tax in the UK 28%, (2009 - 30%) The differences are explained below

	2010 £	2009 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	20,512	122
	<hr/>	<hr/>
Current tax at the effective rate of 28% (2009 – 30%)	5,743	36
Effects of		
Non taxable income	-	(36)
Group relief	(5,743)	-
Overprovision in previous periods	138,714	-
	<hr/>	<hr/>
Total current tax charge (see above)	138,714	-
	<hr/>	<hr/>

Prospect Number Three Limited

Notes forming part of the financial statements
for the year ended 30 June 2010 (*Continued*)

4 Fixed asset investments

	Shares in group undertakings £
<i>Cost</i>	
At beginning and end of year	6
<i>Provisions</i>	
At beginning and end of year	5
<i>Net book value</i>	
At 30 June 2010 and 30 June 2009	1

The companies in which the company's interest at the year end is more than 20% are as follows

	Country of incorporation	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
Chelsea Square Investments Limited	England and Wales	Property investment	Ordinary 100%

Prospect Number Three Limited

Notes forming part of the financial statements
for the year ended 30 June 2010 (*Continued*)

5 Debtors

	2010 £	2009 £
Amounts owed by group undertakings	162,767	134,030
Other debtors	681	681
	<hr/> 163,448	<hr/> 134,711

6 Creditors: amounts falling due within one year

	2010 £	2009 £
Trade creditors	3,901	3,928
Amounts owed to group undertakings	-	98,862
Tax	-	31,600
	<hr/> 3,901	<hr/> 134,390

7 Called up share capital

	2010 £	2009 £
<i>Authorised</i>		
200 ordinary shares of £1 each	200	200
10,000 'A' ordinary shares of 1p each	100	100
	<hr/> 300	<hr/> 300
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>

8 Reserves

	Capital redemption reserve £	Profit and loss account £
At beginning of year	100	122
Profit for the year	-	159,226
	<hr/>	<hr/>
At end of year	100	159,348
	<hr/>	<hr/>

Prospect Number Three Limited

Notes forming part of the financial statements
for the year ended 30 June 2010 (*Continued*)

9 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	159,226	122
Opening shareholders' funds	322	200
	<hr/>	<hr/>
Closing shareholders' funds	159,548	322
	<hr/>	<hr/>

10 Ultimate parent company

The company's immediate parent undertaking is Candy & Candy Holdings II Limited incorporated in the United Kingdom and its ultimate parent undertaking is Candy & Candy Group Limited incorporated in The British Virgin Islands

The largest group in which the results of the company are consolidated is that headed by Candy & Candy Group Limited incorporated in The British Virgin Islands. The smallest group in which they are consolidated is that headed by Candy & Candy Holdings Limited, incorporated in the United Kingdom. The consolidated accounts of these groups are available to the public and may be obtained from Craigmuir Chambers, P O Box 71, Road Town, Tortola, British Virgin Islands and Companies House, respectively.