

Registered No 05378137

# One Tone Drive Property Limited

## Report and Financial Statements

31 March 2007

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# One Tone Drive Property Limited

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Registered No 05378137

## **Directors**

G D de Jager  
G J de Jager  
A D Gilfillan  
D G O'Sullivan

## **Secretary**

A D Gilfillan

## **Auditors**

Ernst & Young LLP  
One Bridewell Street  
Bristol  
BS1 2AA

## **Bankers**

National Westminster Plc  
City of London Office  
PO Box 12258  
1 Princes Street  
London  
EC2R 8PA

## **Registered Office**

10 Parrett Way  
Colley Lane Industrial Estate  
Bridgwater  
Somerset  
TA6 5YS

## Directors' report

The directors present their report and financial statements for the year ended 31 March 2007

### Principal activities

The company was incorporated on 28 February 2005. The company is a wholly owned subsidiary of Anglo Suisse Investment Holdings Limited and is managed on a divisional basis.

The company's principal activities continue to be the ownership and management of industrial property. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

### Business Review

The company continued to rent out its portfolio of land and buildings in both Bridgwater and Aylesham to its sole tenant, Sharp Interpack Limited, a fellow subsidiary and a trading entity involved in the manufacture of plastic packaging.

During the course of the year the company acquired an additional portfolio of land and buildings situated in Yate, near Bristol, as a part of the acquisition of the Yate thermoforming business from Rexam plc. The Yate thermoforming business was acquired by Sharp Interpack Limited, who entered into a lease agreement with the company.

At the end of January 2007, the company disposed of its warehouse facilities in Phoenix Road, Bridgwater to Kenny and Murphy Limited. These premises had been occupied by Sharp Interpack Limited. The company continues to occupy a portion of the Phoenix Road warehousing, in terms of a one year lease agreement, which is sublet to Sharp Interpack Limited.

### Results and dividends

As shown in the company's profit and loss account on page 7, the company generated rental income of £1,737,572 and a profit before tax of £18,941. The directors do not recommend the payment of a dividend.

The balance sheet on page 8 of the financial statements shows the company's financial position at the year-end in both net assets and cash terms. There have been no significant events since the balance sheet date.

### Principal risks and uncertainties

The company currently has only one tenant, Sharp Interpack Limited. The income of the company is currently wholly dependent upon its fellow subsidiary Sharp Interpack Limited.

The company is financed by way of an €18.6M Euro loan from the Royal Bank of Scotland and a £10.2M inter-company loan from its immediate parent company. The company's treasury manages this risk.

### Environment

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by its principal activities.

## Directors' report (continued)

### Directors and their interests

The directors who served during the course of the year are as listed below

G J de Jager

A D Gilfillan

G D de Jager

D G O'Sullivan (appointed 1 September 2006)

G J de Jager has a beneficial interest in the company by virtue of a 50% interest in Anglo Suisse Investment Holdings Limited, the immediate parent company. None of the other directors have any beneficial interest in the company during the year.

### Employees

The company has no employees.

### Directors' statement as to disclosure of information to Auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

### Reappointment of Auditors

In accordance with s 385 of the Companies Act 1985, a resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board

  
A D Gilfillan

Secretary

Date

9<sup>th</sup> June 2007

## 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 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,
- 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 group and 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.

## **Independent auditors' report**

**to the members of One Tone Drive Property Limited**

We have audited the company's financial statements for the year ended 31 March 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, note of Historical Cost Profits and Losses and the related notes 1 to 18. 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 Annual Report and the financial statements in accordance with applicable United Kingdom law and 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.

