

Registered number: 1755223



REH PROPERTY INVESTMENT CO LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 30 April 2010



REH PROPERTY INVESTMENT CO 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

1755223

REGISTERED OFFICE

Ground Floor
30 City Road
London EC1Y 2AB

AUDITORS

Arram Berlyn Gardner
Chartered Accountants & Statutory Auditor
Ground Floor
30 City Road
London EC1Y 2AB

REH PROPERTY INVESTMENT CO LIMITED

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REH PROPERTY INVESTMENT CO LIMITED

DIRECTORS' REPORT for the year ended 30 April 2010

The directors present their report and the financial statements for the year ended 30 April 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 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 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.

PRINCIPAL ACTIVITY

The principal activity of the company is property investment.

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'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's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

REH PROPERTY INVESTMENT CO LIMITED

**DIRECTORS' REPORT
for the year ended 30 April 2010**

AUDITORS

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

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 29 November 2010 and signed on its behalf



Mr M D A Keidan
Secretary

REH PROPERTY INVESTMENT CO LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF REH PROPERTY INVESTMENT CO LIMITED

We have audited the financial statements of REH Property Investment Co Limited for the year ended 30 April 2010, set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

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 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

As explained more fully in the Statement of directors' responsibilities, 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 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.

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 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

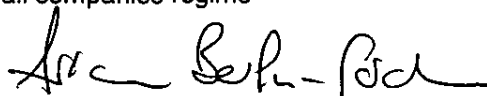
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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.



Julie Piper (Senior statutory auditor)

for and on behalf of

ARRAM BERLYN GARDNER

Chartered Accountants

Statutory Auditor

London

30 November 2010

REH PROPERTY INVESTMENT CO LIMITED

**PROFIT AND LOSS ACCOUNT
for the year ended 30 April 2010**

	Note	2010 £	2009 £
TURNOVER		170,274	177,718
Cost of sales		<u>(29,366)</u>	<u>(35,137)</u>
NET RENTAL INCOME		140,908	142,581
Administrative expenses		<u>(13,487)</u>	<u>(13,149)</u>
OPERATING PROFIT	2	127,421	129,432
Profit/(loss) on sale of investment properties	3	<u>61,607</u>	<u>(1,653)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		189,028	127,779
Interest receivable	4	207,093	554,018
Interest payable	5	<u>(69,704)</u>	<u>(196,541)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		326,417	485,256
Tax on profit on ordinary activities	6	<u>(91,397)</u>	<u>(140,045)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>£ 235,020</u>	<u>£ 345,211</u>

The notes on pages 7 to 11 form part of these financial statements

REH PROPERTY INVESTMENT CO LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 April 2010**

	Note	2010 £	2009 £
PROFIT FOR THE FINANCIAL YEAR		235,020	345,211
Unrealised surplus/(deficit) on revaluation of investment properties		627,400	(44,646)
Tax on realisation of revaluation surplus		(52,516)	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u>£ 809,904</u>	<u>£ 300,565</u>

The notes on pages 7 to 11 form part of these financial statements

REH PROPERTY INVESTMENT CO LIMITED
Registered number: 1755223

BALANCE SHEET
as at 30 April 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Investment property	7		1,980,514		1,715,353
CURRENT ASSETS					
Debtors	8	14,331,503		13,703,887	
Cash at bank		19,067		16,131	
		<u>14,350,570</u>		<u>13,720,018</u>	
CREDITORS: amounts falling due within one year	9	<u>(5,065,769)</u>		<u>(4,979,960)</u>	
NET CURRENT ASSETS			<u>9,284,801</u>		<u>8,740,058</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>£11,265,315</u></u>		<u><u>£10,455,411</u></u>
CAPITAL AND RESERVES					
Called up share capital	10		2		2
Capital reserve	11		6,534,710		6,182,707
Revaluation reserve	11		1,803,234		1,466,230
Profit and loss account	11		<u>2,927,369</u>		<u>2,806,472</u>
SHAREHOLDERS' FUNDS			<u><u>£11,265,315</u></u>		<u><u>£10,455,411</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 November 2010



Mr D A Pears
Director

The notes on pages 7 to 11 form part of these financial statements

REH PROPERTY INVESTMENT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2010

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 April 2008) ("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 April 2008) ("FRSSE")

1.3 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.

1.4 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 company 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 company'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 14.

1.5 PROPERTY TRANSACTIONS

Purchases and sales of properties are included on the basis of completions occurring during the year.

1.6 REPAIRS AND MAINTENANCE

All repairs, maintenance costs and renewals are written off as incurred.

Certain refurbishment costs which are part of major property refurbishment programmes may, depending on the nature of the works being undertaken, be capitalised in the balance sheet as part of investment properties.

