

Company Registration No: 5956801

DEVELOPMENT SECURITIES (No. 41) LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2008

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DEVELOPMENT SECURITIES (No. 41) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

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DEVELOPMENT SECURITIES (No. 41) LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

M H Marx
C J Barwick
M S Weiner

COMPANY SECRETARY

S A Lanes

REGISTERED OFFICE

Portland House
Bressenden Place
London SW1E 5DS

BANKERS

Barclays Bank PLC
50 Pall Mall
London SW1A 1QB

SOLICITORS

Linklaters LLP
1 Silk Street
London EC2Y 8HQ

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
1 Embankment Place
London WC2N 6RH

DEVELOPMENT SECURITIES (No. 41) LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2008

The directors present their report and the audited financial statements of the company for the year ended 31 December 2008. The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company during the year and for the foreseeable future is property investment, trading and management. The directors do not foresee any change in the future activities of the company.

RESULTS AND DIVIDENDS

The company's profit for the year is £nil (period from 28 April 2007 to 31 December 2007: £79,983). The directors do not recommend the payment of a dividend (2007: £nil).

DIRECTORS AND DIRECTORS' INTERESTS

The directors who held office throughout the year and to date were as follows:

M H Marx
C J Barwick
M S Weiner

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The company maintains directors' and officers' liability insurance, which is reviewed annually and is considered to be adequately insured. Such qualifying third party indemnity provisions remain in place at the date of approving the directors' report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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 this company for that period.

In preparing those 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

DEVELOPMENT SECURITIES (No. 41) LIMITED

DIRECTORS' REPORT (continued) **For the year ended 31 December 2008**

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS (continued)

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

DISCLOSURE OF INFORMATION TO AUDITORS

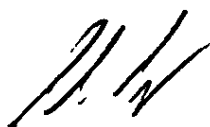
In the case of each director in office at the date the directors' report is approved, the following applies:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, PricewaterhouseCoopers LLP, were appointed in the year and have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board of Directors
and signed by order of the Board



S A Lanes
Secretary
23 October 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEVELOPMENT SECURITIES (No. 41) LIMITED

We have audited the financial statements of Development Securities (No. 41) Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' 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 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). This report, including the opinion, has been prepared for and only for the company's members, as a body, in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 also 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 other information contained in the Annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and the list of officers and professional advisors and all of the information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

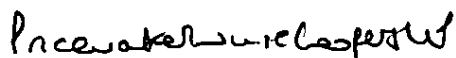
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 MEMBERS OF DEVELOPMENT
SECURITIES (No. 41) 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 31 December 2008 and of its result 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
23rd October 2009

DEVELOPMENT SECURITIES (No. 41) LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 December 2008

		2008	Period from 28 April 2007 to 31 December 2007
	Notes	£	£
Turnover	2	-	27,250,333
Cost of sales		<u>-</u>	<u>(27,170,350)</u>
Operating profit	3	<u>-</u>	<u>79,983</u>
Profit on ordinary activities before taxation		-	79,983
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
Profit for the financial year/period		<u><u>-</u></u>	<u><u>79,983</u></u>

All amounts relate to continuing activities.

There is no material difference between the profit on ordinary activities before taxation and the profit for the year/period stated above and their historical cost equivalents.

The Company has no recognised gains and losses other than those included in the result above, and therefore no separate statement of total recognised gains and losses has been presented.

DEVELOPMENT SECURITIES (No. 41) LIMITED


BALANCE SHEET

As at 31 December 2008

	Notes	2008 £	2007 £
CURRENT ASSETS			
Debtors : amounts falling due within one year	5	<u>79,984</u>	<u>79,984</u>
		79,984	79,984
NET ASSETS		<u>79,984</u>	<u>79,984</u>
CAPITAL AND RESERVES			
Called up share capital	6	1	1
Profit and loss account	7	<u>79,983</u>	<u>79,983</u>
TOTAL SHAREHOLDERS' FUNDS	7	<u>79,984</u>	<u>79,984</u>

These financial statements on pages 6 to 10 were approved by the Board of Directors on 23 October 2009.

