

Company Registration No. 1420321 (England and Wales)

PELHAMWALK LTD
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2011

SATURDAY



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COMPANIES HOUSE

PELHAMWALK LTD

DIRECTOR AND ADVISERS

Director	C A Faine
Secretary	D G Gwynne
Company number	1420321
Registered office	Cardinal House 46 St Nicholas Street Ipswich IP1 1TT
Registered auditors	Ensors Cardinal House 46 St Nicholas Street Ipswich IP1 1TT

PELHAMWALK LTD

CONTENTS

	Page
Director's report	1 - 2
Independent auditors' report	3 - 4
Consolidated profit and loss account	5
Balance sheets	6 - 7
Consolidated cash flow statement	8
Notes to the financial statements	9 - 21

PELHAMWALK LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The director presents his report and financial statements for the year ended 31 March 2011

Principal activities and future developments

The principal activity of the group continued to be that of property development. The directors consider that the future activity of the group will be comparable to prior years.

Financial risk management objectives and policies

The aim of the group's financial risk management policy is to minimise where possible any potential adverse effects on financial performance and net assets. The policies we have in place to reduce risk are as follows -

Liquidity Risk - The group manages its cash and borrowing requirements to maximise interest income and minimise interest expense, whilst ensuring adequate liquid resources are available to meet the operating needs of the business. During the year the group re-financed its borrowings with a new five year facility.

Credit Risk - The principal credit risk is with debtors, the group minimises this risk through credit checks and good credit control.

Interest rate risk - The group manages its exposure to floating interest rates as appropriate to the activities of the group and prevailing market conditions. The group uses swaptions, interest rate swaps and an interest rate cap to reduce its exposure.

Results and dividends

The consolidated profit and loss account for the year is set out on page 5.

Key performance indicators

The group reported an increase in net assets of £256,023 during the year ended 31 March 2011. This was driven by a broadly comparable performance of rental income in 2009/10 together with a continuing profitable contribution from the group's joint ventures. The reduction in the group's administration expenses helps to absorb the increased cost of net interest payable.

Director

The following director has held office since 1 April 2010:

C A Faine

Auditors

In accordance with the company's articles, a resolution proposing that Ensors be reappointed as auditors of the company will be put at a General Meeting.

PELHAMWALK LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to

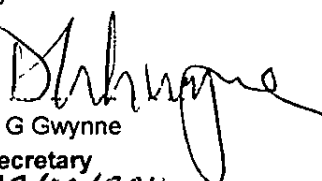
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is 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 the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board


D G Gwynne
Secretary
22/12/2011

PELHAMWALK LTD

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PELHAMWALK LTD

We have audited the group and parent company financial statements (the "financial statements") of Pelhamwalk Ltd for the year ended 31 March 2011 set out on pages 5 to 21. 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 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 director and auditors

As explained more fully in the Director's Responsibilities Statement set out on pages 1 - 2, the director is 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 director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual 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 group's and parent company's affairs as at 31 March 2011 and of the group's 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

PELHAMWALK LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF PELHAMWALK LTD

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Malcolm McGready (Senior Statutory Auditor)
for and on behalf of Ensors

23/12/11

Chartered Accountants
Statutory Auditor

Cardinal House
46 St Nicholas Street
Ipswich
IP1 1TT

PELHAMWALK LTD

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Turnover		393,286	14,369,924
Less Share in joint ventures turnover		(360,107)	(14,332,426)
Group Turnover	2	33,179	37,498
Cost of sales		(35,999)	(44,085)
Gross loss		(2,820)	(6,587)
Administrative expenses		(507,674)	(555,814)
Other operating income		917,107	935,358
Operating profit	3	406,613	372,957
Income from interests in joint ventures		183,264	288,615
Other interest receivable and similar income	5	55,394	26,446
Interest payable and similar charges	4	(360,193)	(289,421)
Profit on ordinary activities before taxation		285,078	398,597
Tax on profit on ordinary activities	6	(29,055)	(45,518)
Profit on ordinary activities after taxation		256,023	353,079
Minority interests		(24,766)	(33,159)
Profit for the financial year	7	231,257	319,920

