

**Taylor Clark Properties Limited**

**Directors' report and financial  
statements**

**Registered number SC26722**

**31 March 2009**

**TUESDAY**



**\*SDXL8E9I\***

**SCT**

**20/10/2009**

**1193**

**COMPANIES HOUSE**

## Contents

|   |   |
|---|---|
| Directors and advisers  | 1 |
| Directors' report   | 2 |
| Statement of directors' responsibilities in respect of the Directors' Report and the financial statements | 3 |
| Independent auditors' report to the members of Taylor Clark Properties Limited                            | 4 |
| Profit and loss account   | 6 |
| Balance sheet   | 7 |
| Notes   | 8 |

## **Directors and advisers**

### **Directors**

JS Brand FRICS (Managing Director)  
JA Dippie FCA  
CP Edwards FRICS  
RJ Harvey

### **Secretary**

Taylor Clark Limited

### **Registered office**

5 Drummond Street  
Inverness  
IV1 1QF

### **London office**

Fourth Floor South  
35 Portman Square  
London  
W1H 6LR

Telephone: 020 7486 0100

### **Auditors**

KPMG LLP

### **Bankers**

Clydesdale Bank PLC

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2009.

### Principal activities

The principal activity of the company and its subsidiaries is commercial and residential property development in England and Scotland.

### Business Review

During the year the Company completed the refurbishment of an office building in Glasgow with approximately 24,000 square feet of net lettable space. To date no lettings have been made and the directors believe this is largely due to the economic downturn rather than the quality of the property. During the year market rents have fallen and the capital value of property in general has fallen. The directors have concluded the net realisable value of this property at 31 March 2009 is £4.25m which has led to recognition of a loss of £2.73m. The majority of the Company's funds continue to be lent to its immediate parent and are available at short notice should they be needed.

The results for the year are set out in the profit and loss account on page 6 and the related notes.

### Proposed dividend

On 25 September 2008 a final dividend of £860,000 was paid for 2007/2008. The directors do not recommend payment of a final dividend for the current year.

### Directors

The Directors in office at the date of this report are set out on page 1.

### Directors' indemnity

The Group maintains a Directors and Officers liability insurance policy which indemnifies the directors of the Company if a claim is made against them in their capacity as a director of the Company.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditors

In accordance with Section 487 of the Companies Act 2006, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



JA Dippie for Taylor Clark Limited

Secretary

Fourth Floor South  
35 Portman Square  
London  
W1H 6LR

16 July 2009

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



6 Lower Brook Street  
Ipswich  
IP4 1AP  
United Kingdom

## **Independent auditors' report to the members of Taylor Clark Properties Limited**

We have audited the financial statements of Taylor Clark Properties Limited for the year ended 31 March 2009 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.

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 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 auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

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.

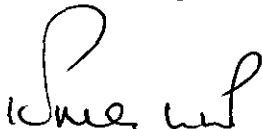
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 members of Taylor Clark Properties Limited** *(continued)*

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 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.



**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*

16 July 2009

## Profit and loss account

*for the year ended 31 March 2009*

|   | <i>Note</i> | <b>2009</b><br><b>£000</b> | 2008<br>£000 |
|---|-------------|----------------------------|--------------|
| <b>Turnover</b>   |             | -                          | -            |
| Cost of sales   |             | (2,886)                    | (37)         |
|   |             | <hr/>                      | <hr/>        |
| <b>Gross loss</b>   |             | (2,886)                    | (37)         |
| Administrative expenses                                       |             | (426)                      | (581)        |
|   |             | <hr/>                      | <hr/>        |
| <b>Operating loss</b>   |             | (3,312)                    | (618)        |
| Income from shares in group undertakings                      |             | 1,177                      | -            |
|   |             | <hr/>                      | <hr/>        |
| <b>Loss before interest</b>                                   |             | (2,135)                    | (618)        |
| Provisions made against fixed asset investments               |             | (873)                      | -            |
| Interest receivable and similar income                        | 4           | 811                        | 1,236        |
|   |             | <hr/>                      | <hr/>        |
| <b>(Loss) / profit on ordinary activities before taxation</b> | 2           | (2,197)                    | 618          |
| Tax on (loss) / profit on ordinary activities                 | 5           | 700                        | (190)        |
|   |             | <hr/>                      | <hr/>        |
| <b>(Loss) / profit for financial year</b>                     |             | <u>(1,497)</u>             | <u>428</u>   |

### Continuing operations

All items dealt with in arriving at the operating loss for 2009 and 2008 relate to continuing operations.

### Statement of total recognised gains and losses

The company has no recognised gains and losses other than those included in the profit and loss account above, and therefore no separate statement of total recognised gains and losses has been presented.

### Note of historical cost profits and losses

There is no material difference between the (loss) / profit on ordinary activities before taxation and the retained (loss) / profit for the year as stated in the profit and loss account above, and their historical cost equivalents.

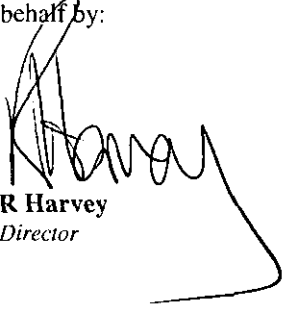


## Balance sheet

at 31 March 2009

|   | Note | 2009<br>£000   | 2008<br>£000   |
|---|------|----------------|----------------|
| <b>Fixed assets</b>                                   |      |                |                |
| Shares in group undertakings                          | 7    | 8,200          | 8,200          |
| Investment in joint ventures                          | 7    | 2,457          | 3,392          |
|   |      | <u>10,657</u>  | <u>11,592</u>  |
| <b>Current assets</b>                                 |      |                |                |
| Property and developments                             |      | 4,299          | 6,070          |
| Debtors   | 8    | 13,848         | 14,255         |
| Cash at bank  |      | 2              | 773            |
|   |      | <u>18,149</u>  | <u>21,098</u>  |
| <b>Creditors: amounts falling due within one year</b> | 9    | <u>(8,265)</u> | <u>(9,792)</u> |
| <b>Net current assets</b>                             |      | <u>9,884</u>   | <u>11,306</u>  |
| <b>Net assets</b>                                     |      | <u>20,541</u>  | <u>22,898</u>  |
| <b>Capital and reserves</b>                           |      |                |                |
| Called up share capital                               | 10   | 17,500         | 17,500         |
| Profit and loss account                               |      | 3,041          | 5,398          |
| <b>Equity shareholders' funds</b>                     | 11   | <u>20,541</u>  | <u>22,898</u>  |

These financial statements were approved by the board of directors on 16 July 2009 and were signed on its behalf by:

  
**R Harvey**  
Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

#### *Cash flow statement*

Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary undertaking of Taylor Clark Limited, which is incorporated in Great Britain, and whose consolidated financial statements include a consolidated cash flow statement which includes the cash flows of the company.

#### *Related party disclosures*

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose transactions with other group companies on the grounds that it is a wholly-owned subsidiary undertaking.

#### *Property and developments*

Property and developments are stated at the lower of cost and net realisable value. Cost comprises the original cost of the property, together with subsequent third party development costs until the property is complete and available for use.

#### *Investments*

Investments held as fixed assets are shown at cost less provision, where in the opinion of the directors there has been a permanent diminution in value.

#### *Turnover*

Turnover comprises of income from the sale of properties held for development, rental income and management fee income excluding VAT.

#### *Taxation*

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting policies. Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

## Notes (continued)

### 2 (Loss) / profit on ordinary activities before taxation

|   | 2009<br>£000 | 2008<br>£000 |
|---|--------------|--------------|
| <i>(Loss) / profit on ordinary activities before taxation<br/>is stated after charging</i>                            |              |              |
| Auditors' remuneration:   |              |              |
| Audit of these financial statements   | 21           | 20           |
| Other services relating to taxation   | 4            | 6            |
| Management charge from parent company   | 392          | 531          |
| Provision to reduce carrying value of property and developments to the<br>director's estimate of net realisable value | 2,728        | -            |
|   | <u>2,728</u> | <u>-</u>     |

The management team of Taylor Clark Properties Limited is employed by Taylor Clark Limited, the parent company. The management charge includes the cost of the management team's remuneration and accommodation.

### 3 Directors' remuneration

|                       | 2009<br>£000 | 2008<br>£000 |
|-----------------------|--------------|--------------|
| <b>Directors</b>      |              |              |
| Directors' emoluments | 153          | 237          |
|                       | <u>153</u>   | <u>237</u>   |

The aggregate of emoluments (excluding pension contributions) of the highest paid director were £130,229 (2008: £125,543). He is a member of a defined benefit scheme, under which the accrued pension to which he would be entitled from his normal retirement date if he were to retire at the year end, was £29,007 (2008: £27,425).

|   | Number of directors<br>2009 | 2008 |
|---|-----------------------------|------|
| Retirement benefits are accruing to the following number of directors<br>under a defined benefit scheme | 1                           | 2    |

Certain of the directors of the company are members of the Taylor Clark Limited Retirement and Death Benefit Scheme, details of which can be found in the accounts of Taylor Clark Limited.

### 4 Interest receivable and similar income

|                            | 2009<br>£000 | 2008<br>£000 |
|----------------------------|--------------|--------------|
| Bank interest              | 5            | 53           |
| On loans to parent company | 593          | 805          |
| Other interest             | 213          | 378          |
|                            | <u>811</u>   | <u>1,236</u> |

## Notes (continued)

### 5 Taxation

#### Analysis of charge in year

|   | 2009<br>£000 | 2008<br>£000 |
|---|--------------|--------------|
| <i>UK corporation tax</i>                           |              |              |
| Corporation tax (receivable) / payable for the year | (700)        | 190          |
| Total current tax                                   | (700)        | 190          |
| Tax on (loss) / profit on ordinary activities       | (700)        | 190          |

#### Factors affecting the tax charge for the current year

The current tax charge for the year is less than (2008: greater than) the standard rate of corporation tax in the UK 28% (2008: 30%). The differences are explained below:

|   | 2009<br>£000 | 2008<br>£000 |
|---|--------------|--------------|
| <i>Current tax reconciliation</i>                 |              |              |
| (Loss) / profit on ordinary activities before tax | (2,197)      | 618          |
| Current tax (credit) / charge at 28% (2008: 30%)  | (615)        | 185          |
| <i>Effects of:</i>                                |              |              |
| Tax credit on group income                        | (329)        | -            |
| Expenses not deductible for tax purposes          | 244          | 5            |
| Total current tax (credit) / charge (see above)   | (700)        | 190          |

#### Factors that may affect future tax charges

At the year end there were no significant circumstances that were likely to affect future tax charges.

### 6 Dividends

The directors do not propose payment of a final dividend (2008: £860,000).

## Notes (continued)

### 7 Fixed asset investments

|                        | Investment in joint<br>venture<br>£'000 | Shares in group<br>undertakings<br>£000 |
|------------------------|---|---|
| <i>At cost</i>         |   |   |
| At 1 April 2008        | 3,392                                   | 8,200                                   |
| Bowmore loan repayment | (62)                                    | -                                       |
| Provision              | (873)                                   | -                                       |
|                        | <hr/>                                   | <hr/>                                   |
| At 31 March 2009       | 2,457                                   | 8,200                                   |
|                        | <hr/>                                   | <hr/>                                   |

The company owns the entire share capital of the following property companies incorporated in England and Wales:

| Company  | Activity             |
|--|----------------------|
| TCP Chertsey Limited                                 | Dormant              |
| TCP Pilgrim Limited (previously TCP Flat 12 Limited) | Property development |
| TCP Winchester Limited                               | Dormant              |
| TCP Citypoint Limited                                | Dormant              |
| TCP Canterbury Limited                               | Dormant              |

In addition, the company has an investment in Bowmore Estates Limited ('Bowmore') which was acquired in the year ended 31 March 2005. Bowmore is a property development company incorporated in England and Wales. The company owns 50% of the voting rights of Bowmore and exercises joint control.

In the opinion of the directors, the investments are worth at least the amount at which they are stated in the balance sheet.

### 8 Debtors

|                                     | 2009<br>£000 | 2008<br>£000 |
|-------------------------------------|--------------|--------------|
| <i>Amounts due within one year</i>  |              |              |
| Amounts due from parent company     | 12,370       | 13,893       |
| Amounts due from group undertakings | 1,385        | -            |
| Other debtors                       | 93           | 362          |
|                                     | <hr/>        | <hr/>        |
|                                     | 13,848       | 14,255       |
|                                     | <hr/>        | <hr/>        |

### 9 Creditors: amounts falling due within one year

|                                   | 2009<br>£000 | 2008<br>£000 |
|-----------------------------------|--------------|--------------|
| Trade creditors                   | 1            | 17           |
| Corporation tax                   | -            | 91           |
| Accruals and deferred income      | 28           | 259          |
| Amounts due to group undertakings | 8,200        | 9,379        |
| Other creditors                   | 36           | 46           |
|                                   | <hr/>        | <hr/>        |
|                                   | 8,265        | 9,792        |
|                                   | <hr/>        | <hr/>        |

## Notes (continued)

### 10 Called up share capital

|   | 2009<br>£000 | 2008<br>£000 |
|---|--------------|--------------|
| <i>Authorised, called up and fully paid</i> |              |              |
| Ordinary shares of £1 each                  | 17,500       | 17,500       |

### 11 Reconciliation of movement in shareholders' funds

|  | 2009<br>£000 | 2008<br>£000 |
|--|--------------|--------------|
| (Loss) / profit for the financial year | (1,497)      | 428          |
| Dividends paid                         | (860)        | (1,153)      |
| Net movement in shareholders' funds    | (2,357)      | (725)        |
| Opening shareholders' funds            | 22,898       | 23,623       |
| Closing shareholders' funds            | 20,541       | 22,898       |

### 12 Capital commitments

No provision has been made in the financial statements in respect of financial commitments of £nil (2008: £895,000) which relate to payments which will become due under contracts entered into for the purchase of land and buildings and the construction or redevelopment of properties.

### 13 Related party disclosures

The company has an investment in Bowmore Estates Limited ('Bowmore') which was acquired in the year ended 31 March 2005. The company owns 50% of the voting rights of this property development company and exercises joint control of this investment.

During the year ended 31 March 2009 Bowmore repaid £61,693 of the funding loan provided by the company (2008: £1,400,000 repaid by Bowmore). At 31 March 2009 the principal of the loan was £3,538,307 (2008: £3,600,000) and interest of £58,261 (2008: £71,577) was accrued on the loan. No interest was paid on the loan during the year (2008: £376,778).

### 14 Ultimate parent company and parent undertaking of a larger group of which the company is a member and ultimate controlling parties

The company's ultimate parent company is Taylor Clark Limited which is incorporated in Great Britain and registered in England and Wales.