

**Report of the Directors and
Financial Statements for the Year Ended 30 November 2011
for
Key Property Investments
(Number Five) Limited**

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**Key Property Investments
(Number Five) Limited (Registered number: 04434716)**

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for the Year Ended 30 November 2011**

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**Key Property Investments
(Number Five) Limited**

**Company Information
for the Year Ended 30 November 2011**

DIRECTORS:

G Alnafisi
D K S Bushe
W A Oliver
A Al Usaimi
N Al Ghanim
T A Seddon
M E Dunn
AG Al Nafisi

REGISTERED OFFICE:

Sir Stanley Clarke House
7 Ridgeway
Quinton Business Park
Birmingham
West Midlands
B32 1AF

REGISTERED NUMBER:

04434716 (England and Wales)

AUDITORS:

Deloitte LLP
Chartered Accountants
& Statutory Auditor
Four Brindleyplace
Birmingham
West Midlands
B1 2HZ

**Key Property Investments
(Number Five) Limited (Registered number: 04434716)**

**Report of the Directors
for the Year Ended 30 November 2011**

The directors present their report with the financial statements of the company for the year ended 30 November 2011

PRINCIPAL ACTIVITY

The principal activity of the company was that of property investment and development. On 18th November 2010 the company disposed of all its freehold investment property for consideration of £42,804,000

BASIS OF PREPARATION

The company ceased trading last year and therefore the directors have prepared the financial statements on a basis other than a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

DIVIDENDS

The directors do not recommend payment of a final dividend (2010: £nil)

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2010 to the date of this report

G Alnafisi
D K S Bushe
W A Oliver
A Al Usaimi
N Al Ghanim
T A Seddon
AG Al Nafisi

Other changes in directors holding office are as follows

M E Dunn - appointed 1 December 2010

None of the directors had any interests in the share capital of the company

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting 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.

**Key Property Investments
(Number Five) Limited (Registered number: 04434716)**

**Report of the Directors
for the Year Ended 30 November 2011**

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each director at the date of approval of this report confirms that

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all steps necessary to be aware of any relevant audit information and to establish that the company's auditors are aware of that information

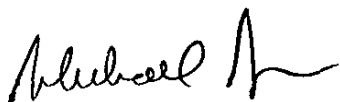
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

AUDITORS

Deloitte LLP, our appointed Auditors, have conducted the audit for the year ended 30 November 2011 and have expressed a willingness to remain in office. Arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD:



M E Dunn - Director

23 August 2012

**Report of the Independent Auditors to the Members of
Key Property Investments
(Number Five) Limited**

We have audited the financial statements of Key Property Investments (Number Five) Limited for the year ended 30 November 2011 which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Note on Historical Cost Profits and Losses, the Balance sheet, and the related notes 1 to 14. 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 a Report of the Auditors 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 set out on page two, 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 Report of the Directors 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 November 2011 and of its 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.

Emphasis of matter financial statements prepared other than on a going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006

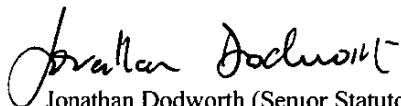
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Key Property Investments
(Number Five) Limited**

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 take advantage of the small companies' exemption in preparing the Report of the Directors



Jonathan Dodworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants
& Statutory Auditor
Four Brindleyplace
Birmingham
West Midlands
B1 2HZ

23 August 2012

Key Property Investments
(Number Five) Limited (Registered number: 04434716)

Profit and Loss Account
for the Year Ended 30 November 2011

	Notes	2011 £	2010 £
TURNOVER	2	-	3,801,857
Cost of sales		-	(2,766,344)
GROSS PROFIT		-	1,035,513
OPERATING PROFIT	4	-	1,035,513
Net interest	5	-	10,870
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	1,046,383
Tax on profit on ordinary activities	6	207,239	(276,775)
PROFIT FOR THE FINANCIAL YEAR		207,239	769,608

DISCONTINUED OPERATIONS

All of the company's activities were discontinued during the previous year

The notes form part of these financial statements

Key Property Investments
(Number Five) Limited (Registered number: 04434716)

Statement of Total Recognised Gains and Losses
for the Year Ended 30 November 2011

