

Registration number 5851862

VSM (Uxbridge 7) Limited
Annual report and financial statements
for the year ended 30 November 2010



VSM (Uxbridge 7) Limited

Directors' report for the year ended 30 November 2010

The directors present their report and the financial statements for the year ended 30 November 2010

Principal activity and review of the business

The principal activity of the company is that of property investment

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

Results and dividends

The results for the year are set out on page 5

The directors do not recommend payment of a final dividend (2009 £nil)

Directors and their interests

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

D W Bowler

M E Dunn (appointed 1st December 2010)

T P Haywood (resigned 26th November 2010)

W A Oliver

The company is jointly owned by St Modwen Properties PLC and Vinci (Holdings) Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual report and 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). 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 judgments and accounting 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 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.

VSM (Uxbridge 7) Limited

Directors' report for the year ended 30 November 2010

Directors Indemnities

For the financial year ended 30 November 2010, qualifying third party indemnity provisions (provided by the ultimate parent company St Modwen Properties PLC) were in force for the benefit of all the directors of the company and these remain in force at the date of this report

Going concern

The Company is reliant on the support of its parent company, St Modwen Properties PLC, to be able to meet its liabilities as they fall due. However, the directors consider that the company is an integral part of St Modwen Properties PLC's structure and strategy and this is evidenced by a letter of support from St Modwen Properties PLC, which states its intent to provide the necessary financial support to ensure that the company is a going concern for at least twelve months from the date of signing of these financial statements. After making enquiries and taking account of the factors noted above, the directors have a reasonable expectation that the company will have access to adequate resources to continue in existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. In doing so, the directors have considered the latest guidelines from the Financial Reporting Council regarding the preparation of accounts on a going concern basis.

Disclosure of information to the auditors

Each director at the date of approval of this report confirms that

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware,
- they have taken all steps necessary to be 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 s418 of the Companies Act 2006

Auditors

Deloitte LLP, have conducted the audit for the year ended 30 November 2010 and have expressed a willingness to remain in office. Arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

This directors' report has been prepared in accordance with the provisions applicable companies entitled to the small companies exemption.

This report was approved by the Board on 19/8/11 and signed on its behalf by



M E Dunn
Director

**Independent auditors' report to the members of
VSM (Uxbridge 7) Limited**

We have audited the financial statements of VSM (Uxbridge 7) Limited for the year ended 30 November 2010 which comprise the profit and loss account, the Statement of total recognised gains and losses, the Balance sheet and the related notes 1 to 13. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement, 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 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 (APB's) Ethical Standards for Auditors.

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.

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 30 November 2010 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

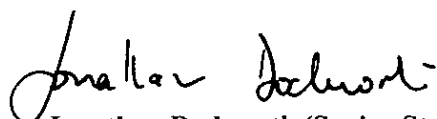
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditors' report to the members of
VSM (Uxbridge 7) 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 take advantage of the small companies exemption in preparing the directors' report



Jonathan Dodworth (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors

Birmingham, United Kingdom

Date *31 August 2011*

VSM (Uxbridge 7) Limited

**Profit and loss account
for the year ended 30 November 2010**

	Notes	2010 £	2009 £
Interest payable and similar charges	3	(102,301)	(40,757)
Loss on ordinary activities before taxation	2	<u>(102,301)</u>	<u>(40,757)</u>
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation	10	<u>(102,301)</u>	<u>(40,757)</u>

All amounts derive from continuing activities

**Statement of total recognised gains and losses
for the year ended 30 November 2010**

	2010 £	2009 £
Loss on ordinary activities after taxation	(102,301)	(40,757)
Unrealised surplus/(deficit) on revaluation of investment properties	67,409	(16,990)
Total recognised gains and losses relating to the year	<u>(34,892)</u>	<u>(57,747)</u>

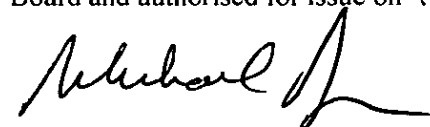
The notes on pages 7 to 13 form an integral part of these financial statements.