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

PELHAMWALK LTD

BALANCE SHEETS

AS AT 31 MARCH 2011

	Notes	Group 2011 £	2010 £	Company 2011 £	2010 £
Fixed assets					
Tangible assets	8	38,869	47,429	-	-
Investments in subsidiary undertaking	9	-	-	800,002	800,002
Investment loans	9	364,258	364,258	-	-
Investments in joint ventures	9				
- share of gross assets		6,489,748	7,636,336	-	-
- share of gross liabilities		(2,719,561)	(3,145,893)	-	-
Share of joint ventures' net assets		3,770,187	4,490,443	-	-
		4,173,314	4,902,130	800,002	800,002
Current assets					
Stocks	10	7,618,993	7,609,549	-	-
Debtors	11	1,180,089	387,579	11,050	11,050
Cash at bank and in hand		1,371,700	1,694,821	375	405
		10,170,782	9,691,949	11,425	11,455
Creditors amounts falling due within one year	12	(5,619,570)	(13,012,123)	(530)	(530)
Net current assets/(liabilities)		4,551,212	(3,320,174)	10,895	10,925
Total assets less current liabilities		8,724,526	1,581,956	810,897	810,927
Creditors amounts falling due after more than one year	13	(6,916,427)	-	-	-
Provisions for liabilities					
Deferred tax liability	14	(6,002)	-	-	-
Investment in joint ventures					
- share of gross assets		3,510,585	3,262,222	-	-
- share of gross liabilities		(3,801,634)	(3,589,153)	-	-
Share of joint venture's net liabilities	14	(291,049)	(326,931)	-	-
		1,511,048	1,255,025	810,897	810,927

PELHAMWALK LTD

BALANCE SHEETS (CONTINUED)

AS AT 31 MARCH 2011

Capital and reserves

Called up share capital	16	100	100	100	100
Profit and loss account	17	1,368,309	1,137,052	810,797	810,827

Shareholders' funds

Shareholders' funds	19	1,368,409	1,137,152	810,897	810,927
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Minority interests

Minority interests	18	142,639	117,873	-	-
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		1,511,048	1,255,025	810,897	810,927
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Approved by the Board and authorised for issue on 22/12/2011

C A Faine
Director



Company Registration No. 1420321

PELHAMWALK LTD

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

	Note	£	2011 £	£	2010 £
Net cash outflow from operating activities	24		(834,542)		(5,576,983)
Returns on investments and servicing of finance					
Interest received		52,935		896	
Interest paid		(255,596)		(172,877)	
Distribution from joint venture		750,000		3,925,000	
Net cash inflow for returns on investments and servicing of finance			547,339		3,753,019
Taxation			(23,520)		1,553,581
Capital expenditure and financial investment					
Payments to acquire tangible assets		(169)		(45,770)	
Receipts from sales of tangible assets		-		150,197	
Net cash (outflow)/inflow for capital expenditure			(169)		104,427
Financing					
New long term bank loan		7,520,930		-	
Repayment of other short term loans		(7,533,159)		-	
Net cash outflow from financing			(12,229)		-
Decrease in cash in the year	25, 26		(323,121)		(165,956)

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Basis of consolidation

The group financial statements consolidate those of Pelhamwalk Ltd (the "company") and all of its subsidiary undertakings (together the "group") drawn up to 31 March 2011. Subsidiaries undertakings are those whose economic activities are controlled by the group and are accounted for under the equity method.

Joint Ventures are entities whose economic activities are controlled jointly by the group and by other ventures independent of the group and are accounted for using the equity method. The group's share of results and net assets of the joint ventures are shown in the profit and loss account and the balance sheet.

