Company Registration No. 4339316

TROSTRE RETAIL LIMITED

Report and Financial Statements

Year ended 31 March 2009

REPORT AND FINANCIAL STATEMENTS 2009
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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J G Kennedy
I G Seddon

SECRETARY

I G Seddon

REGISTERED OFFICE

78 Ashley Road
Hale
Altrincham
Cheshire
WA14 2EF

AUDITORS

Deloitte LLP
Chartered Accountants and Registered Auditors
Manchester
United Kingdom

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2009. This report has been prepared in accordance with the special provisions relating to small companies under s246 (4) Companies Act 1985.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity in the company is property investment. On 22 November 2006 the company sold its retail site in Durham.

On 16 June 2008, the company purchased a retail park in Boldon for £14,150,000.

RESULTS, DIVIDENDS AND TRANSFERS FROM/TO RESERVES

The results of the company for the year are set out on page 5. No dividends were paid during the year (2008 - £5,500,000) and the loss after tax was £332,086 (2008: £5,756,904) in total a losses of £332,086 (2008 - £11,256,904) has been transferred from reserves.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statement.

DIRECTORS

The directors who served during the year and thereafter are shown on page 1.

DIRECTORS' STATEMENT ON INFORMATION TO AUDITORS

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

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

AUDITORS

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

I G Seddon
Secretary
9/11/2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgments and 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; 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 that 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TROSTRE RETAIL LIMITED

We have audited the financial statements of Trostre Retail Limited for the year ended 31 March 2009 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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

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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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.

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.

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 March 2009 and of its loss 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.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
Manchester
United Kingdom
9/11/ 2009

PROFIT AND LOSS ACCOUNT
Year ended 31 March 2009

	Note	2009 £	2008 £
TURNOVER	1	729,517	-
Administrative expenses		(564,359)	(11,842)
OPERATING PROFIT/(LOSS)		165,158	(11,842)
Profit on disposal of investment property		24,007	32,799
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		189,165	20,957
Interest payable and similar charges	4	(629,992)	(1,269,648)
Interest receivable and similar income	5	108,741	2,011
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(332,086)	(1,246,680)
Tax charge on loss on ordinary activities	6	-	(4,510,224)
LOSS FOR THE FINANCIAL YEAR	15,18	(332,086)	(5,756,904)

The above results relate to continuing operations.

The company has no recognised gains or losses other than the loss for this year and the loss for last year. Accordingly, a separate statement of total recognised gains and losses has not been presented.

BALANCE SHEET
31 March 2009

	Note		2009		2008
		£	£	£	£
FIXED ASSETS					
Investment property	8	15,010,746		-	
Investments	9	36,158		36,158	
			15,046,904		36,158
CURRENT ASSETS					
Debtors	10	81,760		878,861	
Cash at bank and in hand		1,236,850		242,602	
		1,318,610		1,121,463	
CREDITORS: amounts falling due within one year	11	(9,281,137)		(5,795,120)	
NET CURRENT LIABILITIES			(7,962,527)		(4,673,657)
TOTAL ASSETS LESS CURRENT LIABILITIES			7,084,377		(4,637,499)
CREDITORS: amounts falling due after more than one year	12		(12,053,962)		-
NET LIABILITIES			(4,969,585)		(4,637,499)
CAPITAL AND RESERVES					
Called up share capital	14		100		100
Profit and loss account	15		(4,969,685)		(4,637,599)
SHAREHOLDERS' DEFICIT	18		(4,969,585)		(4,637,499)

The financial statements of Trostre Retail Limited, registered number 4339316 were approved by the board of directors and authorised for issued on 9/11/2009.

Signed on behalf of the Board of Directors

J G Kennedy

J G Kennedy
Director

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2009

1. ACCOUNTING POLICIES

The financial statements are in accordance with applicable Law and United Kingdom accounting standards. The principal accounting policies adopted are described below. They have been applied consistently throughout the year and the preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The company has net liabilities as at 31 March 2009 and is reliant on its parent company, PJKI Limited, to be able to meet its liabilities as they fall due, which creates an uncertainty over the use of the going concern basis in preparation of the financial statements. The current economic conditions create uncertainty particularly over the level of demand for the company's rental properties. However, the directors, have reviewed the company's forecasts and projections, taking into account possible changes in trading performance and have obtained confirmation of financial support from its parent company.

After making such enquiries, the directors have a reasonable expectation that the company has adequate resources available to continue in operation for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

Turnover

Turnover represents rental income and service charges made to tenants, recognised evenly over the lease period and arise in the United Kingdom.

Investment properties

In accordance with Financial Reporting Standard No.15, investment properties are revalued annually by the directors and at least every five years by an external valuer. The aggregate surplus or deficit arising on revaluation is transferred to revaluation reserve except for permanent shortfalls between cost and valuation on individual properties which are charged to profit and loss account.

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 15. The directors consider that, because their properties are not held for consumption but for their investment potential, to depreciate them would not give as true and fair view, and that it is necessary to adopt FRS 15 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Investments

Investments in subsidiaries are stated at cost. Provision is made for any impairment. Group accounts are not produced as the company is itself a subsidiary of an entity which produces consolidated accounts.

