

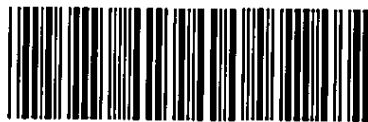
PWCR Chandlers Ford 2 Limited

Report and Financial Statements

Registered number 4976061

Year Ended 31 December 2006

MONDAY



ACQ86U7R

A04

29/10/2007

8

COMPANIES HOUSE

Contents

	Page
Report of the directors	1
Report of the independent auditors	3
Profit and loss account	4
Reconciliation of movements in shareholders' funds	5
Balance sheet	6
Notes forming part of the financial statements	7

Directors

T J Evans
S L Gumm
N M Leslau

Secretary and registered office

S L Gumm, Cavendish House, 18 Cavendish Square, London W1G 0PJ

Company number

4976061

Auditors

BDO Stoy Hayward LLP, Emerald House, East Street, Epsom, Surrey KT17 1HS

Report of the directors for the year ended 31 December 2006

The directors present their report together with the audited financial statements for the year ended 31 December 2006

Results and dividends

The profit and loss account is set out on page 4 and shows a profit after tax for the year of £94 (2005 £55,771)

During the year the company paid dividends of £nil (2005 £1,040,298) to its shareholders

Principal activities, review of business and future developments

The principal activity of the company is that of property investment in the United Kingdom

The directors are considering future investment opportunities

Post balance sheet events

There have been no events since the balance sheet date that materially effect the position of the company

Directors

The directors who held office during the year were

T J Evans

S L Gumm

N M Leslau

J C McMahon (resigned 21 August 2007)

No director had any interest in the share capital of the company during the year

S L Gumm, N M Leslau and J C McMahon are also directors of the ultimate parent company, Prestbury West Coast Holdings Limited, and their interests in the share capital of that company, if any, are shown in its financial statements

Report of the directors for the year ended 31 December 2006 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable 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 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, 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 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.

Auditors

The current directors have taken all the steps 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 which has not been brought to the attention of the auditors.

BDO Stoy Hayward LLP have expressed their willingness to continue in office. 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.

On behalf of the Board



S L Gumm
Director

25 October 2007

Independent Auditor's Report To The Shareholders of PWCR Chandlers Ford 2 Limited

We have audited the financial statements of PWCR Chandlers Ford 2 Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of the 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 director's 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.

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
Epsom

26 October 2007

Profit and loss account

For the year to 31 December 2006

	Note	Year to 31 December 2006 £	Year to 31 December 2005 £
Turnover	2	-	-
Cost of sales – direct property costs		-	-
Gross profit		-	-
Administration expenses (2005 including write down of investment in subsidiary undertaking, see note 8)		(115)	(594,123)
Other income		201	-
Operating profit / (loss)		86	(594,123)
Dividends received		-	627,602
Interest receivable and similar income		59,133	115,262
Interest payable and similar charges	3	(59,125)	(92,970)
Profit on ordinary activities before and after taxation	4	94	55,771

All amounts relate to residual investment property activities

There was no difference between historical cost profit and the reported profit on ordinary activities for the year

There were no recognised gains or losses other than as shown above

The notes on pages 7 to 10 form part of these financial statements

Reconciliation of movements in shareholders' funds
for the year to 31 December 2006

	Year to 31 December 2006 £	Year to 31 December 2005 £
Profit for the financial year	94	55,771
Dividends	-	(1,040,298)
Net increase / (decrease) in shareholders' funds	94	(984,527)
Opening shareholders' funds	56,121	1,040,648
Closing shareholders' funds	56,215	56,121

The notes on pages 7 to 10 form part of these financial statements

Balance sheet
as at 31 December 2006

	<i>Note</i>	2006	2006	2005	2005
		£	£	£	£
Fixed assets					
Investment in subsidiary undertakings	8		33,850		33,850
Current assets					
Debtors due after more than one year	9	994,523		935,490	
Creditors amounts falling due within one year	10	(15)		(202)	
Net current assets			<u>994,508</u>		<u>935,288</u>
Total assets less current liabilities			1,028,358		969,138
Creditors amounts falling due after more than one year	11		<u>(972,143)</u>		<u>(913,017)</u>
Net assets			<u>56,215</u>		<u>56,121</u>
Capital and reserves					
Called up share capital	12		627,974		627,974
Profit and loss account	13		<u>(571,759)</u>		<u>(571,853)</u>
Shareholders' funds			<u>56,215</u>		<u>56,121</u>

The financial statements were approved by the Board and authorised for issue on 25 October 2007


S L Gumm
Director

The notes on pages 7 to 10 form part of these financial statements

Notes forming part of the financial statements for the year ended 31 December 2006

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and are in accordance with applicable accounting standards

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group. The consolidated financial statements of Prestbury West Coast Holdings Limited, within which this company is included, can be obtained from the address given in note 17.

