

Registration number 5867722

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Annual report and financial statements**

**for the period ended 30 November 2007**

FRIDAY



A74

\*AVJKUYZZ\*

18/04/2008

152

COMPANIES HOUSE

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Directors' report**  
**for the period from 5 July 2006 to 30 November 2007**

The directors present their report and the financial statements for the period ended 30 November 2007

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 264(4) of the Companies Act 1985

**Incorporation and commencement of business**

The company was incorporated on 5 July 2006 as St Modwen (Shelf 48) Limited. The name of the company was changed to VSM (Bentley Priory 4) Limited on 5 September 2006

The company commenced business on 3 August 2006

The directors present their report and the financial statements for the period ended 30 November 2007

**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 period are set out on page 5

The directors do not recommend payment of a final dividend

**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

T P Haywood (appointed 18 July 2006)

W A Oliver (appointed 18 July 2006)

D W Bowler (appointed 18 July 2006)

J I Cavill (appointed 18 July 2006, resigned 12 April 2007)

N G Beaumont (appointed 20 June 2006, resigned 18 July 2006)

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

**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)

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Directors' report**  
**for the period from 5 July 2006 to 30 November 2007**

**Directors' responsibilities (continued)**

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,
- 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.

**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 S234ZA of the Companies Act 1985.

**Auditors**

Deloitte & Touche LLP have conducted the audit for the period ended 30 November 2007 and have expressed a willingness to remain in office. A resolution to reappoint Deloitte & Touche LLP will be put forward at the Annual General Meeting.

This report was approved by the Board on 17 April 2008 and signed on its behalf by



**J Messent**  
**Secretary**

**Independent auditors' report to the shareholders of  
VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

We have audited the company's financial statements for the period ended 30 November 2007 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. 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 (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) 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 2007 and of its loss for the period 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

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

**Chartered Accountants and Registered Auditors**

**Birmingham, United Kingdom**

**Date:** *18 April 2008*

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Profit and-loss account  
for the period from 5 July 2006 to 30 November 2007**

	<b>Notes</b>	<b>Period ended 30 November 2007 £</b>
Interest payable and similar charges	<b>3</b>	(513,462)
<b>Loss on ordinary activities before taxation</b>	<b>2</b>	<u>(513,462)</u>
Tax on loss on ordinary activities	<b>4</b>	<u>-</u>
<b>Loss on ordinary activities after taxation</b>	<b>10</b>	<u><u>(513,462)</u></u>

All amounts derive from continuing activities

**Statement of total recognised gains and losses  
for the period from 5 July 2006 to 30 November 2007**

	<b>Period ended 30 November 2007 £</b>
<b>Loss on ordinary activities after taxation</b>	(513,462)
Unrealised surplus on revaluation of investment properties	513,462
<b>Total recognised gains and losses relating to the period</b>	<u><u>-</u></u>

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

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Balance sheet**  
**as at 30 November 2007**

	Notes	2007	
		£	£
<b>Fixed assets</b>			
Tangible assets	5		6,998,463
<b>Current assets</b>			
Debtors	6	1	
		<u>1</u>	
<b>Creditors: amounts falling due within one year</b>	7	(1,894,858)	
<b>Net current liabilities</b>			<u>(1,894,857)</u>
<b>Total assets less current liabilities</b>			5,103,606
<b>Creditors: amounts falling due after more than one year</b>	8		(5,103,605)
<b>Net assets</b>			<u><u>1</u></u>
<b>Capital and reserves</b>			
Called up share capital	9		1
Profit and loss account	10		(513,462)
Revaluation reserve	10		513,462
<b>Shareholders' funds</b>	11		<u><u>1</u></u>

The financial statements were approved by the Board on 17/4/08 and signed on its behalf by



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

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

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Notes to the financial statements  
for the period from 5 July 2006 to 30 November 2007**

**1. Accounting policies**

**1.1. Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets 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 1985 relating to depreciation and an explanation of the departure is given below

**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 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. Included within investment properties is land held for an undetermined future use.

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principal 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.



**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Notes to the financial statements  
for the period from 5 July 2006 to 30 November 2007**

**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 (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Notes to the financial statements  
for the period from 5 July 2006 to 30 November 2007**

**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

	<b>Period ended 30 November 2007 £</b>
Fees payable to the company's auditors for the audit of the company's annual accounts	2,000
Fees payable to the company's auditors for other services to the company – Tax services	1,000
	<hr/>
	3,000

**2.2 Information regarding directors and employees**

None of the directors received any remuneration during the period. The remuneration of the directors is paid by other group undertakings for the current financial period and no part of their remuneration is specifically attributable to their services to this company.

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**

	<b>Period ended 30 November 2007 £</b>
Discount unwind on deferred payments	513,462

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Notes to the financial statements  
for the period from 5 July 2006 to 30 November 2007**

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

	<b>Period ended 30 November 2007 £</b>
<b>Analysis of charge in period</b>	
<b>Current tax</b>	
UK corporation tax at 30%	-
<b>Total current tax charge</b>	<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 30%  
The differences are explained below

	<b>Period ended 30 November 2007  2007 £</b>
Loss on ordinary activities before taxation	<u>(513,462)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	(154,039)
<b>Effects of:</b>	
Disallowed expenditure	<u>154,039</u>
<b>Current tax charge for period</b>	<u><u>-</u></u>

The UK Government announced that they would reduce the corporation tax rate for large companies to 28% with effect from 1st April 2008

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Notes to the financial statements  
for the period from 5 July 2006 to 30 November 2007**

<b>5. Tangible fixed assets</b>	<b>Long leasehold investment properties £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
Additions	6,485,001	6,485,001
Revaluation	513,462	513,462
At 30 November 2007	<u>6,998,463</u>	<u>6,998,463</u>
<b>Net book value</b>		
At 30 November 2007	<u>6,998,463</u>	<u>6,998,463</u>

Long leasehold investment properties were revalued as at 30 November 2007 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>2007 £</b>
Long leasehold investment properties	<u>6,485,001</u>
<b>6. Debtors</b>	<b>2007 £</b>
Amounts due from parent undertaking	<u>1</u>
<b>7. Creditors: amounts falling due within one year</b>	<b>2007 £</b>
Other creditors	<u>1,894,858</u>

The payment terms of the other creditors 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 (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Notes to the financial statements  
for the period from 5 July 2006 to 30 November 2007**

<b>8. Creditors: amounts falling due after more than one year</b>	<b>2007 £</b>
Other creditors	5,103,605

The payment terms of the other creditors 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

<b>9. Share capital</b>	<b>2007 £</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 5 July 2006 with an authorised share capital of 100 £1 Ordinary shares. On incorporation, one £1 Ordinary share was issued at par but unpaid

<b>10. Reserves</b>	<b>Revaluation reserve £</b>	<b>Profit and loss account £</b>
Revaluation of property	513,462	-
Retained loss for the year	-	(513,462)
<b>At 30 November 2007</b>	<u>513,462</u>	<u>(513,462)</u>

<b>11. Reconciliation of movements in shareholders' funds</b>	<b>Period ended 30 November 2007 £</b>
Loss for the year	(513,462)
Unrealised surplus on revaluation of investment properties	513,462
Net proceeds of equity share issue	1
<b>Net addition to shareholders' funds</b>	<u>1</u>

**VSM (Bentley Priory 4) Limited (previously St. Modwen (Shelf 48) Limited)**

**Notes to the financial statements  
for the period from 5 July 2006 to 30 November 2007**

**12. Related party transactions**

There were no related party transactions

**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