Signed on behalf of the Board of Directors



M H Marx
Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2008

1 Basis of preparation

These financial statements are prepared in accordance with the Companies Act 1985, and in accordance with applicable United Kingdom law and accounting standards and under the historical cost convention. The accounting policies adopted are consistent with the prior period.

Going concern

The directors have prepared the financial statements on the going concern basis, on the grounds that the company can meet its liabilities as they fall due.

Cash flow statement and related party disclosures

The company is a wholly-owned subsidiary of Development Securities PLC and is included in the consolidated financial statements of Development Securities PLC, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996) "Cash Flow Statements". The company is also exempt under the terms of FRS 8 "Related Party Disclosures" from disclosing related party transactions with entities that are part of the Development Securities PLC group

Turnover

Rental income is recognised on an accrued basis.

Trading properties

Trading properties are valued at the lower of cost and estimated net realisable value.

Taxation

Current tax, including UK corporation tax and foreign tax where applicable, 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 taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 TURNOVER

	Period from 28 April 2007 to 2008 31 December 2007	
	£	£
Rental income	-	79,983
Trading property sales	-	<u>27,170,350</u>
	-	<u>27,250,333</u>

Turnover, which is stated net of Value Added Tax, represents rental income and trading property sales. All turnover is attributable to continuing activities undertaken in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2008

3 OPERATING PROFIT

None of the directors received any emoluments in respect of qualifying services provided to the company during the year (period from 28 April 2007 to 31 December 2007: £nil)

The auditors' remuneration of £2,210 (period from 28 April 2007 to 31 December 2007: £2,210) for the current financial year and previous period has been borne by Development Securities PLC, the ultimate parent company.

The company does not have any employees (period from 28 April 2007 to 31 December 2007: none)

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

Tax charge

There is no tax charge for the current year (period from 28 April 2007 to 31 December 2007: £nil).

The tax assessed for the year is the same as that of (period from 28 April 2007 to 31 December 2007: lower than) the standard rate of corporation tax in the UK (28.5%). The differences are explained below:

Factors affecting the current tax charge for the period

	2008	Period from 28 April 2007 to 31 December 2007
	£	£
Profit on ordinary activities before taxation	—	79,983
Profit on ordinary activities multiplied by the standard rate in the UK: 28.5% (2007: 30%)	—	23,995
Effect of:		
Group relief claimed for nil consideration	—	(23,995)
Current tax charge for the year/period	—	—

Factors affecting tax charges

The standard rate of Corporation Tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the company's profits for this accounting year are taxed at an effective rate of 28.5% and will be taxed at 28% in the future.

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Amounts owed by ultimate parent undertaking	74	74
Amounts owed by immediate parent undertaking	79,910	79,910
	<u>79,984</u>	<u>79,984</u>

There is neither a set date nor terms for repayment of the outstanding amounts owed by the ultimate parent undertaking and immediate parent undertaking and interest is not charged on these balances.

DEVELOPMENT SECURITIES (No. 41) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2008

6 SHARE CAPITAL

	2008 £	2007 £
Authorised:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

7 RECONCILIATION OF TOTAL SHAREHOLDERS' FUNDS

	Share capital £	Profit and loss account £	Total shareholders' funds £
At 28 April 2007	1	-	1
Profit for the period	<u>-</u>	<u>79,983</u>	<u>79,983</u>
At 31 December 2007	1	79,983	79,984
Profit for the year	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2008	<u>1</u>	<u>79,983</u>	<u>79,984</u>

8 ULTIMATE AND IMMEDIATE CONTROLLING PARTIES

The ultimate parent and controlling company and parent company of the largest group of which the company is a member and for which consolidated accounts are produced is Development Securities PLC.

The parent company of the smallest group of which the company is a member and for which consolidated accounts are produced is Development Securities (Investments) PLC.

The immediate parent company is Development Securities (No.40) Limited.

All companies are registered in England and Wales and incorporated in Great Britain.

Copies of the Annual Report and Financial Statements of Development Securities PLC, Development Securities (Investments) PLC and Development Securities (No. 40) Limited can be obtained from Portland House, Bressenden Place, London SW1E 5DS.