

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER:  
05172214)**

**CONTENTS OF THE FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Independent Auditors' Report</b>	<b>4</b>
<b>Profit and Loss Account</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8</b>

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**TROWBRIDGE PROPERTY INVESTMENTS LIMITED**

**COMPANY INFORMATION**  
**for the year ended 31 March 2011**

**DIRECTORS:** A C Gallagher  
G H Gosling

**SECRETARY:** S A Burnett

**REGISTERED OFFICE:** 15 Hockley Court  
Stratford Road  
Hockley Heath  
Solihull  
West Midlands  
B94 6NW

**REGISTERED NUMBER:** 05172214 (England and Wales)

**INDEPENDENT  
AUDITORS:** PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
East Midlands

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER:  
05172214)**

**REPORT OF THE DIRECTORS  
for the year ended 31 March 2011**

The directors present their report with the audited financial statements of the company for the year ended 31 March 2011

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

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of property investment

**REVIEW OF BUSINESS**

The company holds land for investment purposes. Subsequent to the year end the company sold its remaining land for £1.9 million.

Both the result for the financial year, and the year end financial position were satisfactory. The directors consider future prospects to be satisfactory.

**DIVIDENDS**

No dividends were paid in the year ended 31 March 2011 (2010: £4,900,000)

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2010 to the date of signing this report.

A C Gallagher  
G H Gosling

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 prepared 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,
- 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.

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER:  
05172214)**

**REPORT OF THE DIRECTORS (continued)  
for the year ended 31 March 2011**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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

**AUDITORS**

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'G. H. Gosling', written in a cursive style.

G H Gosling - Director  
9 December 2011

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TROWBRIDGE PROPERTY INVESTMENTS LIMITED**

We have audited the financial statements (the "financial statements") of Trowbridge Property Investments Limited for the year ended 31 March 2011 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 March 2011 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**

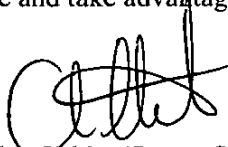
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TROWBRIDGE PROPERTY INVESTMENTS LIMITED (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 explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors



Christopher Hibbs (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
East Midlands

~ December 2011

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER: 05172214)**

**PROFIT AND LOSS ACCOUNT  
for the year ended 31 March 2011**

	Notes	31.3 11 £	31 3 10 £
<b>TURNOVER</b>		-	-
Administrative expenses		<u>(330,373)</u>	<u>(488,613)</u>
		(330,373)	(488,613)
Other operating income		<u>-</u>	<u>10,000</u>
<b>OPERATING LOSS</b>	3	(330,373)	(478,613)
Profit on disposal of tangible fixed assets		<u>51,996</u>	<u>9,085,586</u>
		(278,377)	8,606,973
Interest receivable and similar income		-	3,782
Interest payable and similar charges	4	<u>(197,959)</u>	<u>(1,400,169)</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(476,336)	7,210,586
Tax on (loss)/profit on ordinary activities	5	<u>55,114</u>	<u>(2,044,654)</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	11	<u>(421,222)</u>	<u>5,165,932</u>

**CONTINUING OPERATIONS**

All of the company's activities relate to continuing operations

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss for the current financial year and the profit for the previous financial year

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these financial statements

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER:  
05172214)**

**BALANCE SHEET  
31 March 2011**

	Notes	31 3 11 £	31 3 10 £
<b>FIXED ASSETS</b>			
Tangible assets	7	1,500,000	1,799,999
<b>CURRENT ASSETS</b>			
Debtors	8	642	40,449
Cash at bank		<u>10</u>	<u>19</u>
		652	40,468
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>(2,579,812)</u>	<u>(2,498,405)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(2,579,160)</u>	<u>(2,457,937)</u>
<b>NET LIABILITIES</b>		<u>(1,079,160)</u>	<u>(657,938)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	2	2
Profit and loss account	11	<u>(1,079,162)</u>	<u>(657,940)</u>
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	13	<u>(1,079,160)</u>	<u>(657,938)</u>

The financial statements were approved by the Board of Directors on 9 December 2011 and were signed on its behalf by



G H Gosling - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**Cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Investment property**

Until investment properties are complete they are included in the accounts at cost. Once completed, open market valuations are applied. These are performed on a 3 year cycle subject to the reflection in the accounts of any sustainable revaluation and any effect resulting from an annual impairment review.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, because these properties are not held for consumption but for their investment potential, to depreciate them would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount, which might otherwise have been shown, cannot reasonably be separately identified or quantified.

In accordance with SSAP19, where a property valuation at the balance sheet date is less than the historic cost of the property and the directors believe that the decline in value is temporary, then the reduction in value is taken as a deficit on revaluation reserve and is not charged to the profit and loss account.

**Deferred tax**

Full provision is made on a non-discounted basis for deferred tax assets and liabilities arising due to timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation at the current rate of tax. Deferred tax assets are only recognised when it is considered more likely than not that they will be realised.

**Going concern**

Notwithstanding the fact that at 31 March 2011 the company had net current liabilities, net liabilities and made a loss for the year, the accounts have been prepared on a going concern basis as the company has received confirmation of financial support from Ashflame Properties Limited, its parent company.

