

Company Registration No. 04352396 (England and Wales)

**PEVEREL PROPERTY MANAGEMENT LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

AMENDING

THURSDAY



\*A11T04LL\*

A25	02/02/2012	#290
	COMPANIES HOUSE	
LD3	18/01/2012	#114
	COMPANIES HOUSE	

# PEVEREL PROPERTY MANAGEMENT LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	L E Middleburgh (Appointed 16 December 2010)
<b>Secretary</b>	Peverel Secretarial Limited
<b>Company number</b>	04352396
<b>Registered office</b>	Queensway House 11 Queensway New Milton Hampshire United Kingdom BH25 5NR
<b>Auditors</b>	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL
<b>Bankers</b>	Bank of Scotland 2nd Floor Pentland House 8 Lochside Avenue Edinburgh EH12 9DJ

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# **PEVEREL PROPERTY MANAGEMENT LIMITED**

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# **PEVEREL PROPERTY MANAGEMENT LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2010***

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The directors present their report and financial statements for the year ended 31 December 2010

#### **Principal activities and review of the business**

The principal activity of the company was the provision of shared services to fellow subsidiary companies

The company started trading on 1 January 2010

#### **Future Developments**

The company is confident that the long term future housing market will enable the business to grow

Note 1 provides information on future developments affecting the group of which the company is a subsidiary

#### **Results and dividends**

The results for the year are set out on page 5

#### **Post balance sheet events**

Note 16 provides information on post balance sheet events affecting the company

#### **Directors**

The following directors have held office since 1 January 2010

L E Middleburgh	(Appointed 16 December 2010)
N G Bannister	(Resigned 31 March 2011)
M J Gaston	(Resigned 11 June 2010)
W K Procter	(Resigned 11 June 2010)
C C McGill	(Resigned 21 March 2011)

#### **Directors' insurance**

The company maintains insurance policies on behalf of all the directors against liability arising from negligence, breach of duty and breach of trust in relation to the company

#### **Auditors**

In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditors of the company will be put at a General Meeting

# PEVEREL PROPERTY MANAGEMENT LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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### Statement of 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

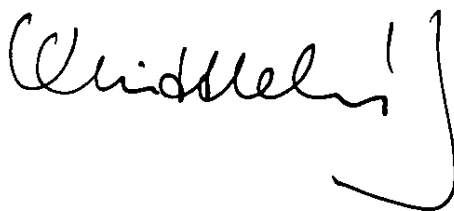
### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

On behalf of the board

L E Middleburgh  
Director  
17/01/2012



# **PEVEREL PROPERTY MANAGEMENT LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF PEVEREL PROPERTY MANAGEMENT LIMITED**

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We have audited the financial statements of Peverel Property Management Limited for the year ended 31 December 2010 set out on pages 5 to 15. 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 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**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 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 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 APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **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 December 2010 and of its loss 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.

# PEVEREL PROPERTY MANAGEMENT LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF PEVEREL PROPERTY MANAGEMENT LIMITED

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#### 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

*BDO LLP*

Kim H Hayward (Senior Statutory Auditor)  
for and on behalf of BDO LLP

*17 January 2012*

Chartered Accountants  
Statutory Auditor

Arcadia House  
Maritime Walk  
Ocean Village  
Southampton  
SO14 3TL

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

# PEVEREL PROPERTY MANAGEMENT LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
Turnover	2	6,042,099	-
Administrative expenses		(6,421,213)	-
Operating loss	3	(379,114)	-
Other interest receivable and similar income	4	80	-
Loss on ordinary activities before taxation		(379,034)	-
Tax on loss on ordinary activities	5	59,931	-
Loss for the year	11	(319,103)	-

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



# PEVEREL PROPERTY MANAGEMENT LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	6		865,579		-
<b>Current assets</b>					
Debtors	7	346,523		1	
Cash at bank and in hand		45,065		-	
		<u>391,588</u>		<u>1</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(1,576,269)</u>		<u>-</u>	
<b>Net current (liabilities)/assets</b>			<u>(1,184,681)</u>		<u>1</u>
<b>Total assets less current liabilities</b>			<u>(319,102)</u>		<u>1</u>
			<u>(319,102)</u>		<u>1</u>
<b>Capital and reserves</b>					
Called up share capital	10		1		1
Profit and loss account	11		<u>(319,103)</u>		<u>-</u>
<b>Shareholders' funds</b>	12		<u>(319,102)</u>		<u>1</u>

Approved by the Board and authorised for issue on 17/01/2012

L E Middleburgh  
Director



Company Registration No. 04352396

# PEVEREL PROPERTY MANAGEMENT LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2010

	£	2010 £	£	2009 £
<b>Net cash inflow/(outflow) from operating activities</b>		1,144,212		-
<b>Returns on investments and servicing of finance</b>				
Interest received	80		-	
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>		80		-
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(1,099,227)		-	
<b>Net cash outflow for capital expenditure</b>		(1,099,227)		-
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		45,065		-
<b>Decrease in cash in the year</b>		45,065		-

# PEVEREL PROPERTY MANAGEMENT LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2010

<b>1</b>	<b>Reconciliation of operating loss to net cash outflow from operating activities</b>	<b>2010</b>	<b>2009</b>		
		<b>£</b>	<b>£</b>		
	Operating (loss)/profit	(379,114)	-		
	Depreciation of tangible assets	233,648	-		
	Increase in debtors	(286,591)	-		
	Increase in creditors within one year	1,576,269	-		
	<b>Net cash inflow/(outflow) from operating activities</b>	<b>1,144,212</b>	<b>-</b>		
<b>2</b>	<b>Analysis of net funds/(debt)</b>	<b>1 January 2010</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2010</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Net cash				
	Cash at bank and in hand	-	45,065	-	45,065
	Bank deposits	-	-	-	-
	<b>Net (debt)/funds</b>	<b>-</b>	<b>45,065</b>	<b>-</b>	<b>45,065</b>
<b>3</b>	<b>Reconciliation of net cash flow to movement in net funds</b>	<b>2010</b>	<b>2009</b>		
		<b>£</b>	<b>£</b>		
	Increase in cash in the year	45,065	-		
	<b>Movement in net funds in the year</b>	<b>45,065</b>	<b>-</b>		
	Opening net debt	-	-		
	<b>Closing net funds</b>	<b>45,065</b>	<b>-</b>		

# PEVEREL PROPERTY MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **1.2 Going concern**

These financial statements have been prepared on the going concern basis

The company is party to a composite debenture secured over all its assets in relation to a loan made to Aztec Opco Developments Limited, the ultimate United Kingdom parent company. The loan facility agreement includes covenant clauses which if triggered could give rise for a demand for repayment of that loan

Breaches in these covenants occurred in 2008 and 2009

On 10 March 2011 and 11 March 2011 the lender demanded payment from 4 fellow subsidiary companies totalling £135.9m. On 14 March 2011, Simon Appell, Alastair Beveridge and Anne O'Keefe of Zolfo Cooper were appointed Joint Administrators of Peverel Group Limited, Peverel Limited, Aztec Opco Developments Limited and Aztec Acquisitions Limited

It is the stated opinion of the Joint Administrators that the operating companies remain unaffected by the Administration and they are seeking to secure the sale of the business and assets of Peverel Limited (in administration) as soon as possible, which will include the shares of its subsidiary companies

The lender has confirmed that it is not their present intention to make demand against any of the companies pursuant to the guarantee

The Administrators have confirmed that, given the level of interest from third parties in the business and assets of Peverel Limited (in administration), they are confident that a successful outcome will be achieved

The Administrators have confirmed that it is not their intention to seek that the operating companies distribute any assets to the companies in administration (as dividends or otherwise) that would result in any of these companies being incapable of continuing to trade as a going concern

In determining to prepare the financial statements on the going concern basis the directors consider that the lender and Administrators will continue to support the company, as set out above, until a successful sale is achieved

#### **1.3 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.4 Turnover**

Turnover represents the amounts derived from the provision of services which fall within the company's ordinary activities, stated net of value added tax, all of which is attributable to continuing operations generated in the UK

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	evenly over five years
Computer equipment	evenly over three/five years

# PEVEREL PROPERTY MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

### 1 Accounting policies (Continued)

#### 1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss	2010 £	2009 £
Operating loss is stated after charging		
Depreciation of tangible assets	233,648	-

Fees payable to the company's auditor in the current year represents an allocation of the remaining balance of the amount payable by the company and its fellow trading subsidiaries, as other on-account fees for the year were paid by fellow subsidiary undertakings which are now in administration. Fees payable to the company's auditor in the prior year were paid by a fellow subsidiary undertaking.

#### Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts  
Taxation services

42,000	-
18,000	-
60,000	-

4 Investment income	2010 £	2009 £
Bank interest	80	-

# PEVEREL PROPERTY MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

5	Taxation	2010 £	2009 £
	<b>Total current tax</b>	-	-
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(62,151)	-
	Deferred tax adjustments arising in previous periods	2,220	-
	<b>Total deferred tax</b>	(59,931)	-
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	(379,034)	-
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 - 28.00%)	(106,130)	-
	Effects of:		
	Non deductible expenses	3,271	-
	Fixed asset timing differences	62,151	-
	Group relief	(127,632)	-
	Transfer pricing adjustments	168,340	-
		106,130	-
	<b>Current tax charge for the year</b>	-	-

# PEVEREL PROPERTY MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

### 6 Tangible fixed assets

	Plant and machinery £
<b>Cost</b>	
At 1 January 2010	-
Additions	1,099,227
At 31 December 2010	1,099,227
<b>Depreciation</b>	
At 1 January 2010	-
Charge for the year	233,648
At 31 December 2010	233,648
<b>Net book value</b>	
At 31 December 2010	865,579

### 7 Debtors

	2010 £	2009 £
Amounts owed by parent and fellow subsidiary undertakings	-	1
Other debtors	155,123	-
Prepayments and accrued income	131,469	-
Deferred tax asset (see note 9)	59,931	-
	346,523	1

Included within other debtors is a related party debtor of £148,464 (2009 £nil)

### 8 Creditors, amounts falling due within one year

	2010 £	2009 £
Trade creditors	44,252	-
Amounts owed to parent and fellow subsidiary undertakings	1,068,984	-
Taxes and social security costs	129,544	-
Other creditors	89,360	-
Accruals and deferred income	244,129	-
	1,576,269	-

Other creditors of £89,360 (2009 £nil) are amounts due to related parties

# PEVEREL PROPERTY MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

### 9 Provisions for liabilities

The deferred tax asset (included in debtors, note 7) is made up as follows:

	2010 £	
Profit and loss account		(59,931)
	2010 £	2009 £
(Decelerated)/accelerated capital allowances	(59,931)	-

### 10 Share capital

	2010 £	2009 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1 each	1	1

### 11 Statement of movements on profit and loss account

	Profit and loss account £
Loss for the year	(319,103)

### 12 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Loss for the financial year	(319,103)	-
Opening shareholders' funds	1	1
Closing shareholders' funds	(319,102)	1

### 13 Directors emoluments

The directors were paid by either fellow subsidiary undertakings or related parties, of which they are also directors



# PEVEREL PROPERTY MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2010**

### 14 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Office and management	150	-
<b>Employment costs</b>	<b>2010 £</b>	<b>2009 £</b>
Wages and salaries	2,589,441	-
Social security costs	239,242	-
Other pension costs	70,526	-
	2,899,209	-

### 15 Control

The company's UK parent undertaking is Aztec Opco Developments Limited - in administration, a company registered in England and Wales. The company's ultimate parent undertaking is Euro Investments Overseas Inc, a company incorporated in the British Virgin Islands. Simon Appell, Alistair Bevendge and Anne O'Keefe each of Zolfo Cooper LLP are the ultimate controlling party. Prior to Aztec Opco Developments Limited being placed into administration on 14 March 2011, the ultimate controlling party was the Tchenguiz Family Trust.

### 16 Post balance sheet events

On 14 March 2011 Peverel Limited, Peverel Group Limited and Aztec Acquisitions Limited, each intermediate UK parent companies of Peverel Property Management Limited, and Aztec Opco Developments Limited, the ultimate UK parent undertaking of Peverel Property Management Limited, were placed into administration.

The results of Peverel Property Management Limited were previously included in the consolidated financial statements of Peverel Group Limited and Aztec Opco Developments Limited. As a result of Peverel Group Limited and Aztec Opco Developments Limited going into administration consolidated financial statements will not be prepared for these companies for the year ended 31 December 2010.

# **PEVEREL PROPERTY MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 31 DECEMBER 2010***

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### **17 Related party relationships and transactions**

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions

Stonedale Property Management Limited, a company incorporated in England and Wales, is regarded as a related party, due to it having a common ultimate parent undertaking and part common Directors

During the year management services were provided to Stonedale Property Management Limited amounting to £191,229 (2009 £nil) The total balance outstanding at 31 December 2010 was £148,464 (2009 £nil) This is interest free

County Estate Management Limited, a company incorporated in England and Wales, is regarded as a related party, due to it having a common ultimate parent undertaking

During the year costs were incurred by County Estate Management Limited on behalf of the company, these were recharged at cost and amounted to £89,360 (2009: £nil). The total balance outstanding at 31 December 2010 was £89,360 (2009 £nil) This is interest free.