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

1.4 Turnover

Turnover represents the value of work undertaken during the year, whether sales have been completed or not, stated net of Value Added Tax and includes attributable profit as defined below.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	on cost over the term of the lease
Computer equipment	33 1/2% on cost
Fixtures, fittings & equipment	15% on reducing balance
Motor vehicles	25% on reducing balance

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies (continued)

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.8 Stock and work in progress

The amount at which long term work in progress is stated is cost, plus any attributable profit, less any foreseeable losses and progress payments received and receivable

Work in progress, other than long term contract work in progress, is stated at the lower of cost and net realisable

1.9 Pensions

The group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.10 Deferred taxation

Deferred taxation 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 stated by FRS19

1.11 Rental income

Rental income from operating leases is recognised on a straight line basis over the term of the lease

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit	2011 £	2010 £
Operating profit is stated after charging		
Depreciation of tangible assets	8,729	10,368
Loss on disposal of tangible assets	-	870
Operating lease rentals	111,776	108,124
Auditors' remuneration	3,640	3,500

Auditors remuneration for other services was £27,476 (2010 £33,762)

4 Interest payable	2011 £	2010 £
Interest payable on bank borrowings	233,602	172,876
Joint ventures share of interest payable on bank borrowings	104,597	116,545
Other interest	21,994	-
	<u>360,193</u>	<u>289,421</u>

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

5	Interest receivable	2011 £	2010 £
	Bank and other interest	52,935	896
	Joint ventures share of bank and other interest	2,459	25,550
		<u>55,394</u>	<u>26,446</u>
6	Taxation	2011 £	2010 £
	Domestic current year tax		
	U K corporation tax	15,595	30,629
	Joint ventures share of UK Corporation tax	15,500	15,000
	Adjustment for prior years	(8,042)	(111)
		<u>23,053</u>	<u>45,518</u>
	Current tax charge		
	Deferred tax		
	Origination and reversal of timing differences	6,002	-
		<u>29,055</u>	<u>45,518</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>285,078</u>	<u>398,597</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2010 - 21.00%)	<u>79,822</u>	<u>83,705</u>
	Effects of		
	Non deductible expenses	2,861	6,135
	Capital allowances	1,367	(5,517)
	Adjustments to previous periods	(8,042)	(111)
	Tax losses utilised	(45,539)	(38,705)
	Marginal relief adjustments	(7,416)	-
	Other tax adjustments	-	11
		<u>(56,769)</u>	<u>(38,187)</u>
	Current tax charge	<u>23,053</u>	<u>45,518</u>

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

7 Loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows

	2011	2010
	£	£
Holding company's loss for the financial year	<u>(30)</u>	<u>(78)</u>

8 Tangible fixed assets

Group

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2010	17,702	55,408	25,174	98,284
Additions	169	-	-	169
	<u>17,871</u>	<u>55,408</u>	<u>25,174</u>	<u>98,453</u>
At 31 March 2011	17,871	55,408	25,174	98,453
Depreciation				
At 1 April 2010	15,721	18,046	17,088	50,855
Charge for the year	1,103	5,604	2,022	8,729
	<u>16,824</u>	<u>23,650</u>	<u>19,110</u>	<u>59,584</u>
At 31 March 2011	16,824	23,650	19,110	59,584
Net book value				
At 31 March 2011	<u>1,047</u>	<u>31,758</u>	<u>6,064</u>	<u>38,869</u>
At 31 March 2010	<u>1,981</u>	<u>37,362</u>	<u>8,086</u>	<u>47,429</u>

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

9 Fixed asset investments Group

	Loans to participating interests £
Cost	
At 1 April 2010 & at 31 March 2011	364,258
Provisions for diminution in value	
At 1 April 2010 & at 31 March 2011	-
Net book value	
At 31 March 2011	364,258
At 31 March 2010	364,258

Company

	Shares in group undertakings £
Cost	
At 1 April 2010 & at 31 March 2011	800,002
Net book value	
At 31 March 2011	800,002
At 31 March 2010	800,002

In the opinion of the director, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

9 Fixed asset investments

(continued)

The company holds 90 50% of the ordinary share capital of Abbeygate Developments Limited

Abbeygate Developments Limited holds 100% of the ordinary share capital of the following companies, which are included in the consolidated accounts

Abbeygate Developments (Campbell Park) Limited
Abbeygate Developments (Grafton Gate 2) Limited
Abbeygate Developments (Dunstable 2) Limited
Abbeygate Developments (Regent Street) Limited
Abbeygate Developments (C4 1) Limited

Abbeygate Developments Limited has a 50% interest in the following joint ventures