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER: 05172214)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2011**

**2 STAFF COSTS**

There were no direct staff costs for the year ended 31 March 2011 (2010 £nil) However, £28,599 (2010 £128,457) was payable to J J Gallagher Limited, a related company, for the service of individuals who had performed work on behalf of Trowbridge Property Investments Limited

The average monthly number of employees during the year was as follows

	31 3 11 Number	31 3 10 Number
Directors	<u>2</u>	<u>2</u>

**3 OPERATING LOSS**

The operating loss is stated after charging

	31 3 11 £	31 3 10 £
Auditors' remuneration	1,750	1,750
Auditors' remuneration for other services	<u>-</u>	<u>124</u>
Directors' remuneration	<u>-</u>	<u>-</u>

The directors are paid by Gallagher UK Limited (2010 J J Gallagher Limited), a company owned by the ultimate shareholder Mr A C Gallagher, and their emoluments are disclosed in the financial statements of that company

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	31 3 11 £	31 3 10 £
Bank interest	<u>197,959</u>	<u>1,400,169</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2011**

**5 TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss on ordinary activities for the year was as follows

	31 3 11 £	31 3 10 £
Current tax		
Group relief	(56,374)	1,884,882
Group relief prior year	<u>1,260</u>	<u>-</u>
Total current tax	(55,114)	1,884,882
Deferred tax	<u>-</u>	<u>159,772</u>
Tax on (loss)/profit on ordinary activities	<u>(55,114)</u>	<u>2,044,654</u>

The current corporation tax (credit)/charge differs from the standard UK corporation tax rate of 28% applied to the (loss)/profit for the year. The differences are

	31 3 11 £	31 3 10 £
(Loss)/profit on ordinary activities at the standard rate of 28% (2010 28%)	(133,374)	2,018,965
Expenses not deductible for tax	84,000	100,317
Capital transactions	(7,000)	(74,627)
(Utilisation)/creation of tax losses	-	(159,773)
Prior year adjustment	<u>1,260</u>	<u>-</u>
	<u>(55,114)</u>	<u>1,884,882</u>

Legislation reducing the main rate of corporation tax from 28% to 26% with effect from 1 April 2011 was substantively enacted on 29 March 2011. The current year tax charge has been provided for at the main rate of corporation tax of 28% and at 31 March 2011, deferred tax assets and liabilities have been provided for at a rate of 26% in these financial statements.

An additional reduction in the main rate of corporation tax from 26% to 25% with effect from 1 April 2012 was enacted within the Finance Act 2011 on 5 July 2011. As this reduction was not substantively enacted by the balance sheet date, its effect has not been reflected in these financial statements.

Further reductions in the main rate of corporation tax of 1% per annum to 23% by 1 April 2014 have been announced by the Government but have not yet been substantively enacted and therefore their effect has not been reflected in these financial statements.

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER: 05172214)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2011**

**6 DIVIDENDS**

	31 3 11 £	31 3 10 £
2 ordinary shares of £1 each - £nil (2010 2,450,000 per share)	-	4,900,000
	<u>-</u>	<u>4,900,000</u>

**7 TANGIBLE FIXED ASSETS**

	Freehold investment property £
<b>COST</b>	
At 1 April 2010	1,799,999
Impairments	<u>(299,999)</u>
At 31 March 2011	<u>1,500,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2011	<u>1,500,000</u>
At 31 March 2010	<u>1,799,999</u>

**8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 3 11 £	31 3 10 £
VAT recoverable	<u>642</u>	<u>40,449</u>

**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 3 11 £	31 3 10 £
Amounts owed to group undertakings	2,005,591	1,369,777
Accruals and deferred income	<u>574,221</u>	<u>1,128,628</u>
	<u>2,579,812</u>	<u>2,498,405</u>

The company previously had a bank loan which was fully repaid on the sale of the fixed asset in 2010. Interest continued to be repayable under an Interest Rate Swap arrangement on £13.25m at a rate of 5.14% until July 2011. This has been fully provided in the accounts to 31 March 2011.

**TROWBRIDGE PROPERTY INVESTMENTS LIMITED (REGISTERED NUMBER: 05172214)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2011**

**10 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £1	31 3 11 £	31 3 10 £
2	Ordinary		<u>2</u>	<u>2</u>

**11 RESERVES**

	Profit and loss account £
At 1 April 2010	(657,940)
Loss for the financial year	<u>(421,222)</u>
At 31 March 2011	<u>(1,079,162)</u>

**12 RELATED PARTY DISCLOSURES**

**GROUP COMPANIES**

At 31 March 2011, Trowbridge Property Investments Limited owed £2,005,591 (2010 £1,369,777) to its parent undertaking, Ashflame Properties Limited. No interest was charged on this loan during the year.

There are no other related party disclosures to be made concerning the year ended 31 March 2011 (2010 none).

**13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT**

	31 3 11 £	31 3 10 £
(Loss)/profit for the financial year	(421,222)	5,165,932
Dividend paid	<u>-</u>	<u>(4,900,000)</u>
<b>Net addition/(reduction) to shareholders' deficit</b>	<b>(421,222)</b>	<b>265,932</b>
Opening shareholders' deficit	<u>(657,938)</u>	<u>(923,870)</u>
<b>Closing shareholders' deficit</b>	<b><u>(1,079,160)</u></b>	<b><u>(657,938)</u></b>

**14 CONTROLLING PARTY**

Trowbridge Property Investments Limited is a wholly owned subsidiary of Ashflame Properties Limited (incorporated in England and Wales), its ultimate parent undertaking.

The ultimate controlling party of the company is Mr A C Gallagher by virtue of his ownership of the majority of the issued share capital of the ultimate parent undertaking.