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 the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Investment in subsidiary undertaking

The investment in subsidiary undertaking is stated at directors' valuation.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when they are paid. Final equity dividends are recognised when approved by shareholders at an annual general meeting.

2 Turnover

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

3 Interest payable and similar charges

	Year to 31 December 2006 £	Year to 31 December 2005 £
On loans from fellow group undertakings	59,125	92,970

4 Profit on ordinary activities before and after taxation

All profits relate to the company's activities as a property investment company and are derived wholly within the United Kingdom.

The auditors' remuneration is borne by a fellow group company. Fees for the audit of company were £1,500 (2005 £1,500). Details of any non-audit fees paid to the company's auditors by the group are disclosed in the ultimate parent company's accounts.

Notes forming part of the financial statements for the year ended 31 December 2006 (continued)

5 Employees and directors

The average number of employees during the year, excluding directors, was nil (2005 nil)

No director received any emoluments from the company during the year (2005 none)

6 Taxation on profit from ordinary activities

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below

	Year to 31 December 2006 £	Year to 31 December 2005 £
Profit on ordinary activities before taxation	94	55,771
Profit on ordinary activities at the standard rate of UK corporation tax of 30%	28	16,731
Effects of		
Permanently disallowable expenses	30	-
Non-trade financial losses brought forward and utilised	-	(3,113)
Amounts written off investments	-	178,237
Group relief claimed	(58)	(3,575)
Dividends received – non-taxable	-	(188,280)
Current tax charge	-	-

7 Dividends

	Year to 31 December 2006 £	Year to 31 December 2005 £
Dividend paid of £nil (2005 £1.66) per share	-	1,040,298

8 Investment in subsidiary undertaking

	2006 £	2005 £
<i>At directors' valuation</i>		
At 1 January	33,850	627,973
Write down of investment	-	(594,123)
At 31 December	33,850	33,850

The original cost of this investment was £627,973

Notes forming part of the financial statements for the year ended 31 December 2006 *(continued)*

8 Investment in subsidiary undertaking *(continued)*

Subsidiary undertaking

The following company was a subsidiary undertaking at the end of the year

Name	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
PWCR Chandlers Ford Limited	England	100%	Property Investment

9 Debtors

	2006 £	2005 £
<i>Due after one year</i>		
Amounts due from immediate parent company	994,523	935,490

Amounts due from immediate parent company are unsecured, bear interest at a rate of 7.21% and have no fixed repayment date. Accrued interest of £174,373 (2005: £115,240) is included in the above figure.

10 Creditors: amounts falling due within one year

	2006 £	2005 £
Other creditors	-	202
Accruals and deferred income	15	-
	<u>15</u>	<u>202</u>

11 Creditors: amounts falling due after more than one year

	2006 £	2005 £
Amounts due to subsidiary company	972,143	913,017

Amounts due to subsidiary company are unsecured, bear interest at a rate of 7.21% and have no fixed repayment date. Accrued interest of £152,095 (2005: £92,970) is included in the above figure.

Notes forming part of the financial statements for the year ended 31 December 2006 (continued)

12 Called up share capital

	2006 £	2005 £
<i>Authorised</i>		
10,000,000 ordinary shares of £1 each	10,000,000	10,000,000
<i>Allotted, called up and fully paid</i>		
627,974 ordinary shares of £1 each	627,974	627,974

13 Reserves

	Profit and loss account £
At 1 January 2006	(571,853)
Profit for the year	94
At 31 December 2006	(571,759)

14 Related party transactions

The company has taken advantage of the exemption available to wholly owned subsidiary undertakings under Financial Reporting Standard 8, "Related Party Transactions", not to disclose details of any transactions with entities that are included in the consolidated financial statements of Prestbury West Coast Holdings Limited

15 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement, as a consolidated cash flow statement is included in the financial statements of its ultimate parent company

16 Commitments and contingencies

The company, along with the other subsidiaries of the immediate parent company, entered into an agreement with the bankers of a fellow subsidiary company to cross-guarantee the bank loans made to that company. During the year the company was released from its guarantee obligations. At 31 December 2006 these bank loans amounted to £nil (2005 £7,000,000)

17 Controlling party information

The company's immediate parent company is Prestbury West Coast Rice Limited. The company's ultimate parent company is Prestbury West Coast Holdings Limited. Both of these companies are incorporated in England and Wales. The consolidated accounts of the ultimate parent company are available to the public and may be obtained from the company secretary, Cavendish House, 18 Cavendish Square, London W1G 0PJ