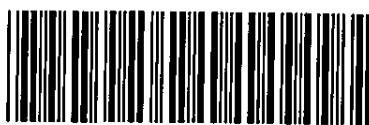


REGISTERED NUMBER: 5651988

**REPORT OF THE DIRECTOR AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**  
**FOR**  
**CRESLEE PROPERTIES LIMITED**

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**CRESLEE PROPERTIES LIMITED**

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**for the year ended 31 December 2007**

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**CRESLEE PROPERTIES LIMITED**

**COMPANY INFORMATION**  
**for the year ended 31 December 2007**

**DIRECTOR:** Mr B W Ritchie

**SECRETARY:** Mr P Viner

**REGISTERED OFFICE:** 19-20 Bourne Court  
Southend Road  
Woodford Green  
Essex  
IG8 8HD

**REGISTERED NUMBER:** 5651988

**AUDITORS:** Deloitte LLP  
Chartered Accountants and Registered Auditors  
London, UK

**CRESLEE PROPERTIES LIMITED**

**REPORT OF THE DIRECTOR**  
**for the year ended 31 December 2007**

The director presents his report with the financial statements of the company for the year ended 31 December 2007.

This director's report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**PRINCIPAL ACTIVITY**

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

**DIRECTOR**

The director during the year under review was:

Mr B W Ritchie

**STATEMENT OF DIRECTOR'S 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; 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.

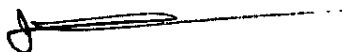
**AUDITORS**

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/she ought to have taken as a director in order to make himself/herself 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. Deloitte LLP were appointed as auditors during the period and have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
Mr B W Ritchie - Director

Date: 30/01/09

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**CRESLEE PROPERTIES LIMITED**

We have audited the financial statements of Creslee Properties Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. 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 director and auditors**

The director's 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 Director's 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 Report of the Director 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 director's remuneration and other transactions is not disclosed.

We read the Report of the Director 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 judgements made by the director 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 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 Report of the Director is consistent with the financial statements.

*Deloitte LLP*

Deloitte LLP  
Chartered Accountants and Registered Auditors  
London, UK

Date: 20 JAN '09

**CRESLEE PROPERTIES LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 December 2007**

		Year Ended 31.12.07 £	Period 12.12.05 to 31.12.06 £
	Notes		
<b>TURNOVER</b>		-	-
Administrative expenses		(28,133)	(11,251)
		(28,133)	(11,251)
Other operating income		<u>55,313</u>	<u>19,446</u>
<b>OPERATING PROFIT</b>	2	27,180	8,195
Interest receivable and similar income		64	98
Interest payable and similar charges		(59,043)	(38,762)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(31,799)	(30,469)
Tax on loss on ordinary activities	3	-	-
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>	9	<u>(31,799)</u>	<u>(30,469)</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous period.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss for the current and previous year.  
Accordingly no Statement of Total Recognised Gains and Losses (STRGL) has been presented.

The notes form part of these financial statements

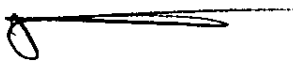
**CRESLEE PROPERTIES LIMITED**

**BALANCE SHEET**  
**31 December 2007**

	Notes	2007 £	2006 £
<b>CURRENT ASSETS</b>			
Stocks		1,066,995	1,054,584
Debtors	4	1,641	615
Cash at bank and in hand		<u>9,420</u>	<u>-</u>
		1,078,056	1,055,199
<b>CREDITORS</b>			
Amounts falling due within one year	5	<u>(25,449)</u>	<u>(21,258)</u>
<b>NET CURRENT ASSETS</b>		<u>1,052,607</u>	<u>1,033,941</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,052,607	1,033,941
<b>CREDITORS</b>			
Amounts falling due after more than one year	6	<u>(1,064,874)</u>	<u>(1,014,409)</u>
<b>NET (LIABILITIES)/ASSETS</b>		<u>(12,267)</u>	<u>19,532</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	50,001	50,001
Profit and loss account	9	<u>(62,268)</u>	<u>(30,469)</u>
<b>SHAREHOLDERS' (DEFICIT)/FUNDS</b>	13	<u>(12,267)</u>	<u>19,532</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the director on 30/01/09 and were signed by:

  
.....  
Mr B W Ritchie - Director

The notes form part of these financial statements

**CRESLEE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2007**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

**Financial Reporting Standard Number 1**

Under the provisions of Financial Reporting Standard No. 1 (revised), the company has not prepared a cash flow statement because its ultimate parent undertaking, Pureskill Limited, which is incorporated in Great Britain, has prepared consolidated financial statements which include a cash flow statement incorporating the cash flows of the company.

**Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and is stated net of discounts and VAT.

Revenue comprises income in relation to the sale of properties and is recognised on the point of completion.

**Rental Income**

Rental income is recognised on an accruals basis.

**Stocks**

Stocks are valued at the lower of cost and net realisable value.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**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 by the balance sheet date.

**2. OPERATING PROFIT**

The operating profit is stated after charging:

	Year Ended 31.12.07 £	Period 12.12.05 to 31.12.06 £
Auditors' remuneration	-	588
Formation costs	-	118
	<u>-</u>	<u>706</u>
Directors' emoluments and other benefits	-	-

The director is an employee of another company within the group and is not paid for his services as a director of this company.

The audit fee of £1,047 has been borne by another group company.

**3. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2007 nor for the period ended 31 December 2006.



**CRESLEE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2007**

**3. TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.07 £	Period 12.12.05 to 31.12.06 £
Loss on ordinary activities before tax	<u>(31,799)</u>	<u>(30,469)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	(9,540)	(9,141)
Effects of: Movement/utilisation of tax losses	<u>9,540</u>	<u>9,141</u>
Current tax charge	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

A deferred tax asset of £14,361 (2006 : £5,847) relating to unrelieved tax losses at the balance sheet date has not been recognised on the basis there is no certainty that there will be future taxable profits against which these can be offset.

**4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Trade debtors	1,641	-
Other debtors	<u>-</u>	<u>615</u>
	<u>1,641</u>	<u>615</u>

**5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Bank loans and overdrafts	-	1,907
Trade creditors	-	588
Other creditors	<u>25,449</u>	<u>18,763</u>
	<u>25,449</u>	<u>21,258</u>

**6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2007 £	2006 £
Amounts owed to group undertakings	<u>1,064,874</u>	<u>1,014,409</u>

**CRESLEE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2007**

**7. SECURED DEBTS**

The following secured debts are included within creditors:

	2007	2006
	£	£
Group undertakings	<u>1,064,874</u>	<u>1,014,409</u>

The borrowings from Pureskill Limited are secured by a fixed and floating charge over the company's assets and are repayable on 13 December 2011. The interest rate vary between 1% to 2% over the London Inter Bank Offered Rate (LIBOR).

**8. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	2007	2006
			£	£
51,000	Ordinary	£1	<u>51,000</u>	<u>51,000</u>

Allotted called up and fully paid:				
Number:	Class:	Nominal value:	2007	2006
			£	£
50,001	Ordinary	£1	<u>50,001</u>	<u>50,001</u>

**9. RESERVES**

	Profit and loss account £
At 1 January 2007	(30,469)
Deficit for the year	<u>(31,799)</u>
At 31 December 2007	<u>(62,268)</u>

**10. ULTIMATE CONTROLLING COMPANY**

The ultimate controlling party is Pureskill Limited by virtue of it's ownership of the entire issued share capital of Residential and Commercial Holdings Limited.

**11. RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption within Financial Reporting Standard Number 8 in relation to the disclosure of transactions with other group companies.

During the year the company paid management charges of £3,913 to Residential Land Management Limited, a company in which Mr B W Ritchie is also a director.

At the balance sheet date the company owed £11,621 to Residential Land Limited, a company in which Mr B W Ritchie is also a director.

**12. ULTIMATE PARENT COMPANY**

The company is a subsidiary undertaking of Residential and Commercial Holdings Limited. The ultimate parent company is Pureskill Limited.

The smallest and largest group in which the results of the company are consolidated is Pureskill Limited whose accounts can be obtained from 19-20 Bourne Court, Southend Road, Woodford Green, Essex IG8 8HD

**CRESLEE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2007**

**13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2007	2006
	£	£
Loss for the financial year	(31,799)	(30,469)
Shares issued in the year	<u>-</u>	<u>50,001</u>
Net (reduction)/addition to shareholders' (deficit)/funds	(31,799)	19,532
Opening shareholders' funds	<u>19,532</u>	<u>-</u>
Closing shareholders' (deficit)/funds	<u>(12,267)</u>	<u>19,532</u>