Panatown Limited

ANNUAL ACCOUNTS

for the year ended

30 March 2011

REGISTRAR OF COMPANIES

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COMPANIES HOUSE

Company number 1875921

Panatown Limited
DIRECTORS' REPORT

The directors submit their report and the financial statements of Panatown Limited for the year ended 30 March 2011

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of building construction

DIRECTORS

The following directors have held office since 31 March 2010

WJ Gredley
TCO Gredley (appointed 21 September 2010)

AUDITOR

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware The directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors

This report is prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

By order of the board

Robert J Brown

RJ Brown
Secretary

9 December 2011

Registered office
Unex House
Church Lane
Stetchworth
Cambridgeshire CB8 9TN

Panatown Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 those financial statements, the directors are required to

a select suitable accounting policies and then apply them consistently,

b make judgements and accounting estimates that are reasonable and prudent,

c 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANATOWN LIMITED

We have audited the financial statements on pages 5 to 10 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 auditor's 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 auditor
As more fully explained in the Directors' Responsibilities Statement set out on page 2, 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

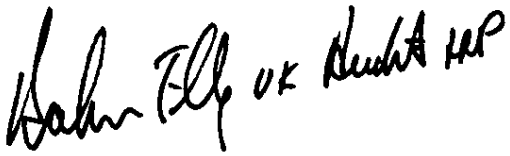
- give a true and fair view of the state of the company's affairs as at 30 March 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter – going concern
In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the accounting policies on page 7 concerning the company's ability to continue as a going concern The company incurred a net loss of £1,442 during the year ended 30 March 2011 and, at that date, the company's current liabilities exceeded its total assets by £12,457,760 and it had net current liabilities of £12,457,760 These conditions, along with the other matters explained in Note 11 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern

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



Adrian Hollands (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants
25 Farringdon Street
London EC4A 4AB

12 December 2011

Panatown Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 March 2011

	Notes	2011 £	2010 £
TURNOVER		-	11,500
Cost of sales		-	(11,271)
Gross profit		-	229
Administrative expenses	1	(1,430)	(1,314)
OPERATING LOSS		(1,430)	(1,085)
Interest payable		(12)	(6)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(1,442)	(1,091)
Taxation	3	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	7	£(1,442)	£(1,091)

Turnover and operating loss are derived from the company's continuing operations

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

Panatown Limited

BALANCE SHEET

30 March 2011 *Company number 1875921*

	Notes	2011 £	2010 £
CURRENT ASSETS			
Debtors	4	152,931	181,500
Cash at bank		5	5
		152,936	181,505
CREDITORS Amounts falling due within one year	5	(12,610,696)	(12,637,823)
NET CURRENT LIABILITIES		(12,457,760)	(12,456,318)
NET LIABILITIES		£(12,457,760)	£(12,456,318)
CAPITAL AND RESERVES			
Called up share capital	6	100	100
Profit and loss account	7	(12,457,860)	(12,456,418)
SHAREHOLDERS' DEFICIT	7	£(12,457,760)	£(12,456,318)

These accounts are prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

The financial statements on pages 5 to 10 were approved by the board and authorised for issue on 9 December 2011 and signed on its behalf by



TCO Gredley Director

Panatown Limited
ACCOUNTING POLICIES

BASIS OF ACCOUNTING
The financial statements have been prepared under the historical cost convention and applicable accounting standards

GOING CONCERN
The accounts are prepared on a going concern basis, the validity of which depends on the continuing financial support of another group company, Unex Smithfield Limited This group undertaking has confirmed that it will continue to provide working capital, either directly or indirectly, whilst it believes that, taken as a whole, the company's worth will be enhanced by its continuing activities This support does not extend to underwriting all the obligations of the company

TURNOVER
Turnover arises entirely in the United Kingdom, and represents building works carried out for the benefit of other group undertakings Turnover is recognised on an accruals basis

1 DIRECTORS' REMUNERATION

Neither director received remuneration during this or the previous year

2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2011 £	2010 £
Loss on ordinary activities before taxation is stated after charging		
Auditor's remuneration	£500	£1,000