	2011 £	2010 £
PROFIT FOR THE FINANCIAL YEAR	207,239	769,608
Surplus/(deficit) on revaluations	-	3,563,196
	<u>207,239</u>	<u>4,332,804</u>
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	<u>207,239</u>	<u>4,332,804</u>

Note of Historical Cost Profits and Losses
for the Year Ended 30 November 2011

	2011 £	2010 £
REPORTED PROFIT		
ON ORDINARY ACTIVITIES BEFORE TAXATION	-	1,046,383
Realisation of property revaluations	-	9,722,402
	<u>-</u>	<u>10,768,785</u>
HISTORICAL COST PROFIT		
ON ORDINARY ACTIVITIES BEFORE TAXATION	-	10,768,785
	<u>-</u>	<u>10,768,785</u>
HISTORICAL COST PROFIT		
FOR THE YEAR RETAINED AFTER TAXATION	<u>207,239</u>	<u>10,492,010</u>

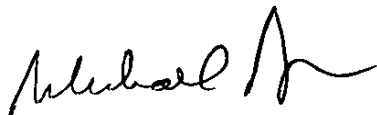
The notes form part of these financial statements

Key Property Investments
(Number Five) Limited (Registered number: 04434716)

Balance Sheet
30 November 2011

	Notes	2011 £	2010 £
CURRENT ASSETS			
Debtors	7	18,929,657	26,829,663
CREDITORS			
Amounts falling due within one year	8	(24,400)	(7,864,709)
NET CURRENT ASSETS		<u>18,905,257</u>	<u>18,964,954</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		18,905,257	18,964,954
PROVISIONS FOR LIABILITIES	9	-	(266,936)
NET ASSETS		<u>18,905,257</u>	<u>18,698,018</u>
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Profit and loss account	11	<u>18,905,256</u>	<u>18,698,017</u>
SHAREHOLDERS' FUNDS	14	<u>18,905,257</u>	<u>18,698,018</u>

The financial statements were approved and authorised for issue by the Board of Directors on 23 August 2012 and were signed on its behalf by



M E Dunn - Director

The notes form part of these financial statements

**Key Property Investments
(Number Five) Limited (Registered number: 04434716)**

**Notes to the Financial Statements
for the Year Ended 30 November 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention in accordance with applicable United Kingdom company law and accounting standards

The accounting policies have been applied consistently throughout the year and the preceding year. The company ceased trading during the year and therefore the directors have prepared the financial statements on a basis other than a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

Cash flow statement

The company is a 100% subsidiary of Key Property Investments Limited. Its cash flows are included in that company's consolidated cash flow statement. Consequently, the company is exempt from the requirement of Financial Reporting Standard 1 (Revised) to prepare a cash flow statement.

Turnover and profit recognition

Turnover represents sales of development properties, rental income recognised on a straight line basis to the first break point in the lease, and other recoveries. Turnover and profit on development properties is recognised on legal completion of sale.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Interest

Interest incurred on properties in the course of development, whether for sale or retention as investments, is charged to the profit and loss account on an accruals basis.

2 TURNOVER

An analysis of turnover by class of business for the year ended 30 November 2010 is given below:

	£
Rental income	3,484,263
Management fees	317,594
	3,801,857

This analysis is not considered to be applicable to the year ended 30 November 2011.

The total turnover of the company for last year was derived wholly in the UK.

**Key Property Investments
(Number Five) Limited (Registered number: 04434716)**

**Notes to the Financial Statements - continued
for the Year Ended 30 November 2011**

3 STAFF COSTS

The company had no employees (2010 nil) and is operated on a day to day basis by Redman Heenan Properties Ltd, a subsidiary of St Modwen Properties PLC. Redman Heenan Properties Limited receives 2% of rental income received for managing the property portfolio.

4 OPERATING PROFIT

None of the directors received any remuneration from this entity during the year (2010 - £nil). The remuneration of the directors is paid by other group undertakings for both the current financial year and the prior financial year and no part of their remuneration is specifically attributable to their services to this company.

Auditors' remuneration was borne by a fellow subsidiary undertaking, Key Property Investments (Number One) Limited. The fee payable for audit of the financial statements was £2,200 (2010 £2,200) and the fee payable for tax services was £1,100 (2010 £1,100).

