

REGISTRAR OF  
COMPANIES

**REH PROPERTY INVESTMENT CO LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 30 April 2012**

TUESDAY



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COMPANIES HOUSE

**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 2012

The directors present their report and the financial statements for the year ended 30 April 2012

### DIRECTORS' RESPONSIBILITIES STATEMENT

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 2012**

**AUDITORS**

The auditors, Arram Berlyn 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 5 November 2012 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 2012, set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (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 Directors' responsibilities statement, 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 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. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### 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 2012 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.

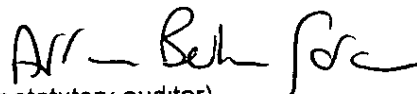
#### OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report.



Julie Piper (Senior statutory auditor)

for and on behalf of

**Arram Berlyn Gardner**

Chartered Accountants

Statutory Auditor

London

6 November 2012

**REH PROPERTY INVESTMENT CO LIMITED**

**PROFIT AND LOSS ACCOUNT  
for the year ended 30 April 2012**

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
<b>TURNOVER</b>	1	148,517	146,786
Cost of sales		<u>(18,091)</u>	<u>(24,749)</u>
<b>GROSS PROFIT</b>		130,426	122,037
Administrative expenses		<u>(14,934)</u>	<u>(12,186)</u>
<b>OPERATING PROFIT</b>	2	115,492	109,851
Interest receivable and similar income	3	216,829	213,640
Interest payable and similar charges	4	<u>(75,008)</u>	<u>(73,882)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		257,313	249,609
Tax on profit on ordinary activities	5	<u>(66,721)</u>	<u>(69,480)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	10	<u>£ 190,592</u>	<u>£ 180,129</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 2012**

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		190,592	180,129
Unrealised deficit on revaluation of investment properties		<u>(12,088)</u>	<u>(148,037)</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<u>£ 178,504</u>	<u>£ 32,092</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 2012

	Note	£	2012 £	£	2011 £
<b>FIXED ASSETS</b>					
Investment property	6		1,820,389		1,832,477
<b>CURRENT ASSETS</b>					
Debtors	7	14,775,476		14,501,662	
Cash at bank		10,923		13,898	
		<u>14,786,399</u>		<u>14,515,560</u>	
<b>CREDITORS</b> amounts falling due within one year	8		<u>(5,130,877)</u>		<u>(5,050,630)</u>
<b>NET CURRENT ASSETS</b>			<u>9,655,522</u>		<u>9,464,930</u>
<b>NET ASSETS</b>			<u>£11,475,911</u>		<u>£11,297,407</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		2		2
Capital reserve	10		6,534,710		6,534,710
Revaluation reserve	10		1,643,109		1,655,197
Profit and loss account	10		<u>3,298,090</u>		<u>3,107,498</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>£11,475,911</u>		<u>£11,297,407</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 5 November 2012



**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 2012

#### 1. ACCOUNTING POLICIES

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

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties 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 TURNOVER

Turnover comprises revenue recognised by the company in respect of rents receivable

##### 1.4 INVESTMENT PROPERTIES

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company

##### 1.5 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 13

##### 1.6 PROPERTY TRANSACTIONS

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

##### 1.7 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 2012

2. OPERATING PROFIT

The operating profit is stated after charging

	2012 £	2011 £
Auditors' remuneration	2,880	2,844

During the year, no director received any emoluments (2011 - £NIL)

3. INTEREST RECEIVABLE

	2012 £	2011 £
Other interest receivable	£ 216,829	£ 213,640

4. INTEREST PAYABLE

	2012 £	2011 £
On loans from group undertakings	75,008	73,697
Other interest payable	-	185

**REH PROPERTY INVESTMENT CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 April 2012**

**5. TAXATION**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>ANALYSIS OF TAX CHARGE IN THE YEAR</b>		
UK corporation tax charge on profit for the year	66,480	69,480
Adjustments in respect of prior periods	241	-
	<b>£ 66,721</b>	<b>£ 69,480</b>
	<b>£ 66,721</b>	<b>£ 69,480</b>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 26% (2011 - 28%) The differences are explained below

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	£ 257,313	£ 249,609
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	66,901	69,891
<b>EFFECTS OF:</b>		
Adjustments to tax charge in respect of prior periods	241	-
Changes in provisions leading to a decrease in the tax charge	(421)	(411)
	<b>£ 66,721</b>	<b>£ 69,480</b>
	<b>£ 66,721</b>	<b>£ 69,480</b>

**6. INVESTMENT PROPERTY**

	<b>Freehold investment property</b>
	<b>£</b>
<b>COST</b>	
At 1 May 2011	1,832,477
Deficit on revaluation	(12,088)
At 30 April 2012	<b>£ 1,820,389</b>

The 2012 valuations were made by the directors, on an open market value for existing use basis

The historical cost of these properties was £177,280 (2011 - £177,280)

**REH PROPERTY INVESTMENT CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 April 2012**

**7. DEBTORS**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Sundry loan	14,746,770	14,491,650
Other debtors	28,706	10,012
	<b>£ 14,775,476</b>	<b>£ 14,501,662</b>
	<b>£ 14,775,476</b>	<b>£ 14,501,662</b>

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

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	5,061,856	4,986,848
Corporation tax	4,960	-
Other creditors	64,061	63,782
	<b>£ 5,130,877</b>	<b>£ 5,050,630</b>
	<b>£ 5,130,877</b>	<b>£ 5,050,630</b>

**9. SHARE CAPITAL**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
2 Ordinary shares of £1 each	<b>£ 2</b>	<b>£ 2</b>
	<b>£ 2</b>	<b>£ 2</b>

**10. RESERVES**

	<b>Capital reserve</b>	<b>Revaluation reserve</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 May 2011	6,534,710	1,655,197	3,107,498
Profit for the year	-	-	190,592
Deficit on revaluation	-	(12,088)	-
	<b>£ 6,534,710</b>	<b>£ 1,643,109</b>	<b>£ 3,298,090</b>
At 30 April 2012	<b>£ 6,534,710</b>	<b>£ 1,643,109</b>	<b>£ 3,298,090</b>

**11. 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 2012 was £Nil (2011 - £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 2012

#### 12. 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 £12,000 (2011 - £9,248) At 30 April 2012 an amount of £14,746,770 (2011 - £14,491,650) was owed by that company Interest thereon amounted to £216,829 for the year (2011 - £213,640)

The company received estate agents services from a partnership in which the directors have an interest, the cost of which amounted to £9,960 (2011 - £8,873)

#### 13. 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 £338,000 (2011 - £402,000)

#### 14. ULTIMATE PARENT UNDERTAKING

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