

Registered number: 1232027

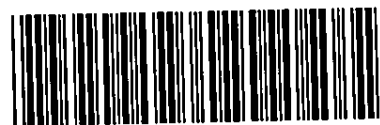
REGISTRAR OF  
COMPANIES

**TRENDGROVE PROPERTIES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2008**

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**TRENDGROVE PROPERTIES LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

Mr M A Pears  
Mr T S Pears  
Mr D A Pears  
WPG Registrars Limited

**COMPANY SECRETARY**

Mr M D A Keidan

**COMPANY NUMBER**

1232027

**REGISTERED OFFICE**

Ground Floor  
30 City Road  
London  
EC1Y 2AB

**AUDITORS**

Arram Berlyn Gardner  
Chartered Accountants & Registered Auditors  
Ground Floor  
30 City Road  
London EC1Y 2AB

**TRENDGROVE PROPERTIES LIMITED**

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# TRENDGROVE PROPERTIES LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2008

The directors present their report and the financial statements for the year ended 30 April 2008.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 the group and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### PRINCIPAL ACTIVITIES

The principal activities of the group are property dealers and investors.

### DIRECTORS

The directors who served during the year were:

Mr M A Pears  
Mr T S Pears  
Mr D A Pears  
WPG Registrars Limited

### PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.

**TRENDGROVE PROPERTIES LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 APRIL 2008**

**AUDITORS**

The auditors, Arram Berlyn Gardner, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 27 November 2008 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'M D A Keidan', written over a horizontal line.

**Mr M D A Keidan**  
Secretary

## **TRENDGROVE PROPERTIES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF TRENDGROVE PROPERTIES LIMITED**

We have audited the group and parent company financial statements (the "financial statements") of Trendgrove Properties Limited for the year ended 30 April 2008, set out on pages 5 to 15. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 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).

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 group 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 group's and 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.

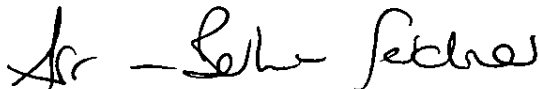
**TRENDGROVE PROPERTIES LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF TRENDGROVE PROPERTIES LIMITED**

**OPINION**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the group's and the parent company's affairs as at 30 April 2008 and of the group's profit 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.



**ARRAM BERLYN GARDNER**

Chartered Accountants  
Registered Auditors

Ground Floor  
30 City Road  
London EC1Y 2AB

28 November 2008

**TRENDGROVE PROPERTIES LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 APRIL 2008**

	Note	2008 £	2007 £
<b>TURNOVER</b>	2	1,508,672	2,128,265
Cost of sales		(576,774)	(820,313)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>	2	931,898	1,307,952
Administrative expenses		(82,066)	(75,123)
Profit on disposal of investments		-	5,379
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	3	849,832	1,238,208
Profit on sale of investment properties	4	-	170,635
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		849,832	1,408,843
Other interest receivable		1,112,876	919,262
Other interest payable		(2,893)	(16,239)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,959,815	2,311,866
Tax on profit on ordinary activities	5	(577,382)	(711,646)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	11	£ 1,382,433	£ 1,600,220
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 15 form part of these financial statements.



**TRENDGROVE PROPERTIES LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 APRIL 2008**

	2008 £	2007 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,382,433	1,600,220
Unrealised surplus on revaluation of investment properties	-	712,363
Adjustment to revaluation reserve	-	(52,506)
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>£ 1,382,433</b>	<b>£ 2,260,077</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 15 form part of these financial statements.

**TRENDGROVE PROPERTIES LIMITED**

**CONSOLIDATED BALANCE SHEET  
AS AT 30 APRIL 2008**

	Note	£	2008 £	2007 £
<b>FIXED ASSETS</b>				
Investment property	6		5,507,963	5,487,630
<b>CURRENT ASSETS</b>				
Stocks		3,139,601	3,142,896	
Debtors	8	19,563,445	18,256,398	
Cash at bank		142,042	139,165	
		<u>22,845,088</u>	<u>21,538,459</u>	
<b>CREDITORS:</b> amounts falling due within one year	9	<u>(668,530)</u>	<u>(724,001)</u>	
<b>NET CURRENT ASSETS</b>			<u>22,176,558</u>	<u>20,814,458</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£27,684,521</u>	<u>£26,302,088</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	10		26	26
Capital redemption reserve	11		9,941,117	9,941,117
Investment property reserve	11		4,054,537	4,054,537
Profit and loss account	11		<u>13,688,841</u>	<u>12,306,408</u>
<b>SHAREHOLDERS' FUNDS</b>	12		<u>£27,684,521</u>	<u>£26,302,088</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 November 2008.



**Mr D A Pears**  
Director

The notes on pages 9 to 15 form part of these financial statements.