3 TAXATION	2011 £	2010 £
Current tax		
UK corporation tax on profits of the year	-	-
Adjustments in respect of previous periods	-	-
Tax on profit on ordinary activities	£ -	£ -
Factors affecting tax charge for the year		
The tax assessed for the year is higher/lower than the standard rate of corporation tax in the UK of 28% (2010 28%). The differences are explained below		
Loss on ordinary activities before tax	(1,442)	(1,091)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 28%)	(404)	(305)
Effects of		
Utilisation of tax losses	-	-
Group relief surrendered	404	305
Current tax charge for the period	£ -	£ -

Factors that may affect future tax charge

The accounts have been prepared on the basis that where tax losses brought forward may be relieved against profits of the previous, current and future periods, a deferred tax asset arises The directors have taken advice and concluded that they are of the view that no changes in either the nature of investments or capital is anticipated and that the company is unlikely to produce sufficient profits in the future to utilise the available losses Accordingly the directors do not consider it appropriate to carry forward a deferred tax asset

Unrecognised deferred tax assets at 26% of losses carried forward would amount to £273,000 (2010 £294,000 at 28%) if recognised

4 DEBTORS	2011 £	2010 £
Due within one year		
Amounts recoverable on contracts	112,000	181,500
Amounts owed by group undertakings	40,931	-
	£152,931	£181,500

5 CREDITORS Amounts falling due within one year	2011 £	2010 £
Bank overdraft	15,297	14,650
Amounts owed to group undertakings	12,594,982	12,622,756
Accruals	190	190
Other taxation and social security costs	227	227
	£12,610,696	£12,637,823

The bank borrowings are secured by charges over certain group freehold properties and guarantees given by some of the companies within the group

6 SHARE CAPITAL	2011 £	2010 £
Allotted, issued and fully paid		
100 ordinary shares of £1 each	£100	£100

7 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	*Share capital* £	*Profit & loss account* £	*Total* £
At 31 March 2009	100	(12,455,327)	(12,455,227)
Profit for the year	-	(1,091)	(1,091)
At 31 March 2010	100	(12,456,418)	(12,456,318)
Loss for the year	-	(1,442)	(1,442)
Balance at 30 March 2011	£100	£(12,457,860)	£(12,457,760)

8 RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption provided by paragraph 3(c) of Financial Reporting Standard 8 from reporting transactions with group companies

9 CONTROLLING PARTY

The immediate parent company is Unex Corporation Limited and the ultimate parent company is Unex Group Holdings Limited Both companies are registered in England No one individual has overall control, the company being controlled by a number of members of the Gredley family by virtue of personal shareholdings in, and board membership of, Unex Group Holdings Limited

10 CONTINGENT LIABILITIES

The company has given a guarantee, along with other group companies, on certain borrowings of the group secured by charges on other group companies' properties At 30 March 2011 the amount of these borrowings was £564,476 (2010 £2,520,188)

11 OTHER INFORMATION

In prior years the Unex Group, including Panatown Limited, was involved in substantial litigation against a national building contractor The group's claim was in respect of a fixed price building contract where the group was claiming reimbursement and damages based upon the grounds of poor workmanship, non-compliance with the terms of the contract and non-completion of the contract

In December 2003 this litigation was settled out of Court. As part of this settlement it was agreed that all claims between the involved members of the Unex Group and the involved members of the national building contractor's group should be dropped and thus, for the benefit of the Unex Group generally, Unex Holdings Limited instructed its subsidiary undertakings to do so

The directors are of the opinion that the settlement with the national building contractor does not completely expunge the intra-group obligations of those Unex companies affected by the original 1989 intra-group contracts relating to the construction of the works and that, in particular, the substantial shortfall between the gross Unex claim and the amount received from the national building contractor remains a live issue amongst various Unex subsidiaries, including Panatown Limited

The directors have decided that there would be little benefit to the group at this stage in pursuing these intra-group obligations and they have therefore decided to restrict the intra-group debtor/creditor positions to levels which were held in the accounts immediately prior to the settlement with the national building contractor It is not the intention of the directors to alter this status quo in the foreseeable future unless circumstances change All the group companies involved acknowledge between themselves that the issues remain live and that no claims are to be statute barred through the effluxion of time