VSM (Uxbridge 7) Limited

Balance sheet as at 30 November 2010

		2010	2009
	Notes	£	£
Fixed assets			
Tangible assets	5	5,160,189	5,010,058
Current assets			
Debtors	6	1	1
		<u>1</u>	<u>1</u>
Creditors: amounts falling due within one year	7	(197,712)	(555,739)
Net current liabilities		<u>(197,711)</u>	<u>(555,738)</u>
Total assets less current liabilities		<u>4,962,478</u>	<u>4,454,320</u>
Creditors: amounts falling due after more than one year	8	(4,804,763)	(4,261,713)
Net assets		<u>157,715</u>	<u>192,607</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	(724,004)	(621,703)
Revaluation reserve	10	881,718	814,309
Shareholders' funds	11	<u>157,715</u>	<u>192,607</u>

The financial statements of VSM (Uxbridge 7) Limited, registered number 5851862, were approved by the Board and authorised for issue on 19/12/11. They were signed on its behalf by



M E Dunn
Director

The notes on pages 7 to 13 form an integral part of these financial statements.

VSM (Uxbridge 7) Limited

Notes to the financial statements For the year ended 30 November 2010

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention in accordance with applicable United Kingdom company law and accounting standards

Compliance with SSAP 19 "Accounting for investment properties" requires departure from the Companies Act 2006 relating to depreciation and an explanation of the departure is given below

The accounting policies have been applied consistently throughout the year and the preceding period. The directors have prepared the financial statements on a going concern basis for the reasons set out in the paragraph headed going concern in the directors' report.

1.2 Tangible fixed assets and depreciation

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

1.3 Investment properties

In accordance with SSAP19, 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 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP19. 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 SSAP19 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 many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

VSM (Uxbridge 7) Limited

Notes to the financial statements for the year ended 30 November 2010

1.4 Taxation

Current 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

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

1.5 Cash flow statement

The company is a 100% subsidiary of VSM Estates (Holdings) Limited. Its cash flows are included in that company's consolidated cash flow statement. Consequently, the company is exempt from the requirement of Financial Reporting Standard 1 (Revised) to prepare a cash flow statement

1.6 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

VSM (Uxbridge 7) Limited

Notes to the financial statements for the year ended 30 November 2010

2. Loss on ordinary activities before taxation

2.1 Audit fees

Auditors' remuneration was borne by VSM Estates Limited. The amounts borne were as follows:

	2010	2009
	£	£
Fees payable to the company's auditors for the audit of the company's annual accounts	1,203	1,684
Fees payable to the company's auditors for other services to the company – Tax services	986	526
	<u>2,189</u>	<u>2,210</u>

2.2 Information regarding directors and employees

None of the directors received any remuneration during the year (2009: £nil). The remuneration of the directors is paid by other group undertakings for the current financial year and prior financial period and no part of their remuneration is specifically attributable to their services to this company.

The company has no employees (2009: nil) and is managed by its joint owners, St Modwen Properties PLC and Vinci (Holdings) Limited.

3. Interest payable and similar charges

	2010	2009
	£	£
Discount unwind on deferred payments	<u>102,301</u>	<u>40,757</u>

VSM (Uxbridge 7) Limited

Notes to the financial statements for the year ended 30 November 2010

4. Tax on loss on ordinary activities

Analysis of charge in period	2010 £	2009 £
Current tax		
UK corporation tax at 28% (2008 28%)	-	-
Total current tax charge	<u>-</u>	<u>-</u>

Factors affecting tax charge for period

The tax assessed for the period is different than the standard rate of corporation tax in the UK of 28% (2008 28%) The differences are explained below