Taxation

Current tax including UK corporation tax and foreign tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results stated in the financial statements that arise from the inclusion of gains and losses in tax assessment in periods to those in which they are recognised in the financial statements. Deferred tax is not discounted.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2009

1. ACCOUNTING POLICIES (continued)

Cash flow statement

The company has taken advantage of the exemption contained in FRS 1 (Revised) – "Cash Flow Statements" in not producing a cash flow statement as its cash flows are included in the consolidated cash flow statement of its parent company, PJKI Limited.

Related party transactions

The company has taken advantage of the exemption contained in FRS 8 "Related Party Disclosures" in not disclosing details of transactions with other group companies as it is a 100% subsidiary.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Other than the directors there were no employees. The directors received no emoluments during the current and preceding year from this company.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2009 £	2008 £
Loss on ordinary activities before taxation is stated after charging:		
Auditors' remuneration - audit of the company's annual accounts	3,815	3,815

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Interest due on overdue tax	300,000	1,269,648
Bank loan interest	329,992	-
	629,992	1,269,648

5. INTEREST RECEIVABLE

	2009 £	2008 £
Bank interest receivable	17,359	2,011
Other interest receivable	91,382	-
	108,741	2,011

6. TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES

	2009 £	2008 £
United Kingdom corporation tax at 28% based on the profit for the year	-	(9,840)
Adjustment in respect of prior years	-	(4,500,384)
	-	(4,510,224)

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2009

6. TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES (continued)

Circumstances affecting the current tax charge:

The standard rate of current tax for the year, based on the UK standard rate of corporation tax, is 28% (2008 – 30%). The current tax charge for the year is higher (2008 – higher) than 28% (2008 - 30%) for the reasons set out in the following reconciliation.

	2009 £	2008 £
Loss on ordinary activities before taxation	(332,086)	(1,246,680)
Tax at 28% (2008 - 30%)	92,984	374,004
Group relief surrendered for nil payment	(92,984)	(2,950)
Other timing differences	-	(380,894)
Prior period adjustments	-	(4,500,384)
Current tax charge for the year	-	(4,510,224)

7. DIVIDENDS

	2009 £	2008 £
Dividends paid - £nil per share (2008: £55,000)	-	5,500,000

8. INVESTMENT PROPERTY

	2009 £
Cost and net book value	
At 1 April 2008	-
Additions	15,010,746
At 31 March 2009	15,010,746

9. INVESTMENTS

	Shares in subsidiary £
Cost and net book value	
At 1 April 2008 and 31 March 2009	36,158

The company owns 65% of the ordinary issued share capital of Trostre Investments (Unlimited), a company registered in England and Wales, whose principal activity is investment. At 31 March 2009, the net assets of Trostre Investments were £62,711 (2008 - £61,893).

During 2004, Trostre Investments declared and paid a dividend in specie of a capital redemption policy to the company of £14,999,391. As a result, the net assets of Trostre Investments were reduced permanently and therefore a provision of £15,764,207 was made to reduce the carrying value of the investment to the company's share of the net assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2009

10. DEBTORS

	2009 £	2008 £
Amounts due from group undertakings	71,657	798,793
Other debtors	10,103	80,068
	81,760	878,861

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Bank loans (note 12)	151,712	-
Trade creditors	46	-
Amounts due to group undertaking	1,667,661	-
Corporation tax	5,779,872	5,597,278
Other creditors	16,091	-
Accruals and deferred income	1,665,755	197,842
	9,281,137	5,795,120

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £	2008 £
Bank loan	12,053,962	-

The maturity of the bank loan is secured as follows:

	2009 £	2008 £
Due within one year	151,712	-
Due within one and two years	135,625	-
Due between two and five years	583,7136	-
Due after more than five years	11,334,621	-
	12,205,694	-

The loan is secured on the investment property.

13. PROVISIONS FOR LIABILITIES

There is no deferred tax provided or unprovided in the company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2009

14. CALLED UP SHARE CAPITAL

	2009 £	2008 £
Authorised		
95 'A' ordinary shares of £1 each	95	95
5 'B' ordinary shares of £1 each	5	5
	100	100
Called up, allotted and fully paid		
95 'A' ordinary shares of £1 each	95	95
5 'B' ordinary shares of £1 each	5	5
	100	100

The shares rank pari passu in all respects.

15. RESERVES

	Profit and loss account £
At 1 April 2008	(4,637,599)
Loss for the financial year	(332,086)
At 31 March 2009	(4,969,685)

16. ULTIMATE PARENT COMPANY

The immediate parent company is PJKI Limited, a company incorporated and registered in England and Wales, and P J Kennedy Investments Limited, a company registered and incorporated in the Isle of Man, is the ultimate holding company.

The smallest and largest group in which the accounts of the company are included are those of PJKI Limited.

A copy of its accounts are available from Companies House, Cardiff.

The issued share capital of P J Kennedy Investments Limited is held in trusts for members of the family of Mr P J Kennedy and Mr J G Kennedy, who are considered to be the controlling parties.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 March 2009

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2009 £	2008 £
Loss for the financial year	(332,086)	(5,756,904)
Dividends paid	-	(5,500,000)
Net increase in sharesholders' deficit/funds	(332,086)	(11,256,904)
Opening shareholders' (deficit)/funds	(4,637,499)	6,619,405
Closing shareholders' deficit	(4,969,585)	(4,637,499)