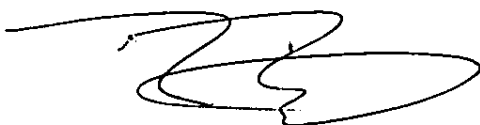
**TRENDGROVE PROPERTIES LIMITED**

**COMPANY BALANCE SHEET  
AS AT 30 APRIL 2008**

	Note	£	2008 £	2007 £
<b>FIXED ASSETS</b>				
Fixed asset investments	7		24	24
<b>CURRENT ASSETS</b>				
Stocks		3,139,601	3,142,896	
Debtors	8	6,390,431	5,672,274	
Cash at bank		60,137	76,002	
		<u>9,590,169</u>	<u>8,891,172</u>	
<b>CREDITORS:</b> amounts falling due within one year	9	<u>(304,749)</u>	<u>(378,848)</u>	
<b>NET CURRENT ASSETS</b>			<u>9,285,420</u>	<u>8,512,324</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£ 9,285,444</u>	<u>£ 8,512,348</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	10		26	26
Capital redemption reserve	11		90,472	90,472
Profit and loss account	11		<u>9,194,946</u>	<u>8,421,850</u>
<b>SHAREHOLDERS' FUNDS</b>	12		<u>£ 9,285,444</u>	<u>£ 8,512,348</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 November 2008.



**Mr D A Pears**  
Director

The notes on pages 9 to 15 form part of these financial statements.

## TRENDGROVE PROPERTIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) ("FRSSE").

##### 1.2 CASH FLOW

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2007) ("FRSSE").

##### 1.3 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Trendgrove Properties Limited and all of its subsidiary undertakings ('subsidiaries').

##### 1.4 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

##### 1.5 INVESTMENT PROPERTIES

In accordance with FRSSE, investment properties are revalued annually and the aggregate surplus or deficit is transferred to the investment revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to expiry. This treatment is a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

##### 1.6 DEFERRED TAXATION

FRSSE requires that deferred tax is recognised in full in respect of transactions or events that have taken place by the balance sheet date and which could give the group an obligation to pay more or less tax in the future. However, FRSSE requires that deferred tax is not recognised on revaluation gains and losses where these are not taken to the profit and loss account.

Accordingly no provision is made for the taxation which would become payable under present legislation if the group's properties were sold at the amounts at which they are carried in the financial statements. However an estimate of the potential liability is shown in note 15.

##### 1.7 PROPERTY TRANSACTIONS

The purchase and sale of properties are included on the basis of completions occurring during the year.

**TRENDGROVE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2008**

**2. TURNOVER**

	Turnover		Cost of sales		Gross Profit	
	2008	2007	2008	2007	2008	2007
	£	£	£	£	£	£
Sales of trading stock properties	540,422	1,180,533	(198,669)	(501,808)	341,753	678,725
Rental income	968,250	947,732	(378,105)	(318,505)	590,145	629,227
<b>Total</b>	<b>£ 1,508,672</b>	<b>£ 2,128,265</b>	<b>£ (576,774)</b>	<b>£ (820,313)</b>	<b>£ 931,898</b>	<b>£ 1,307,952</b>

Cost of sales of rental income comprises property outgoings.

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	2008	2007
	£	£
Auditors' remuneration	9,929	11,221

During the year, no director received any emoluments (2007 - £NIL).

Auditors fees for the company were £5,875 (2007 - £6,580)

**4. PROFIT ON SALE OF INVESTMENT PROPERTIES**

	2008	2007
	£	£
Sale of investment properties	-	246,741
Historical cost	-	(17,752)
	<u>          </u>	<u>          </u>
Prior years revaluation surplus realised	-	(228,989)
	<u>          </u>	<u>          </u>
	<b>£ -</b>	<b>£ 170,635</b>

**TRENDGROVE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2008**

**5. TAXATION**

	2008 £	2007 £
<b>ANALYSIS OF TAX CHARGE IN THE YEAR</b>		
UK corporation tax charge on profit for the year	584,668	710,434
Adjustments in respect of prior periods	(7,286)	1,212
	<u>577,382</u>	<u>711,646</u>
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>£ 577,382</b>	<b>£ 711,646</b>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

	2008 £	2007 £
Profit on ordinary activities before taxation	£ 1,959,815	£ 2,311,866
	<u>1,959,815</u>	<u>2,311,866</u>

	2008 £	2007 £
Corporation tax at standard rate of 28% (2007 - 30%)	587,946	693,560
Non taxable income	-	(134)
Differences arising from taxation of chargeable gains	-	17,008
Prior year adjustment	(7,286)	1,212
Change in corporation tax rate	(3,213)	-
Capital allowances claimed	(65)	-
	<u>577,382</u>	<u>711,646</u>
Current tax charge	<b>£ 577,382</b>	<b>£ 711,646</b>

**6. INVESTMENT PROPERTY**

	Freehold property £	Long term leasehold £	Total £
<b>GROUP</b>			
<b>COST AND VALUATION</b>			
At 1 May 2007	5,196,124	291,506	5,487,630
Additions at cost	20,333	-	20,333
	<u>5,216,457</u>	<u>291,506</u>	<u>5,507,963</u>
At 30 April 2008	<b>£ 5,216,457</b>	<b>£ 291,506</b>	<b>£ 5,507,963</b>

The 2008 valuations were made by the directors, on an open market value for existing use basis.