Abbeygate Developments (Marlborough Gate 2) Limited
Abbeygate Helical (Leisure Plaza) Limited
Abbeygate Helical (C4 1) LLP
Abbeygate Helical (Winterhill) Limited

The nature of the business of the above companies is that of property development and all were incorporated in England and Wales

Additional disclosures for joint ventures which exceed 25% of certain thresholds

	Abbeygate Developments (Marlborough Gate 2) Ltd £	Abbeygate Helical (Leisure Plaza) Ltd £	Abbeygate Helical (C4 1) LLP £
Pelhamwalk share of			
Turnover	193,500	88,751	77,856
Profit before tax	72,500	35,882	(27,257)
Taxation	(15,500)	-	-
Profit/(loss) after tax	57,000	35,882	(27,257)
Current assets	2,151,500	3,510,586	4,338,197
Current liabilities	2,016,000	2,301,694	703,561
Long term liabilities	-	1,499,940	-

Abbeygate Helical (Leisure Plaza) Ltd is the only Joint venture company which has long term liabilities

Abbeygate Helical (C4 1) LLP has been included in these accounts using the equity method based on its 30 September 2010 accounts. The joint venture partner, Helical Bar plc, is listed on the London Stock Exchange. Including more recent financial information in respect of Abbeygate Helical (C4 1) LLP would release information that is not currently publically available. FRS 9 'Associates and joint ventures' makes such an allowance where inclusion of more current information would release restricted, price sensitive information. In these circumstances, the directors consider that the application of FRS 9 in this regard is appropriate.

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

10 Work in progress

	Group 2011 £	2010 £	Company 2011 £	2010 £
Work in progress	7,618,993	7,609,549	-	-

11 Debtors

	Group 2011 £	2010 £	Company 2011 £	2010 £
Trade debtors	80,729	161,670	-	-
Amounts owed by group undertakings	-	-	11,050	11,050
Corporation tax	4,409	451	-	-
ACT recoverable	87,953	99,881	-	-
Other debtors	896,603	83,724	-	-
Prepayments and accrued income	110,395	41,853	-	-
	1,180,089	387,579	11,050	11,050

Amounts falling due after more than one year and included in the debtors above are

	2011 £	2010 £	2011 £	2010 £
Other debtors	87,953	99,881	-	-

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

12 Creditors : amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	321,344	7,250,000	-	-
Trade creditors	8,850	14,111	-	-
Corporation tax	-	23,937	-	-
Other taxes and social security costs	90,779	50,144	-	-
Directors current accounts	2,599,394	2,974,894	-	-
Other creditors	2,224,029	2,401,050	500	500
Accruals and deferred income	375,174	297,987	30	30
	<u>5,619,570</u>	<u>13,012,123</u>	<u>530</u>	<u>530</u>

13 Creditors amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans	<u>6,916,427</u>	<u>-</u>	<u>-</u>	<u>-</u>
Analysis of loans				
Wholly repayable within five years	7,237,771	7,250,000	-	-
Included in current liabilities	<u>(321,344)</u>	<u>(7,250,000)</u>	<u>-</u>	<u>-</u>
	<u>6,916,427</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loan maturity analysis				
In more than one year but not more than two years	321,344	7,250,000	-	-
In more than two years but not more than five years	<u>6,916,427</u>	<u>-</u>	<u>-</u>	<u>-</u>

The bank loans are secured on debenture of specific asset-holding subsidiaries, incorporating a first legal charge over the work in progress and a charge over the bank accounts of these companies

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2011**

14 Provisions for liabilities **Group**

	Deferred tax liability £	Other £	Total £
Balance at 1 April 2010	-	326,931	326,931
Profit and loss account	6,002	(35,882)	(29,880)
Balance at 31 March 2011	<u>6,002</u>	<u>291,049</u>	<u>297,051</u>

The above other provision represents a joint venture with net liabilities

The deferred tax liability is made up as follows:

	Group 2011 £	2010 £	Company 2011 £	2010 £
Accelerated capital allowances	<u>6,002</u>	<u>-</u>	<u>-</u>	<u>-</u>

15 Pension and other post-retirement benefit commitments

Defined contribution

The group contributes to personal pension schemes of its employees excluding directors at a variable rate, set annually, based upon current salary. In respect of the director and company secretary, variable amounts are paid annually as agreed by the board.

