

ELMDENE PROPERTY INVESTMENTS LIMITED

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2007**

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*This page does not form part of the statutory accounts of the Company

SATURDAY



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COMPANIES HOUSE

ELMDENE PROPERTY INVESTMENTS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 2007

The directors present their annual report and the audited accounts of the Company for the year ended 31st March 2007

ACTIVITIES

The principal activity of the Company during the year was investment in properties

DIRECTORS

The directors who served during the year were Mrs S Van Dooren, Mr E J Van Dooren, Mrs P Crawford, Mrs S Nevile, Mrs M Goodwin and Miss L Van Dooren

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 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 proper accounting records that 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 1985. 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

So far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

ELMDENE PROPERTY INVESTMENTS LIMITED**REPORT OF THE DIRECTORS CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2007
(Continued)****DIRECTORS INTERESTS IN SHARES**

The Directors had interests in the share capital of the Company, as follows

	Ordinary Shares Held	
	At 31 03 2007	At 31 03 2006
Mr E J Van Dooren	683,681	687,931
Mrs S Van Dooren	659,576	663,826
Miss L Van Dooren	579,102	579,102
Mrs S Neville	568,399	572,649
Mrs M Goodwin	544,458	544,458
E J Van Dooren and S Van Dooren - Trustee Holding	661,500	653,000
Mrs P Crawford – Trustee holding	215,090	215,090
Mrs S Neville – Trustee holding	616,250	612,000

No rights to subscribe for shares in the company were granted to or exercised by the directors or their families during the year

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

BY ORDER OF THE BOARD

E J Van Dooren

Secretary



23 July 2007

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ELMdene PROPERTY INVESTMENTS LIMITED

We have audited the financial statements of Elmdene Property Investments Limited for the year ended 31st March 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 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 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 company 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 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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st March 2007 and of its profit for the year then ended,
- the financial statements have been prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' report is consistent with the financial statements.

Helmore
HELMORES

Chartered Accountants and Registered Auditors
Grosvenor Gardens House
35/37 Grosvenor Gardens
London
SW1W 0BY

23 July 2007

ELMDENE PROPERTY INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2007**

		2007	2006
	Notes	£	£
PROPERTY INCOME		180,425	160,570
Property Expenses		81,435	45,860
NET RENTAL INCOME		98,990	114,710
Administrative Expenses		22,613	23,992
OPERATING PROFIT	2	76,377	90,718
Interest Receivable		34	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		76,411	90,718
Tax on Profit on Ordinary Activities		16,775	21,080
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		59,636	69,638

ELMDENE PROPERTY INVESTMENTS LIMITED**ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2007****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	2007	2006
	£	£
Profit for the Financial Year	59,636	69,638
Unrealised Surplus on Revaluation of Properties	186,000	260,000
	<u>245,636</u>	<u>329,638</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2007	2006
	£	£
Reported Profit on Ordinary Activities Before Taxation	<u>76,411</u>	<u>90,718</u>
Historical Cost Profit on Ordinary Activities Before Taxation	<u>76,411</u>	<u>90,718</u>
Retained Historical (Loss) / Cost Profit for the Year	<u>(364)</u>	<u>24,638</u>

**RECONCILIATION OF MOVEMENTS
IN SHAREHOLDERS FUNDS**

	2007	2006
	£	£
Total Recognised Gains and Losses for the Year	245,636	329,638
Dividends	(60,000)	(45,000)
Movement in Shareholders Funds	<u>185,636</u>	<u>284,638</u>
Opening Shareholders Funds	4,193,784	3,909,146
Closing Shareholders Funds	<u>4,379,420</u>	<u>4,193,784</u>

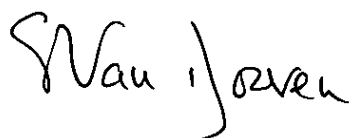
ELMDENE PROPERTY INVESTMENTS LIMITED

BALANCE SHEET
AT 31ST MARCH 2007

		2007		2006	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		4,400,000		4,214,000
CURRENT ASSETS					
Debtors	4	26,626		51,200	
Cash at Bank and in Hand		<u>9,569</u>		<u>4,095</u>	
		<u>36,195</u>		<u>55,295</u>	
CREDITORS Amounts Falling Due Within One Year	5	<u>56,775</u>		<u>75,511</u>	
NET CURRENT (LIABILITIES)			(20,580)		(20,216)
NET ASSETS			<u><u>4,379,420</u></u>		<u><u>4,193,784</u></u>
CAPITAL AND RESERVES					
Called Up Share Capital	6		100		100
Revaluation Reserve	7		4,259,928		4,073,928
Profit and Loss Account	8		119,392		119,756
SHAREHOLDERS FUNDS			<u><u>4,379,420</u></u>		<u><u>4,193,784</u></u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the board on 23 July 2007
E. J. Van Dooren, S. Van Dooren - Directors