REH PROPERTY INVESTMENT CO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2010**

2. OPERATING PROFIT

The operating profit is stated after charging

	2010	2009
	£	£
Auditors' remuneration	2,703	2,588
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2009 - £NIL)

3. PROFIT/(LOSS) ON SALE OF INVESTMENT PROPERTIES

	2010	2009
	£	£
Sale of investment properties	423,845	96,835
Historical cost	(71,842)	(34,725)
	<u> </u>	<u> </u>
Prior years revaluation surplus realised	352,003	62,110
	(290,396)	(63,763)
	<u> </u>	<u> </u>
	£ 61,607	£ (1,653)
	<u> </u>	<u> </u>

4. INTEREST RECEIVABLE

	2010	2009
	£	£
Other interest receivable	£ 207,093	£ 554,018
	<u> </u>	<u> </u>

5. INTEREST PAYABLE

	2010	2009
	£	£
On loans from group undertakings	£ 69,704	£ 196,541
	<u> </u>	<u> </u>

REH PROPERTY INVESTMENT CO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2010**

6. TAXATION

	2010	2009
	£	£
UK corporation tax charge on profit for the year	£ 91,397	£ 140,045
	<u> </u>	<u> </u>

Factors affecting the tax charge for the year

	2010	2009
	£	£
Profit on ordinary activities before taxation	£ 326,417	£ 485,256
	<u> </u>	<u> </u>
Corporation tax at standard rate of 28% (2009 28%)	91,397	135,872
Effects of		
Difference arising from taxation of chargeable gains	52,516	3,710
Expenses not deductible for tax purposes	-	463
Tax on previously recognised gains charged to reserves	(52,516)	-
	<u> </u>	<u> </u>
Current tax charge	£ 91,397	£ 140,045
	<u> </u>	<u> </u>

7. INVESTMENT PROPERTY

	Freehold property £
COST AND VALUATION	
At 1 May 2009	1,715,352
Disposals	(362,238)
Surplus on revaluation	627,400
	<u> </u>
At 30 April 2010	£ 1,980,514
	<u> </u>

The 2010 valuations were made by the directors, on an open market value for existing use basis

REVALUATION RESERVE

At 1 May 2009	1,466,230
Surplus on revaluation	627,400
Transfer from revaluation reserve to profit and loss reserve	(237,880)
Tax on realisation of revaluation reserve	(52,516)
	<u> </u>
At 30 April 2010	£ 1,803,234
	<u> </u>

The historical cost of these properties was £177,280 (2009 - £249,122)

REH PROPERTY INVESTMENT CO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2010**

8 DEBTORS

	2010	2009
	£	£
Sundry loan	14,327,484	13,699,900
Other debtors	4,019	3,987
	£ 14,331,503	£ 13,703,887
	£ 14,331,503	£ 13,703,887

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

	2010	2009
	£	£
Amounts owed to group undertakings	4,913,151	4,843,447
Corporation tax	87,673	49,805
Other creditors	64,945	86,708
	£ 5,065,769	£ 4,979,960
	£ 5,065,769	£ 4,979,960

10. SHARE CAPITAL

	2010	2009
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
2 Ordinary shares of £1 each	£ 2	£ 2
	£ 2	£ 2

11. RESERVES

	Capital reserve	Revaluation reserve	Profit and loss account
	£	£	£
At 1 May 2009	6,182,707	1,466,230	2,806,472
Profit for the year	-	-	235,020
Transfer between capital reserve and profit and loss account	352,003	-	(352,003)
Transfer between revaluation reserve and profit and loss account	-	-	237,880
Movement on investment property (see note 7)	-	337,004	-
	£ 6,534,710	£ 1,803,234	£ 2,927,369
	£ 6,534,710	£ 1,803,234	£ 2,927,369

12. BANKING ARRANGEMENTS

The company, 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 2010 was £Nil (2009 - £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.

REH PROPERTY INVESTMENT CO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2010**

13. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions from disclosure available to subsidiary undertakings under FRSSE in connection with intra group transactions

The company 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 £10,575 (2009 - £10,350) At 30 April 2010 an amount of £14,327,484 (2009 - £13,699,900) was owed by that company interest thereon amounted to £206,079 for the year (2009 - £553,966)

The company received estate agents services from a partnership in which the directors have an interest, the cost of which amounted to £13,758 (2009 - £13,340)

14. PROVISIONS FOR LIABILITIES AND CHARGES

The estimated amount of potential taxation, for which no provision has been made and which would arise if the assets held as long term investments were sold at the values at which they appear in the balance sheet, amounts to £443,700 (2009 - £309,706)

15. ULTIMATE PARENT UNDERTAKING

The company is a wholly owned subsidiary of Registered Holdings Limited, a company incorporated in England