5 NET INTEREST

	2011 £	2010 £
Interest receivable	-	10,870
	<u> </u>	<u> </u>

6 TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

	2011 £	2010 £
Current tax		
UK corporation tax	59,698	266,287
Deferred tax	(266,937)	10,488
Tax on profit on ordinary activities	<u>(207,239)</u>	<u>276,775</u>

Factors affecting the tax (credit)/charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2011 £	2010 £
Profit on ordinary activities before tax	-	1,046,383
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.670% (2010 - 28%)	-	292,987
Effects of		
Capital allowances for period in excess of depreciation	-	(20,375)
Adjustments to tax charge in respect of previous periods	59,698	(6,325)
Current tax (credit)/charge	<u>59,698</u>	<u>266,287</u>

Key Property Investments
(Number Five) Limited (Registered number: 04434716)

Notes to the Financial Statements - continued
for the Year Ended 30 November 2011

6 TAXATION - continued

Factors that may affect future tax charges

The Finance (No 2) Act 2011 introduced legislation to reduce the main rate of corporation tax from 26% to 25% effective from 1 April 2012 and this legislation was substantively enacted at the balance sheet date and accordingly this reduction has been taken into account when stating the deferred tax liability at 30 November 2011

On 21 March 2012 the Chancellor announced that the main rate of corporation tax would be further reduced to 24% with effect from 1 April 2012 and subsequently would reduce by 1% per annum to reach 22% by 1 April 2014. As these rate reductions had not been substantively enacted at the balance sheet date the effect of these tax rate reductions has not been reflected in the deferred tax balance

7 DEBTORS

	2011 £	2010 £
Amounts owed by group undertakings	18,929,657	26,815,663
Prepayments and accrued income	-	14,000
	<u>18,929,657</u>	<u>26,829,663</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	24,352	50,577
Amounts owed to parent undertaking	-	6,553
Corporation tax	-	272,612
Other tax and social security	48	7,534,967
	<u>24,400</u>	<u>7,864,709</u>

9 PROVISIONS FOR LIABILITIES

	2011 £	2010 £
Deferred tax		
Accelerated capital allowances	-	266,936
	<u>-</u>	<u>266,936</u>
		Deferred tax
		£
Balance at 1 December 2010		266,936
Timing differences, origination and reversal		(266,936)
		<u>-</u>
Balance at 30 November 2011		<u>-</u>

Key Property Investments
(Number Five) Limited (Registered number: 04434716)

Notes to the Financial Statements - continued
for the Year Ended 30 November 2011

10 CALLED UP SHARE CAPITAL

	2011 £	2010 £
Authorised equity		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>
Allotted, called up and fully paid equity		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

11 RESERVES

	Profit and loss account £
At 1 December 2010	18,698,017
Profit for the year	207,239
	<u>18,905,256</u>
At 30 November 2011	<u>18,905,256</u>

12 ULTIMATE PARENT COMPANY

The company's immediate parent undertaking is Key Property Investments (Number Two) Limited, a company incorporated in the United Kingdom and registered in England and Wales. The smallest and largest group in which the company is included within the group financial statements is that of Key Property Investments Limited, copies of which are available from its registered office 7 Ridgeway, Quinton Business Park, Birmingham, B32 1AF.

The company's ultimate controlling parties are St Modwen Properties PLC, a company incorporated in the United Kingdom and registered in England and Wales, and Salhia Real Estate Company k s c , a company registered in Kuwait.

13 RELATED PARTY DISCLOSURES

As the company is wholly owned by the Key Property Investments Limited group, it has taken advantage of the exemption under FRS 8 "Related Party Disclosures" not to disclose transactions with other companies in the group. During the year management fees of £nil (2010 £121,219) were paid to Redman Heenan Properties Limited, a subsidiary of St Modwen Properties PLC. There was no balance outstanding in relation to these fees at the year end (2010 £nil).

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	207,239	769,608
Other recognised gains and losses relating to the year (net)	-	3,563,196
	<u>207,239</u>	<u>4,332,804</u>
Net addition to shareholders' funds	<u>207,239</u>	<u>4,332,804</u>
Opening shareholders' funds	18,698,018	14,365,214
	<u>18,905,257</u>	<u>18,698,018</u>
Closing shareholders' funds	<u>18,905,257</u>	<u>18,698,018</u>