**REVALUATION RESERVE**

At 1 May 2007 and 30 April 2008	<b>£ 4,054,537</b>
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The historical cost of these properties was £1,453,426 (2007 - £1,433,093).

**TRENDGROVE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2008**

**7. FIXED ASSET INVESTMENTS**

<b>COMPANY</b>	Shares in group undertakings £
<b>COST OR VALUATION</b>	
At 1 May 2007 and 30 April 2008	£ 24

Details of the principal subsidiaries can be found under note number 13.

**8. DEBTORS**

	<u>GROUP</u>		<u>COMPANY</u>	
	2008 £	2007 £	2008 £	2007 £
Amounts owed by group undertakings	-	-	5,688,541	5,346,170
Sundry loan	19,337,297	18,089,810	545,505	226,632
Other debtors	226,148	166,588	156,385	99,472
	<u>£ 19,563,445</u>	<u>£ 18,256,398</u>	<u>£ 6,390,431</u>	<u>£ 5,672,274</u>

**9. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>GROUP</u>		<u>COMPANY</u>	
	2008 £	2007 £	2008 £	2007 £
Amounts owed to group undertakings	-	-	4,663	4,663
Corporation tax	279,218	384,560	158,297	253,208
Other creditors	389,312	339,441	141,789	120,977
	<u>£ 668,530</u>	<u>£ 724,001</u>	<u>£ 304,749</u>	<u>£ 378,848</u>

**TRENDGROVE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2008**

**10. SHARE CAPITAL**

	2008 £	2007 £
<b>AUTHORISED</b>		
100 Ordinary shares of £1 each	£ 100	£ 100
	<u>          </u>	<u>          </u>
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
26 Ordinary shares of £1 each	£ 26	£ 26
	<u>          </u>	<u>          </u>

**11. RESERVES**

	Capital reserve £	Revaluation reserve £	Profit and loss account £
<b>GROUP</b>			
At 1 May 2007	9,941,117	4,054,537	12,306,408
Profit for the year	-	-	1,382,433
	<u>          </u>	<u>          </u>	<u>          </u>
At 30 April 2008	£ 9,941,117	£ 4,054,537	£13,688,841
	<u>          </u>	<u>          </u>	<u>          </u>
<b>COMPANY</b>			
At 1 May 2007		90,472	8,421,850
Profit for the year		-	773,096
		<u>          </u>	<u>          </u>
At 30 April 2008		£ 90,472	£ 9,194,946
		<u>          </u>	<u>          </u>



**TRENDGROVE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2008**

**12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2008	2007
<b>GROUP</b>	£	£
Opening shareholders' funds	26,302,088	24,042,011
Profit for the year	1,382,433	1,600,220
Other recognised gains and losses during the year	-	659,857
	<u>£ 27,684,521</u>	<u>£ 26,302,088</u>
	<u>£ 27,684,521</u>	<u>£ 26,302,088</u>
	2008	2007
<b>COMPANY</b>	£	£
Opening shareholders' funds	8,512,348	7,593,392
Profit for the year	773,096	918,956
	<u>£ 9,285,444</u>	<u>£ 8,512,348</u>
	<u>£ 9,285,444</u>	<u>£ 8,512,348</u>

The company has taken advantage of the exemption contained within section 230 of the Companies Act 1985 not to present its own profit and loss account.

The profit for the year dealt with in the accounts of the company was £773,096 (2007 - £918,956).

**13. PRINCIPAL SUBSIDIARIES**

Company name	Country	Percentage Shareholding	Description
Fenwood Securities Limited	England	100	Property investment
Balls Pond Securities Limited	England	100	Dormant
Bishops Grove Securities Limited	England	100	Dormant
L E Properties Limited	England	100	Dormant
Oatfield Properties Limited	England	100	Dormant

**14. RELATED PARTY TRANSACTIONS**

The group received management services from The William Pears Group of Companies Limited, a company in which the directors have an interest, the cost of which amounted to £71,675 (2007 - £63,450). At 30 April 2008 an amount of £19,337,297 was owed by (2007 - £18,089,810) that company. Interest receivable thereon amounted to £1,112,836 for the year (2007 - £900,907).

The group received estate agents services from a partnership in which the directors have an interest, the cost of which amounted to £10,458 (2007 - £12,338).

**15. PROVISIONS FOR LIABILITIES AND CHARGES**

The estimated amount of potential taxation, for which no provision has been made and which would arise if the properties held as long term investments were sold at the values at which they appear in the balance sheet, amounts to £884,000 (2007 - £914,000).

## TRENDGROVE PROPERTIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

#### 16. BANKING ARRANGEMENT

The group, in common with certain family connected companies, participates in a group banking arrangement in respect of overdraft and loan facilities. Companies participating in this arrangement have a joint and several liability to the bank for the total group indebtedness. The total amount outstanding at 30 April 2008 was £Nil (2007 - £Nil). The directors do not consider that the bank will ever need recourse to this company, each family connected company having ample resources to meet its own liabilities.