ELMDENE PROPERTY INVESTMENTS LIMITED**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2007****1 ACCOUNTING POLICIES****a) Accounting Convention**

The accounts have been prepared under the historical cost convention, as modified by the inclusion of land and buildings at a valuation

b) Land and Buildings

Land and buildings are included at their valuation on an open market basis at the balance sheet date. The valuation was carried out by Middlesex Property Management Limited. Any surplus or deficit arising is transferred to revaluation reserve. No provision is made in respect of any future corporation tax liability on unrealised capital gains.

c) Investment Properties

In accordance with Statement of Standard Accounting Practice 19, no depreciation is provided in respect of freehold properties which are classified as investment properties. This is a departure from the requirements of the Companies Act 1985 which requires all properties to be depreciated. Such properties are not held for consumption but for investment and the directors consider that to depreciate them would not give a true and fair view.

d) Disposals of Property

Gains and losses on disposal of property are calculated by reference to the book value of the property. Where appropriate, a transfer is made from revaluation reserve of an amount equivalent to the difference between the book value and historical cost.

2 OPERATING PROFIT

The following amounts have been included in arriving at the Operating Profit

	2007	2006
	£	£
Directors Emoluments	20,000	20,000
Auditors Remuneration	2,585	2,465

3 TANGIBLE FIXED ASSETS

	£
Land and Buildings	
Opening Balance	4,214,000
Revaluation	186,000
Closing Balance	<u>4,400,000</u>
Net Book Value - 2007	<u>4,400,000</u>
Net Book Value - 2006	<u>4,214,000</u>

The original cost of land and buildings included at valuation was £144,820 (2006 - £144,820). A potential estimated liability to corporation tax of £910,000 (2006 - £900,000) would arise on a simultaneous disposal of the company's properties at the amount at which they are stated.

ELMDENE PROPERTY INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2007
(Continued)

4 DEBTORS

	2007	2006
	£	£
Trade Debtors	22,966	30,021
Amounts Owed by Group Companies	-	16,000
Others	3,660	5,179
	<u>26,626</u>	<u>51,200</u>

The aggregate amount of debtors falling due after one year amounts to £3,660 (2006 - £3,660)

5 CREDITORS

	2007	2006
	£	£
Amounts Owed to Group Companies	31,000	-
Taxation and Social Security	16,775	21,460
Other Creditors	9,000	9,051
Dividends	-	45,000
	<u>56,775</u>	<u>75,511</u>

6 SHARE CAPITAL

	2007	2006
	£	£
Authorised		
1,000 Shares of £1 Each	<u>1,000</u>	<u>1,000</u>
Issued and Fully Paid		
100 Shares of £1 Each	<u>100</u>	<u>100</u>

7 REVALUATION RESERVE

	2007	2006
	£	£
Balance Brought Forward	4,073,928	3,813,928
Surplus on Revaluation of Property	186,000	260,000
	<u>4,259,928</u>	<u>4,073,928</u>

ELMDENE PROPERTY INVESTMENTS LIMITED**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2007
(Continued)****8 PROFIT AND LOSS ACCOUNT**

	2007 £	2006 £
PROFIT FOR THE FINANCIAL YEAR	59,636	69,638
Dividends	60,000	45,000
RETAINED (LOSS) / PROFIT FOR THE YEAR	(364)	24,638
Balance Brought Forward	119,756	95,118
BALANCE CARRIED FORWARD	<u>119,392</u>	<u>119,756</u>

9 PARENT COMPANY

The company is a wholly owned subsidiary of Belgravia Finance Co (1990) Limited, a company incorporated in Great Britain. Belgravia Finance Co (1990) Limited was the ultimate parent company at 31st March 2007

10 RELATED PARTIES

At 31 March 2007, the company owed £31,000 to Belgravia Finance Co (1990) Limited (the Parent Company). At 31 March 2006 the company was owed £16,000 by Belgravia Finance Co (1990) Limited

The company is ultimately controlled by Mr E J Van Dooren

11 INTERESTS IN SHARE CAPITAL

A partner in the company's auditors has a trustee holding in 1,492,840 ordinary shares in the parent company, representing 32.82% of the issued share capital