

**Company Registration No. 5890097**

**Pearlstyle Limited**

**Annual Report and Financial Statements**

**For the year ended 30 April 2012**



# **Pearlstyle Limited**

## **Annual report and financial statements 2012**

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# **Pearlstyle Limited**

## **Annual report and financial statements 2012**

### **Officers and professional advisers**

#### **Directors**

Mr B W Ritchie

Mr B Palos

#### **Company secretary**

Mr J S D A Rust

#### **Registered office**

59-60 Grosvenor Street

Mayfair

London

W1K 3HZ

#### **Auditor**

Deloitte LLP

Chartered Accountants and Statutory Auditor

London, UK

EC4A 3BZ

# Pearlstyle Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2012

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption

### Principal activities

The principal activities of the company in the year under review were those of property trading and development

### Directors

The directors shown below have held office throughout the year, and subsequently

Mr B W Ritchie

Mr B Palos

### Going concern

The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing financial statements

### Auditor

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 auditor is 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 auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board



X Mr B W Ritchie  
Director

30 JANUARY 2013

## **Pearlstyle Limited**

### **Directors' responsibilities statement**

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). 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 judgements 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 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 to 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.

## **Independent auditor's report to the members of Pearlstyle Limited**

We have audited the financial statements of Pearlstyle Limited for the year ended 30 April 2012 which comprise the Profit and Loss Account and 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 auditor's 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 auditor**

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 and express an opinion on 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 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 April 2012 and of its profit 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.

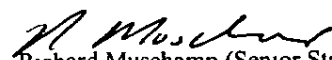
### **Opinion on other matter prescribed by the Companies Act 2006**

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.

### **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 prepare the financial statements and the directors' report in accordance with the small companies regime.

  
Richard Muschamp (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

30 JANUARY 2013

## Pearlstyle Limited

### Profit and loss account Year ended 30 April 2012

		Year ended 30 April 2012 £	Period 11 May 2010 to 30 April 2011 £
<b>Turnover</b>	1	6,216,713	2,005,000
Cost of sales		(4,927,713)	(1,714,242)
<b>Gross profit</b>		1,289,000	290,758
Administrative expenses		(23,659)	(125,201)
		1,265,341	165,557
Other operating income		54,787	219,761
<b>Operating profit</b>	2	1,320,128	385,318
Bank interest payable and similar charges		(38,197)	(80,085)
<b>Profit on ordinary activities before taxation</b>		1,281,931	305,233
Tax on profit on ordinary activities	3	(562)	-
<b>Profit for the financial year/period</b>		1,281,369	305,233

#### 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 profit for the current year and the previous period

## Pearlstyle Limited

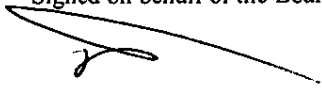
### Balance sheet 30 April 2012

	Notes	2012 £	2011 £
<b>Current assets</b>			
Stocks of property		-	4,873,871
Debtors	4	1,684,026	12,295
Cash at bank		-	19,348
		<u>1,684,026</u>	<u>4,905,514</u>
<b>Creditors: amounts falling due within one year</b>	5	<u>(813)</u>	<u>(79,102)</u>
<b>Net current assets</b>		<u>1,683,213</u>	<u>4,826,412</u>
<b>Total assets less current liabilities</b>		<u>1,683,213</u>	<u>4,826,412</u>
<b>Creditors: amounts falling due after more than one year</b>	6	<u>-</u>	<u>(4,424,568)</u>
<b>Net assets</b>		<u>1,683,213</u>	<u>401,844</u>
<b>Capital and reserves</b>			
Called-up share capital	9	2	2
Share premium	10	8,399	8,399
Profit and loss account	10	1,674,812	393,443
<b>Shareholders' funds</b>	13	<u>1,683,213</u>	<u>401,844</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements of Pearlstyle Limited (registered number 5890097) were approved by the Board of Directors and authorised for issue on 30 JANUARY 2013

Signed on behalf of the Board of Directors

  
X Mr B W Ritchie  
Director



# **Pearlstyle Limited**

## **Notes to the financial statements Year ended 30 April 2012**

### **1. Accounting policies**

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention and on the going concern basis

They have been drawn up to comply with applicable United Kingdom accounting standards, which have been applied consistently throughout the current year and previous period

#### **Going concern**

The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing financial statements

#### **Cash flow statement**

The directors have taken advantage of the exemption in FRS 1 "Cash Flow Statements" (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly-owned and its parent publishes consolidated financial statements