	2010 £	2009 £
Loss on ordinary activities before taxation	<u>(102,301)</u>	<u>(40,757)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 28%)	(28,644)	(11,412)
Effects of:		
Disallowed expenditure	28,644	11,412
Current tax charge for period	<u>-</u>	<u>-</u>

No provision has been made for deferred tax on gains recognised on revaluing properties to market value Such tax would become payable only if the properties were sold. The total amount unprovided is £44,160 (2009 £53,930)

VSM (Uxbridge 7) Limited

**Notes to the financial statements
for the year ended 30 November 2010**

5. Tangible fixed assets

	Long leasehold investment properties £
Valuation	
At 1 December 2009	5,010,058
Additions	82,722
Revaluation	67,409
At 30 November 2010	<u>5,160,189</u>

Long leasehold investment properties were revalued as at 30 November 2010 by King Sturge LLP, Chartered Surveyors in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors, on the basis of market value

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

	2010 £	2009 £
Long leasehold investment properties	4,278,471	4,195,749
	<u> </u>	<u> </u>
6. Debtors	2010 £	2009 £
Amounts due from parent undertaking in respect of unpaid share capital	1	1
	<u> </u>	<u> </u>
7. Creditors: amounts falling due within one year	2010 £	2009 £
Amounts owed to immediate parent undertaking	197,712	114,990
Deferred consideration	-	440,749
	<u>197,712</u>	<u>555,739</u>

The payment terms of the deferred consideration are subject to contractual commitments which are expected to allow for realisation of the related assets and settlement of the liability on a basis which is at least cash neutral over a minimum period of ten years

VSM (Uxbridge 7) Limited

**Notes to the financial statements
for the year ended 30 November 2010**

8. Creditors: amounts falling due after more than one year	2010	2009
	£	£
Deferred consideration	4,804,763	4,261,713
	<u> </u>	<u> </u>

The payment terms of the deferred consideration are subject to contractual commitments which are expected to allow for realisation of the related assets and settlement of the liability on a basis which is at least cash neutral over a minimum period of ten years

9. Share capital	2010	2009
	£	£
Authorised equity		
100 Ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
Allotted, called up and nil paid equity		
1 Ordinary share of £1 each	1	1
	<u> </u>	<u> </u>

10. Reserves

	Revaluation reserve	Profit and loss account	Total
	£	£	£
At 1 December 2009	814,309	(621,703)	192,606
Revaluation of property	67,409	-	67,409
Retained loss for the year	-	(102,301)	(102,301)
At 30 November 2010	<u>881,718</u>	<u>(724,004)</u>	<u>157,714</u>

VSM (Uxbridge 7) Limited

Notes to the financial statements for the year ended 30 November 2010

11. Reconciliation of movements in shareholders' funds

	2010	2009
	£	£
Loss for the year	(102,301)	(40,757)
Unrealised surplus/(deficit) on revaluation of investment properties	67,409	(16,990)
Net reduction in shareholders' funds	<u>(34,892)</u>	<u>(57,747)</u>
Opening shareholders' funds	192,607	250,354
Closing shareholders' funds	<u>157,715</u>	<u>192,607</u>

12. Related party transactions

There were no transactions with other companies other than group financing from VSM Estates (Holdings) Limited for which no group interest was charged. Note 7 gives the balance outstanding as at the balance sheet date with VSM Estates (Holdings) Limited.

13. Ultimate parent undertaking

The company is jointly owned by St Modwen Properties PLC and Vinci (Holdings) Limited with the controlling related party being St Modwen Properties PLC.

The largest group of undertakings for which group accounts have been drawn up is that headed by St Modwen Properties PLC and the smallest such group of undertakings, including the company, is that headed by VSM Estates (Holdings) Limited. Copies of both Group reports and accounts are available from the Registered Office at 7 Ridgeway, Quinton Business Park, Birmingham, B32 1AF. The Registered Office of VSM (Uxbridge 7) Limited is at the same address.