## **Independent auditors' report (continued)**

**to the members of One Tone Drive Property Limited**

### **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 2007 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



Ernst & Young LLP  
Registered auditor  
Bristol

Date

9 June 2007.

## Profit and loss account

for the year ended 31 March 2007

		Year ended 13 months to	
		31 March	31 March
	Notes	2007	2006
		£	£
<b>Rental income</b>		1,737,572	750,530
Administrative costs		(197,788)	(8,007)
Depreciation	9	(466,576)	(147,100)
<b>Operating profit</b>	3	1,073,208	595,423
Loss on disposal of fixed assets	6	(548,069)	-
Interest payable and similar charges	7	(506,198)	(161,764)
<b>Profit on ordinary activities before tax</b>		18,941	433,659
Tax on profit on ordinary activities	8	(251,255)	(145,869)
<b>Retained (loss)/profit for the period</b>	16	(232,314)	287,790

All items dealt with in arriving at operating profit above relate to continuing operations

## Statement of total recognised gains and losses

for the year ended 31 March 2007

The company has no recognised gains and losses other than the profit for each financial period. Accordingly, a Statement of Total Recognised Gains and Losses has not been prepared.

## Note of historical cost profits and losses

for the year ended 31 March 2007

		Year ended 13 months to	
		31 March	31 March
	Notes	2007	2006
		£	£
Reported profit on ordinary activities before taxation		18,941	433,659
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	16	11,722	9,768
<b>Historical cost profit on ordinary activities before taxation</b>		30,663	443,427
<b>Historical cost (loss)/profit for the year retained after taxation</b>	16	(220,592)	297,558



# Balance sheet

at 31 March 2007

	Notes	2007 £	2006 £
<b>Fixed assets</b>			
Tangible assets	9	23,065,257	18,482,927
<b>Current assets</b>			
Debtors	10	-	515,996
Cash at bank and in hand		1,225,414	387,385
		1,225,414	903,381
Creditors amounts falling due within one year	11	(2,055,873)	(919,181)
<b>Net current liabilities</b>		(830,459)	(15,800)
<b>Total assets less current liabilities</b>		22,234,798	18,467,127
Creditors amounts falling due after more than one year	12	(11,206,533)	(6,923,459)
<b>Provisions for liabilities and charges</b>	14	(212,177)	(100,788)
<b>Net assets</b>		10,816,088	11,442,880
<b>Capital and reserves</b>			
Called up share capital	15	1	1
Revaluation reserve	16	564,586	576,308
Profit and loss account	16	76,966	297,558
<b>Equity shareholder's funds</b>		641,553	873,867
<b>Shareholder's loans</b>	17	10,174,535	10,569,013
<b>Total shareholder's funds</b>		10,816,088	11,442,880

G J de Jager  
Director

Date

9<sup>th</sup> June 2007.

## Notes to the financial statements

at 31 March 2007

### 1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom

#### *Tangible fixed assets*

Tangible fixed assets are stated at cost, together with any incidental costs of acquisition, less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Borrowing costs attributable to assets under construction are recognised as an expense when incurred.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Freehold land & buildings	—	2%
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The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The interests in certain land and buildings are stated at valuation, the basis of valuation is explained in note 7.

#### *Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- 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.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account.

#### *Cash flow statement*

The company has taken advantage of the exemption available under FRS 1 (Revised) from preparing a cash flow statement as it is a small company under section 247 and 247A of the Companies Act 1985.

## Notes to the financial statements (continued)

at 31 March 2007

### 2. Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the group's ordinary activities, stated net of value added tax

Turnover is wholly earned in the United Kingdom

### 3. Operating profit

	<i>Year ended</i>	<i>13 months to</i>
	<i>31 March</i>	<i>31 March</i>
	<i>2007</i>	<i>2006</i>
	<i>£</i>	<i>£</i>
Operating profit is stated after charging		
Depreciation of owned tangible fixed assets	466,576	147,100
Foreign exchange gains	(33,566)	(2,133)
Auditor's remuneration - audit services	5,000	2,000

### 4. Directors' emoluments

The directors did not receive any remuneration from the company during the year

### 5. Employee information

The company did not directly employ any staff during the year

### 6. Exceptional items

During the year the company sold properties with a net book value of £3,024,923 for proceeds of £2,500,000, resulting in a loss on disposal of £548,069, costs involved with the disposal were £23,146

### 7. Interest payable and similar charges

	<i>Year ended</i>	<i>13 months to</i>
	<i>31 March</i>	<i>31 March</i>
	<i>2007</i>	<i>2006</i>
	<i>£</i>	<i>£</i>
Interest payable on bank loans	506,198	161,764

## Notes to the financial statements (continued)

at 31 March 2007

## 8 Tax on profit on ordinary activities

a) The tax charge for the period comprises

	Year ended 13 months to	
	31 March 2007	31 March 2006
	£	£
<b>Current tax</b>		
UK corporation tax on profit for the period (note 8b)	139,866	45,081
<b>Deferred tax</b>		
Deferred tax charge (note 14)	111,389	100,788
	<u>251,255</u>	<u>145,869</u>

b) Factors affecting the current tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below

	Year ended 13 months to	
	31 March 2007	31 March 2006
	£	£
Profit on ordinary activities before tax	18,941	433,659
Tax on ordinary activities at the standard rate of corporation tax (30%)	<u>5,682</u>	<u>130,098</u>
Factors affecting the above charge		
Expenses not deductible for tax purposes	63,560	22,051
Capital allowances for the period in excess of depreciation	(111,508)	(94,938)
Other short term timing differences	118	(5,850)
Marginal relief for small company rate	(851)	(6,280)
Loss on disposal plus related depreciation	182,865	-
Current tax charge for the period (note 8a)	<u>139,866</u>	<u>45,081</u>

c) Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided for is £175,000 (2006 £175,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

The company has an unrecognised deferred tax asset of £182,865 relating to a capital loss arising on the sale of the Phoenix Road property. The asset has not been recognised as the directors do not believe that the recognition criteria within FRS19 have been met in respect of this asset.

## Notes to the financial statements (continued)

at 31 March 2007

### 9 Tangible fixed assets

	<i>Freehold land and buildings £</i>
Cost	
At 1 April 2006	18,630,027
Additions	8,073,829
Disposals	(3,086,403)
At 31 March 2007	23,617,453
Depreciation	
At 1 April 2006	147,100
Charge for year	466,576
Disposals	(61,480)
At 31 March 2007	552,196
Net book value	
At 31 March 2007	23,065,257
At 1 April 2006	18,482,927

The freehold land and buildings which the company occupies were valued on an open market value for existing use basis on 27 May 2005. The professional valuations were undertaken by Colliers CRE Chartered Surveyors.

The directors believe that all the valuations are still applicable at 31 March 2007 and that subsequent additions are fairly stated at cost.

The properties were valued as follows:

	<i>£</i>
Bridgwater – Unit M	1,950,000
Bridgwater – Unit K	2,600,000
Bridgwater – Unit L	3,450,000
Aylesham	5,400,000
	13,400,000
Subsequent additions at cost	13,303,856
Subsequent disposals at cost	(3,086,403)
	23,617,453

## Notes to the financial statements (continued)

at 31 March 2007

### 9 Tangible fixed assets (continued)

On the historical cost basis freehold land and buildings would have been included as follows

	£
Cost	23,031,377
Cumulative depreciation	(535,252)
Net book value	<u>22,496,125</u>

### 10. Debtors

	2007 £	2006 £
VAT debtor	-	515,996

### 11. Creditors amounts falling due within one year

	2007 £	2006 £
Loans and other borrowing (note 13)	1,408,938	801,208
Other creditors	19,799	47,750
Accruals	58,200	25,142
Corporation tax	139,866	45,081
VAT creditor	429,070	-
	<u>2,055,873</u>	<u>919,181</u>

### 12 Creditors: amounts falling due after more than one year

	2007 £	2006 £
Bank loans (note 13)	11,206,533	6,923,459

### 13 Loans and other borrowings

	2007 £	2006 £
Bank loans	<u>12,615,471</u>	<u>7,724,667</u>

## Notes to the financial statements (continued)

at 31 March 2007

### 13. Loans and borrowings (continued)

	2007 £	2006 £
Maturity of debt		
In one year or less, or on demand	1,408,938	801,208
In more than one year, but not more than two years	1,408,938	801,208
In more than two years, but not more than five years	4,226,814	2,403,624
In more than five years	5,570,781	3,718,627
	<u>12,615,471</u>	<u>7,724,667</u>

A bank loan for €11,600,000 was advanced under an agreement dated 2 August 2005 by The Royal Bank of Scotland Plc. The loan bears interest at the rate of 0.875% above EUROLIBOR and is repayable in equal quarterly instalments commencing 30 November 2005.

During the year, a second loan for £7,500,000 was advanced under an agreement dated 29 August 2006 by The Royal Bank of Scotland Plc. The loan bears interest at the rate of 1.1% above LIBOR and is repayable in equal quarterly instalments commencing 21 September 2006.

### 14. Provisions for liabilities and charges

The movements in deferred taxation during the current period are as follows

	2007 £	2006 £
At 1 April 2006	100,788	
Charged to profit and loss account (note 8)	111,389	
At 31 March 2007	<u>212,177</u>	
	2007 £	2006 £
Provision for deferred tax		
Accelerated capital allowances	206,444	94,938
Other timing differences	5,733	5,850
	<u>212,177</u>	<u>100,788</u>

## Notes to the financial statements (continued)

at 31 March 2007

### 15. Called up share capital

	2007	Authorised 2006
	£	£
Ordinary shares of £1 each	100	100

	No	Allotted, called up and fully paid 2007	No	2006
		£		£
Ordinary shares of £1 each	1	1	1	1

### 16 Reconciliation of shareholders' funds and movement on reserves

	Share capital	Revaluation reserve	Profit and loss account	Total shareholders' funds
	£	£	£	£
On incorporation	-	-	-	-
Share issue	1	-	-	1
Profit for the period	-	-	287,790	287,790
Revaluation during period	-	586,076	-	586,076
Transfer of revaluation element of depreciation charge	-	(9,768)	9,768	-
At 1 April 2006	1	576,308	297,558	873,867
Profit for the year	-	-	(232,314)	(232,314)
Transfer of revaluation element of depreciation charge	-	(11,722)	11,722	-
At 31 March 2007	1	564,586	76,966	641,553



## Notes to the financial statements (continued)

at 31 March 2007

### 17. Related party transactions

- a) On 28 August 2005 the company entered into a sale and leaseback arrangement of the freehold land and buildings of Sharp Interpack Limited, a company owned by Anglo Suisse Investment Holdings Limited, in which G J de Jager, a director of the company, has a 50% interest. The sale was for £11,450,000 and the leases are for 15 years with a review every 5 years. Annual rental is €1,896,440 of which £1,308,000 was received during the year.
- b) On 6 September 2006, the company purchased freehold land and buildings from Rexam Plastic Packaging Limited for £7,500,000. The company entered into leasing arrangements on this property with Sharp Interpack Limited, a company owned by Anglo Suisse Investment Holdings Limited, in which G J de Jager, a director of the company, has a 50% interest. Annual rental is €1,109,125, of which £428,000 was received during the year.
- c) The company received a loan from the immediate parent undertaking, Anglo Suisse Investment Holdings Limited, of £10,174,535 (2006: £10,569,013). The shareholders' loans are unsecured, have no fixed repayment terms and bear interest at 0.75% above the bank's base rate; they have therefore been shown separately from "Creditors: amounts falling due after more than one year" and below "Equity shareholders' funds" on the face of the Balance sheet. No interest has been charged by the immediate parent undertaking or paid by the company during the period.

### 18. Parent undertaking and controlling party

The company's immediate parent undertaking is Anglo Suisse Investment Holdings Limited, a company incorporated in the British Virgin Islands, which owns 100% of the share capital of the company. This is the smallest and largest group of companies for which group financial statements are prepared and for which this company is a member. Copies of its group financial statements are available from Rue Kleberg No. 6, 1201, Geneva, Switzerland.

In the directors' opinion, the company's ultimate parent undertaking is Anglo Swiss Finance Limited, a company incorporated in the British Virgin Islands, by virtue of its 50% shareholding in Anglo Suisse Investment Holdings Limited. Copies of its financial statements are available from Rue Kleberg No. 6, 1201, Geneva, Switzerland.

In the director's opinion, control of the company is split equally between G J de Jager and Anglo Swiss Finance Limited, by virtue of respective 50% interests in Anglo Suisse Investment Holdings Limited, the immediate parent company.