#### **Turnover**

Turnover comprises income in relation to the sale of properties, is recognised on the point of completion and originated in the United Kingdom

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price, less costs to be incurred to completion and disposal

#### **Deferred tax**

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 group'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 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

#### **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

#### **Rental income**

Rental is measured at the fair value of the consideration received or receivable on an accruals basis and is stated net of discounts and VAT

## Pearlstyle Limited

### Notes to the financial statements (continued) Year ended 30 April 2012

#### 2. Operating profit

Fees payable to the company's auditor for the audit of the company's accounts of £630 (2011 £600) have been borne by another group company

There were no non-audit fees for the current year or previous period

The directors do not receive any remuneration for their services

#### 3. Taxation

##### Analysis of the tax charge

	2012 £	2011 £
Domestic current year tax		
UK corporation tax for the year/period	-	-
Under provision of tax in prior period	562	-
	<u>562</u>	<u>-</u>
Current tax charge	<u>562</u>	<u>-</u>

##### Factors affecting the tax charge

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

	Year ended 30 April 2012 £	Period 11 May 2010 to 30 April 2011 £
Profit on ordinary activities before tax	1,281,931	305,233
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.84 % (2011 27.83%)	331,251	84,956
Effects of		
Utilisation of losses brought forward	(331,251)	(83,060)
Losses transferred from other group companies for nil consideration	-	(2,035)
Disallowable expense/Non-taxable income	-	139
Prior period adjustment	562	-
	<u>562</u>	<u>-</u>
Current tax charge	<u>562</u>	<u>-</u>

##### Factors that may affect future tax charges

A deferred tax asset of £274,130 (2011 £607,433) 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

## Pearlstyle Limited

### Notes to the financial statements (continued) Year ended 30 April 2012

#### 4. Debtors: amounts falling due within one year

	2012 £	2011 £
Trade debtors	-	8,487
Amounts owed from parent	1,684,026	-
Other debtors	-	3,808
	<u>1,684,026</u>	<u>12,295</u>

#### 5. Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	-	30,101
Corporation tax	562	-
Other creditors	251	49,001
	<u>813</u>	<u>79,102</u>

#### 6. Creditors: amounts falling due after more than one year

	2012 £	2011 £
Bank loans (see note 7)	-	3,508,532
Amounts owed to parent	-	916,036
	<u>-</u>	<u>4,424,568</u>

#### 7. Loans

An analysis of the maturity of loans is given below

	2012 £	2011 £
Amounts falling due between two and five years		
Bank loans	-	3,508,532

#### 8. Secured debts

The following secured debts are included within creditors

	2012 £	2011 £
Bank loans	-	3,508,532

The bank loans outstanding at 30 April 2012 are secured by a fixed charge over the company's assets and are repayable on 31 March 2016

## Pearlstyle Limited

### Notes to the financial statements (continued) Year ended 30 April 2012

#### 9. Called-up share capital

	2012 £	2011 £
Allotted, issued and fully paid		
10,000 ordinary shares of 0.01p	1	1
4,221 ordinary A shares of 0.01p	1	1
	<u>2</u>	<u>2</u>

All shares rank pari passu

#### 10. Reserves

	Profit and loss account £	Share premium £	Total £
At 30 April 2011	393,443	8,399	401,842
Profit for the year	<u>1,281,369</u>	<u>-</u>	<u>1,281,369</u>
At 30 April 2012	<u>1,674,812</u>	<u>8,399</u>	<u>1,683,211</u>

#### 11. Related party disclosures

The company has taken advantage of the exemptions available under FRS 8 "Related Party Transactions", and has not disclosed transactions with group companies on the basis that the company is a wholly-owned subsidiary. In addition, the group accounts in which the company is included are publicly available.

#### 12. Ultimate controlling party

The ultimate controlling party is Prime London Residential Limited by virtue of its ownership of the entire issued share capital.

The smallest and largest group in which the results of the company will be consolidated is Prime London Residential Limited whose accounts will be obtainable from 59-60 Grosvenor Street, Mayfair, London, W1K 3HZ.

#### 13. Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year/period	1,281,369	305,233
Net addition to shareholders' funds	<u>1,281,369</u>	<u>305,233</u>
Opening shareholders' funds	401,844	96,611
Closing shareholders' funds	<u>1,683,213</u>	<u>401,844</u>