

**Registration number 5732818**

**VSM (West Ruislip 2) Limited**

**Directors' report and financial statements**

**for the period ended 30 November 2006**

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## **VSM (West Ruislip 2) Limited**

### **Directors' report for the period ended 30 November 2006**

The directors present their report and the financial statements for the period ended 30 November 2006

#### **Incorporation and commencement of trade**

The company was incorporated on 7 March 2006 as St Modwen (Shelf 24) Limited. The name of the company was changed to VSM (West Ruislip 2) Limited on 28 July 2006. The company commenced trade on 3 August 2006.

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

The principal activity of the company is that of property development.

The directors consider that the result and future prospects are satisfactory. No changes are envisaged.

#### **Results and dividends**

Although the company commenced its activities on 3 August 2006, there are no amounts to be recorded in the profit and loss account for the year ended 30 November 2006 and as a consequence, no profit and loss account is presented.

The directors do not recommend payment of a final dividend.

#### **Going concern**

At the time of approving these financial statements the directors have reasonable expectation, having made appropriate enquiries, that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

#### **Directors and their interests**

The following were directors of the company during the year, none of whom had any interest in the shares of the company:

N G Beaumont	(appointed 7 March 2006, resigned 18 July 2006)
D W Bowler	(appointed 18 July 2006)
J I Cavill	(appointed 18 July 2006, resigned 12 April 2007)
T P Haywood	(appointed 18 July 2006)
W A Oliver	(appointed 18 July 2006)

## **VSM (West Ruislip 2) Limited**

### **Directors' report for the period ended 30 November 2006**

#### **Directors' responsibilities**

The directors are responsible for preparing 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 apply them consistently,
- make judgements and 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Auditors**

Ernst & Young LLP have conducted the audit for the year ended 30 November 2006 and have indicated they will not seek re-appointment at the forthcoming Annual General Meeting. A resolution proposing the appointment of Deloitte & Touche LLP will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small and medium-sized companies.

This report was approved by the Board on 25/04/07 and signed on its behalf by

  
Secretary

**Independent auditors' report to the shareholders of  
VSM (West Ruislip 2) Limited**

We have audited the company's financial statements for the year ended 30 November 2006 which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 12. 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 the auditors**

The directors' responsibilities for preparing 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 to the shareholders of  
VSM (West Ruislip 2) Limited (continued)**

**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 30 November 2006 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  
Birmingham

25/9/07

**VSM (West Ruislip 2) Limited**

**Profit and loss account  
for the year ended 30 November 2006**

	Notes	2006 £
Interest payable and similar charges	3	(60,065)
<b>Loss on ordinary activities before taxation</b>		<u>(60,065)</u>
Tax on loss on ordinary activities	4	-
<b>Loss on ordinary activities after taxation</b>		<u><u>(60,065)</u></u>

All amounts derive from continuing activities

**Statement of total recognised gains and losses  
for the period ended 30 November 2006**


	2006 £
<b>Loss on ordinary activities after taxation</b>	(60,065)
Unrealised surplus on revaluation of investment properties	60,065
<b>Total recognised gains and losses relating to the year</b>	<u><u>-</u></u>

**VSM (West Ruislip 2) Limited**

**Balance sheet  
as at 30 November 2006**

	Notes	2006	
		£	£
<b>Fixed assets</b>			
Tangible assets	5		2,997,024
<b>Current assets</b>			
Debtors	6	1	
		<u>1</u>	
<b>Creditors: amounts falling due within one year</b>	7	(2,997,024)	
<b>Net current liabilities</b>			<u>(2,997,023)</u>
<b>Net assets</b>			<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	8		1
Profit and loss account	9		(60,065)
Revaluation reserve	9		60,065
<b>Equity shareholders' funds</b>	10		<u>1</u>

The financial statements were approved by the Board on 25/10/157 and signed on its behalf by



**T P Haywood**  
**Director**

**The notes on pages 7 to 10 form an integral part of these financial statements.**

## **VSM (West Ruislip 2) Limited**

### **Notes to the financial statements for the period ended 30 November 2006**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

However, compliance with SSAP 19 "accounting for investment properties" requires departure from the Companies Act 1985 relating to depreciation and an explanation of the departure is given below

##### **1.2. Going concern**

The directors are of the opinion that, having regard to the funding available from its joint owners, St Modwen Properties PLC and Vinci (Holdings) Limited, there is a reasonable expectation that the company has sufficient working capital to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts

##### **1.3. Interest**

Leasehold assets on deferred payment terms are recorded at their fair value at the date of acquisition. The discount to nominal value is amortised over the period of the credit term and charged to interest cost

##### **1.4. Tangible fixed assets and depreciation**

Depreciation is not provided on investment properties which are subject to annual revaluations

##### **1.5. Investment properties**

In accordance with SSAP 19, investment properties are revalued annually and the aggregate surplus or temporary deficit is transferred to the revaluation reserve. No depreciation is provided in respect of investment properties. The Companies Act 1985 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 not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view. If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

##### **1.6. Deferred taxation**

In accordance with FRS19, deferred taxation is provided at the rate ruling at the balance sheet date on timing differences which arise from the recognition of income and expenditure in differing periods for taxation and accounting purposes. Under this policy no provision has been made for the potential further liability to taxation which would arise in the event of the realisation of investment properties included at valuation in the accounts at the values attributed to them



# **VSM (West Ruislip 2) Limited**

## **Notes to the financial statements for the period ended 30 November 2006**

### **2. Operating profit**

The auditors' remuneration was borne by its holding company. It was not practical to allocate costs to this entity. None of the directors received any remuneration during the year. The company has no employees and is managed by its joint owners, St Modwen Properties PLC and Vinci (Holdings) Limited.

### **3. Interest payable and similar charges**

**2006  
£**

Discount unwind on deferred payments

**60,065**

### **4. Tax on loss on ordinary activities**

No corporation tax relief has been provided for as the loss recognised in the profit and loss account is not allowable for UK Corporation Tax purposes.

### **5. Tangible fixed assets**

	<b>Long leasehold investment properties £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
Additions	3,057,089	3,057,089
Revaluation	(60,065)	(60,065)
At 30 November 2006	<u>2,997,024</u>	<u>2,997,024</u>
<b>Net book value</b>		
At 30 November 2006	<u>2,997,024</u>	<u>2,997,024</u>

Freehold and long leasehold investment properties were revalued as at 30 November 2006 by King Sturge & Co, Chartered Surveyors in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors, on the basis of open market value.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at

	<b>2006 £</b>
Long leasehold investment properties	<b>3,057,089</b>
Cost and net book value	<u><b>3,057,089</b></u>

# **VSM (West Ruislip 2) Limited**

## **Notes to the financial statements for the period ended 30 November 2006**

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<b>6. Debtors</b>	<b>2006 £</b>
Called up share capital not paid	1
<b>7. Creditors: amounts falling due within one year</b>	<b>2006 £</b>
Amounts owed to group companies	119,140
Other creditors	2,877,884
	<u>2,997,024</u>
<b>8. Share capital</b>	<b>2006 £</b>
<b>Authorised equity</b>	
100 Ordinary shares of £1 each	100
<b>Allotted, called up and nil paid equity</b>	
1 Ordinary shares of £1 each	1

The company was incorporated on 7 March 2006 with an authorised share capital of 100 £1 Ordinary shares. On 18 July 2006, one £1 Ordinary share was issued but unpaid

<b>9. Reserves</b>	<b>Revaluation reserve £</b>	<b>Profit and loss account £</b>
Revaluation of property	60,065	-
Retained loss for the year	-	(60,065)
<b>At 30 November 2006</b>	<u>60,065</u>	<u>(60,065)</u>

## **VSM (West Ruislip 2) Limited**

### **Notes to the financial statements for the period ended 30 November 2006**

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<b>10. Reconciliation of movements in shareholders' funds</b>	<b>2006 £</b>
Loss for the year	(60,065)
Other recognised gains or losses	60,065
Net proceeds of equity share issue	1
Net addition to shareholders' funds	<u>1</u>

#### **11. Related party transactions**

There were no related party transactions

#### **12. Ultimate parent undertaking**

The company is jointly owned by St Modwen Properties PLC and Vinci (Holdings) Limited. The results of VSM (West Ruislip 2) Limited are included in both the above companies accounts. Copies of the Group report and accounts of St Modwen Properties PLC are available from the Registered Office at 7 Ridgeway, Quinton Business Park, Birmingham, B32 1AF. Copies of the Group report and accounts of Vinci (Holdings) Limited are available from the Registered Office at Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW.