

REGISTERED NUMBER: 02996651 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 31 March 2012
for
PT South West Limited**

FRIDAY



L1IF7IW2

LD8

28/09/2012

#221

COMPANIES HOUSE

**Contents of the Financial Statements
for the Year Ended 31 March 2012**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Statement of Total Recognised Gains and Losses	6
Balance Sheet	7
Notes to the Financial Statements	8

Company

Report

Report

Profit and Loss

Company

Report

PT South West Limited

**Company Information
for the Year Ended 31 March 2012**

DIRECTORS

A K C Cheng
N C F Chan

SECRETARIES:

N C F Chan
Cargil Management Services Limited

REGISTERED OFFICE:

Kingsgate House
115 High Holborn
London
WC1V 6JJ

REGISTERED NUMBER:

02996651 (England and Wales)

AUDITORS.

Grant Thornton UK LLP
Chartered Accountants
Registered Auditor
30 Finsbury Square
London
EC2P 2YU

**Report of the Directors
for the Year Ended 31 March 2012**

The directors present their report with the financial statements of the company for the year ended 31 March 2012

PRINCIPAL ACTIVITY

The company carries on the business of property investment, trading and development

REVIEW OF BUSINESS

The company's continued objective is to maximise growth in assets from increases in investment property values and from retained earnings from property rental. The company's parent undertaking monitors net assets per share in managing the group's property portfolio

DIVIDENDS

During the year dividends of £85,000 (2011 £80,000) were paid

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2011 to the date of this report

A K C Cheng
N C F Chan

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company uses various financial instruments, these include loans and cash to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of risks, which are described in more detail below

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. The company uses long term finance to fund the acquisition of investment properties and to ensure continuity of funding. The maturity of borrowings is set out in the notes to the financial statements. Liquid resources are deemed to be cash and overdraft facilities

Interest rate risk

The company finances its operations through a mixture of retained profits, bank borrowings and inter group finance

Credit risk

The company's principal financial assets are cash. The credit risk associated with cash is limited as the counterparties have high credit ratings

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 accounting estimates that are reasonable and prudent,
- 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

PT South West Limited (Registered number: 02996651)

**Report of the Directors
for the Year Ended 31 March 2012**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006

ON BEHALF OF THE BOARD



N C F Chan - Secretary

28 September 2012

Report of the Independent Auditors to the Members of PT South West Limited

We have audited the financial statements of PT South West Limited for the year ended 31 March 2012 which comprise the principal accounting policies, profit and loss account, balance sheet and the related notes. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 31 March 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 Report of the Directors 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.



Paul Flatley (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Chartered Accountants
Registered Auditor
30 Finsbury Square
London
EC2P 2YU

28 September 2012

PT South West Limited (Registered number: 02996651)

**Profit and Loss Account
for the Year Ended 31 March 2012**

	Notes	2012 £	2011 £
TURNOVER	2	191,500	210,469
Other operating charges		<u>(59,283)</u>	<u>(55,941)</u>
GROSS PROFIT		132,217	154,528
Administrative expenses		<u>(174)</u>	<u>(175)</u>
		132,043	154,353
Other operating income		<u>-</u>	<u>62,057</u>
OPERATING PROFIT	4	132,043	216,410
Interest receivable and similar income		<u>2</u>	<u>2</u>
		132,045	216,412
Interest payable and similar charges	5	<u>(99,387)</u>	<u>(97,388)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		32,658	119,024
Tax on profit on ordinary activities	6	<u>578</u>	<u>(2,665)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>33,236</u>	<u>116,359</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

PT South West Limited (Registered number 02996651)

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 March 2012**

	2012 £	2011 £
PROFIT FOR THE FINANCIAL YEAR	33,236	116,359
Unrealised loss on revaluation of certain fixed assets	<u>(500,000)</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u><u>(466,764)</u></u>	<u><u>116,359</u></u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these financial statements

PT South West Limited (Registered number: 02996651)

**Balance Sheet
31 March 2012**

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	8	2,300,000	2,800,000
CURRENT ASSETS			
Debtors	9	46,809	38,106
Cash at bank		<u>104</u>	<u>15,074</u>
		46,913	53,180
CREDITORS			
Amounts falling due within one year	10	<u>(2,546,861)</u>	<u>(1,235,906)</u>
NET CURRENT LIABILITIES		<u>(2,499,948)</u>	<u>(1,182,726)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(199,948)	1,617,274
CREDITORS			
Amounts falling due after more than one year	11	-	(1,262,630)
PROVISIONS FOR LIABILITIES	12	<u>(18,961)</u>	<u>(21,789)</u>
NET (LIABILITIES)/ASSETS		<u>(218,909)</u>	<u>332,855</u>
CAPITAL AND RESERVES			
Called up share capital	13	1	1
Revaluation reserve	14	(229,004)	270,996
Profit and loss account	14	<u>10,094</u>	<u>61,858</u>
SHAREHOLDERS' FUNDS	18	<u>(218,909)</u>	<u>332,855</u>

The financial statements were approved by the Board of Directors on 28 September 2012 and were signed on its behalf by



N C F Chan - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2012**

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards

The principal accounting policies of the company have remained unchanged from the previous year, and are set out below

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (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 a consolidated cash flow statement

Turnover

Turnover is the total amount receivable from rent recognised on a straight line basis over the term of the lease

Deferred tax

Deferred taxation is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted.

Investment properties

Basis of estimation techniques

The primary source of evidence for valuations is recent, comparable market transactions on arms length terms. The current economic environment means that there have been fewer transactions and, consequently, there is a greater degree of uncertainty in respect of the figures reported.

In accordance with Statement of Standard Accounting Practice No 19, the company's properties held for long term investment are included in the balance sheet at their open market values. The surpluses or deficits on revaluation of such properties are transferred to the revaluation reserve unless a deficit below its original cost, or its reversal, on an individual property is considered to be permanent, in which case it is recognised in the profit and loss account for the period. Depreciation is not provided in respect of freehold investment properties. Leasehold investment properties are not amortised where the unexpired term is over twenty years.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view, because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

2 TURNOVER

The turnover is attributable to the one principal activity of the company and is derived wholly within the UK.

3 STAFF COSTS

There were no staff costs for the year ended 31 March 2012 nor for the year ended 31 March 2011.

4 OPERATING PROFIT

Auditor's remuneration is borne by a fellow group company.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2012

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Bank interest	68,887	69,363
Interest payable to group undertakings	<u>30,500</u>	<u>28,025</u>
	<u>99,387</u>	<u>97,388</u>

6 TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows

	2012	2011
	£	£
Current tax		
UK corporation tax	2,250	2,250
Deferred tax	<u>(2,828)</u>	<u>415</u>
Tax on profit on ordinary activities	<u>(578)</u>	<u>2,665</u>

UK corporation tax has been charged at 20%

Factors affecting the tax (credit)/charge

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

	2012	2011
	£	£
Profit on ordinary activities before tax	<u>32,658</u>	<u>119,024</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2011 - 28%)	6,532	33,327
Effects of taxation purposes		
Capital allowances in excess of depreciation	(237)	(415)
Group relief claimed	(4,045)	(29,912)
Small companies relief years	-	(750)
Current tax (credit)/charge	<u>2,250</u>	<u>2,250</u>

7 DIVIDENDS

	2012	2011
	£	£
Ordinary share of 1 Interim	<u>85,000</u>	<u>80,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2012

8 TANGIBLE FIXED ASSETS

	Freehold property £
COST OR VALUATION	
At 1 April 2011	2,800,000
Revaluations	<u>(500,000)</u>
At 31 March 2012	<u>2,300,000</u>
NET BOOK VALUE	
At 31 March 2012	<u>2,300,000</u>
At 31 March 2011	<u>2,800,000</u>

Valuations of investment properties as at 31 March 2012 were carried out in accordance with the RICS Valuation Standards by the Directors, who have been advised by external professional valuers

Full independent valuations of investment properties were carried out in accordance with RICS Valuation Standards by Atisreal, an independent firm of professional valuers, as at 31 March 2007 and 30 June 2008

If the investment property had not been revalued, they would have been included on the historical cost basis at £2,529,004 (2011 £2,529,004)

Cost or valuation at 31 March 2012 is represented by

	Freehold property £
Valuation in 2002	(204,005)
Valuation in 2003	79,912
Valuation in 2004	230,089
Valuation in 2005	470,000
Valuation in 2008	20,000
Valuation in 2009	(325,000)
Valuation in 2012	(500,000)
Cost	<u>2,529,004</u>
	<u>2,300,000</u>

9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade debtors	20,143	1,440
Other debtors	<u>26,666</u>	<u>36,666</u>
	<u>46,809</u>	<u>38,106</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2012

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Bank loans	1,262,630	-
Amounts owed to group undertakings	1,214,825	1,163,658
Tax	2,251	2,251
Social security and other taxes	9,202	10,345
Other creditors	9,328	9,327
Accruals and deferred income	48,625	50,325
	<u>2,546,861</u>	<u>1,235,906</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012 £	2011 £
Bank loans	<u>-</u>	<u>1,262,630</u>

The bank loans are secured by a charge on certain freehold investment properties

The bank loans are repayable in quarterly instalments and the rate of interest payable is 1.05% over LIBOR. Bank loans maturing in more than 5 years are £nil (2011: £nil). Contingent liabilities regarding this loan are detailed in note 15.

12 PROVISIONS FOR LIABILITIES

	2012 £	2011 £
Deferred tax	<u>18,961</u>	<u>21,789</u>
		Deferred tax
		£
Balance at 1 April 2011		21,789
Movement arising in the year		<u>(2,828)</u>
Balance at 31 March 2012		<u>18,961</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2012 £	2011 £
Excess of taxation allowances over depreciation on fixed assets	<u>18,961</u>	<u>21,789</u>

13 CALLED UP SHARE CAPITAL

Number	Class	Nominal value	2012 £	2011 £
1	Ordinary	1	<u>1</u>	<u>1</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2012**

14 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 April 2011	61,858	270,996	332,854
Profit for the year	33,236	-	33,236
Dividends	(85,000)	-	(85,000)
Revaluation	-	(500,000)	(500,000)
At 31 March 2012	<u>10,094</u>	<u>(229,004)</u>	<u>(218,910)</u>

15 CONTINGENT LIABILITIES

A cross guarantee exists between the company, PT Store Investments Limited, Noak Limited, Carter Lane Limited, PTH (Holborn) Limited, Godlman Limited and Prescott Street Limited, in favour of GE Real Estate Finance Limited. All companies are either subsidiaries of or fellow subsidiaries of The Property Trust Plc.

The total value of guaranteed loan outstanding at 31 March 2012 was £19,341,500 (2011 £20,327,500) of which £1,262,630 (2011 £1,262,630) is reflected in creditors above.

16 CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 2012 or 31 March 2011.

17 ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking and controlling related party of this company is PT Holdings Limited, which is incorporated under the laws of Bermuda. The largest group of undertakings for which group accounts have been drawn up is that headed by PT Holdings Limited and the smallest such group of undertakings, including the company, is that headed by The Property Trust Plc which is registered in England and Wales.

As a wholly owned subsidiary of PT Holdings Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by PT Holdings Limited.

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit for the financial year	33,236	116,359
Dividends	<u>(85,000)</u>	<u>(80,000)</u>
	(51,764)	36,359
Other recognised gains and losses relating to the year (net)	<u>(500,000)</u>	-
Net (reduction)/addition to shareholders' funds	(551,764)	36,359
Opening shareholders' funds	<u>332,855</u>	<u>296,496</u>
Closing shareholders' funds	<u>(218,909)</u>	<u>332,855</u>