	2011 £	2010 £
Contributions payable by the group for the year	<u>25,975</u>	<u>49,975</u>

16 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

17 Statement of movements on profit and loss account Group

	Profit and loss account £
Balance at 1 April 2010	1,137,052
Profit for the year	231,257
Balance at 31 March 2011	<u>1,368,309</u>

Company

	Profit and loss account £
Balance at 1 April 2010	810,827
Loss for the year	(30)
Balance at 31 March 2011	<u>810,797</u>

18 Minority interests

	2011 £	2010 £
Minority interests' share of net assets and liabilities in subsidiary undertakings	<u>142,639</u>	<u>117,873</u>

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2011**

19 Reconciliation of movements in shareholders' funds	2011	2010
Group	£	£
Profit for the financial year	231,257	319,920
Opening shareholders' funds	1,137,152	817,232
Closing shareholders' funds	1,368,409	1,137,152
Company	2011	2010
	£	£
Loss for the financial year	(30)	(78)
Opening shareholders' funds	810,927	811,005
Closing shareholders' funds	810,897	810,927

20 Financial commitments

At 31 March 2011 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Expiry date				
Within one year	-	-	-	3,176
Between two and five years	19,000	18,000	3,590	-
In over five years	92,776	92,776	-	-
	111,776	110,776	3,590	3,176

21 Director's remuneration	2011	2010
	£	£
Remuneration for qualifying services	91,930	94,041

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

22 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Management	2	2
Administration	2	2
	<u>4</u>	<u>4</u>

Employment costs

	2011 £	2010 £
Wages and salaries	190,700	190,700
Social security costs	27,363	27,254
Other pension costs	25,975	49,975
	<u>244,038</u>	<u>267,929</u>

23 Related party transactions

Group

The Director C A Faine had a current account payable by the group of £2,599,394 (2010 2,974,894)

Certain assets of this group are used to secure bank facilities shown in the accounts of Abbeygate (Regent Street Hotel) LLP. The group loaned the partnership £855,387 on refinancing and charged £51,772 interest, both of these amounts were outstanding at the year end. As at 31 March 2011 the group also owed the partnership £197,394 in respect of rental payments held in a bank account on behalf of the partnership. The director of the group is a member of the partnership.

C A Faine is a trustee of the Abbeygate Retirement Benefit Scheme. During the year the scheme charged the group £11,633 relating to rent, service charges and property insurance.

Company

The company and group are controlled by C A Faine. At the year end, the company owed C A Faine £500 (2010 £500).

At the year end the company was owed £11,050 (2010 £11,050) from Abbeygate Developments Limited, a subsidiary company.

PELHAMWALK LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

24 Reconciliation of operating profit to net cash outflow from operating activities	2011	2010
	£	£
Operating profit	406,613	372,957
Depreciation of tangible assets	8,729	10,368
Loss on disposal of tangible assets	-	870
(Increase)/decrease in stocks	(9,444)	13,123
Increase in debtors	(800,480)	(100,198)
Decrease in creditors within one year	(439,960)	(5,874,103)
Net cash outflow from operating activities	(834,542)	(5,576,983)

25 Analysis of net debt	1 April 2010	Cash flow	Other non-cash changes	31 March 2011
	£	£	£	£
Net cash				
Cash at bank and in hand	1,694,821	(323,121)	-	1,371,700
Debts falling due within one year	(7,250,000)	6,928,656	-	(321,344)
Debts falling due after one year	-	(6,916,427)	-	(6,916,427)
	(7,250,000)	12,229	-	(7,237,771)
Net debt	(5,555,179)	(310,892)	-	(5,866,071)

26 Reconciliation of net cash flow to movement in net debt	2011	2010
	£	£
Decrease in cash in the year	(323,121)	(165,956)
Cash outflow from decrease in debt	12,229	-
Movement in net debt in the year	(310,892)	(165,956)
Opening net debt	(5,555,179)	(5,389,223)
Closing net debt	(5,866,071)	(5,555,179)