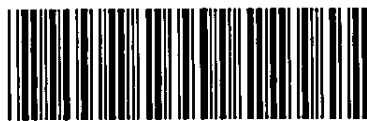


BATH STREET PROPERTIES LIMITED**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 JANUARY 2012**

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COMPANIES HOUSE

BATH STREET PROPERTIES LIMITED

COMPANY INFORMATION

Director	B Richards
Company number	SC239078
Registered office	193 Bath Street Glasgow G2 4HU
Auditors	PKF (UK) LLP 78 Carlton Place Glasgow G5 9TH
Bankers	Clydesdale Bank Plc 20 Waterloo Street Glasgow G2 6DB
Solicitors	Brodies LLP 2 Blythswood square Glasgow G2 4AD

BATH STREET PROPERTIES LIMITED

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BATH STREET PROPERTIES LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 JANUARY 2012**

The director presents his report and the financial statements for the year ended 31 January 2012.

Principal activities

The principal activity of the company is that of property investment.

Director

The directors who served during the year was:

M Goldinger (deceased 12/07/11)
B Richards

It is with great sadness that the company reports the death of Mark Goldinger on 12 July 2011.

Provision of information to auditor

The director at the time when this director's report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is 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 auditor in connection with preparing their report and to establish that the company's auditor is aware of that information.

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 JULY 2012 and signed on its behalf.



Brian Richards
Director

BATH STREET PROPERTIES LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 JANUARY 2012

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 profit or loss of the company for that period. In preparing these financial statements, the director is 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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BATH STREET PROPERTIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH STREET PROPERTIES LIMITED

We have audited the financial statements of Bath Street Properties Limited for the year ended 31 January 2012 which comprise the profit and loss account, the balance sheet and the related notes. 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).

The 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 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 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 company's affairs as at 31 January 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.

BATH STREET PROPERTIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH STREET PROPERTIES 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 prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

PKF (UK) LLP

Charles Barnett (Senior statutory auditor)
for and behalf of PKF (UK) LLP, Statutory auditor
Glasgow, UK

27 July 2012

BATH STREET PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2012

	Note	2012 £	2011 £
TURNOVER	1,2	251,440	280,101
Administrative expenses		(115,680)	(219,625)
Other operating income	3	77,480	155,517
OPERATING PROFIT	4	213,240	215,993
Interest receivable and similar income		207	742
Interest payable and similar charges		(85,987)	(83,015)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		127,460	133,720
Tax on profit on ordinary activities	5	(33,867)	(38,686)
PROFIT FOR THE FINANCIAL YEAR	11	93,593	95,034

The notes on pages 8 to 11 form part of these financial statements.

BATH STREET PROPERTIES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 JANUARY 2012**

	Note	2012 £	2011 £
PROFIT FOR THE FINANCIAL YEAR		93,593	95,034
Unrealised deficit on impairment of investment properties		<u>(1,500,000)</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u>(1,406,407)</u>	<u>95,034</u>

The notes on pages 8 to 11 form part of these financial statements.

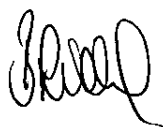
BATH STREET PROPERTIES LIMITED
REGISTERED NUMBER: SC239078

BALANCE SHEET
AS AT 31 JANUARY 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Investment property	6		3,500,000		5,000,000
CURRENT ASSETS					
Debtors	7	102,301		83,837	
Cash at bank		49,350		50,102	
		<u>151,651</u>		<u>133,939</u>	
CREDITORS: amounts falling due within one year	8	<u>(179,278)</u>		<u>(210,039)</u>	
NET CURRENT LIABILITIES			<u>(27,627)</u>		<u>(76,100)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,472,373</u>		<u>4,923,900</u>
CREDITORS: amounts falling due after more than one year	9		<u>(2,651,820)</u>		<u>(2,696,940)</u>
NET ASSETS			<u>820,553</u>		<u>2,226,960</u>
CAPITAL AND RESERVES					
Called up share capital	10		3		3
Revaluation reserve	11		214,444		1,714,444
Profit and loss account	11		606,106		512,513
SHAREHOLDERS' FUNDS			<u>820,553</u>		<u>2,226,960</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

 27/07/12

Brian Richards
Director

The notes on pages 8 to 11 form part of these financial statements.

BATH STREET PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

At the balance sheet date the company had net current liabilities of £27,627 (2011 - £76,100). The company is dependant on its bankers who are due in total £2,578,326 (2011 - £2,637,390), of which £64,611 (2011 - £62,047) is included in creditors falling due within one year, for continued financial support to allow the company to meet its obligations as they fall due. The bank loan repayments are serviced by rental income and accordingly the directors are satisfied that the bank's financial support will continue for the foreseeable future. Consequently the accounts have been prepared on a going concern basis.

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).

1.2 Turnover

Turnover represents rent receivable for the year and is recognised evenly over the period of each lease based on the agreed annual rent.

1.3 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 director, necessary in order to give a true and fair view of the financial position of the company.

1.4 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation except that deferred tax is not provided on timing differences arising from the revaluation of fixed assets.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse and are not discounted.

2. TURNOVER

All turnover arose within the United Kingdom.

BATH STREET PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2012

3. OTHER OPERATING INCOME

	2012 £	2011 £
Property expenses recoverable	77,480	87,540
Dilapidations income	-	67,977
Total	<u>77,480</u>	<u>155,517</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2012 £	2011 £
Auditor's remuneration	<u>5,300</u>	<u>5,000</u>

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

5. TAXATION

	2012 £	2011 £
Analysis of tax credit in the year		
UK corporation tax charge on profit for the year	33,974	39,080
Adjustments in respect of prior periods	(107)	(394)
Tax on profit on ordinary activities	<u>33,867</u>	<u>38,686</u>

6. INVESTMENT PROPERTY

	Freehold investment property £
Valuation	
At 1 February 2011	5,000,000
Deficit on revaluation	(1,500,000)
At 31 January 2012	<u>3,500,000</u>

The 2012 valuation was made by the directors, on an open market value for existing use basis.

The historic cost of the property at the balance sheet date was £3,285,556 (2011 - £3,285,556).

BATH STREET PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2012

7. DEBTORS

	2012	2011
	£	£
Trade debtors	15,096	14,234
Amounts owed by related undertakings	70,000	25,000
Other debtors	17,205	44,603
	<u>102,301</u>	<u>83,837</u>

8. CREDITORS: Amounts falling due within one year

	2012	2011
	£	£
Bank loan	64,611	62,047
Trade creditors	13,863	2,356
Corporation tax	33,690	39,080
Social security and other taxes	9,612	-
Other creditors and accruals	57,502	106,556
	<u>179,278</u>	<u>210,039</u>

9. CREDITORS: Amounts falling due after more than one year

	2012	2011
	£	£
Bank loan	2,513,645	2,575,343
Amounts owed to related undertakings	138,175	121,597
	<u>2,651,820</u>	<u>2,696,940</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2012	2011
	£	£
Repayable by instalments	<u>2,261,709</u>	<u>2,327,156</u>

The Clydesdale Bank plc holds a standard security over the company's freehold property and a floating charge over the whole assets of the company.

BATH STREET PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2012

10. SHARE CAPITAL

	2012 £	2011 £
Authorised		
10,000,000 Ordinary shares of £0.01 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
300 Ordinary shares of £0.01 each	<u>3</u>	<u>3</u>

11. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 February 2011	1,714,444	512,513
Profit for the year		93,593
Deficit in the year	(1,500,000)	
At 31 January 2012	<u>214,444</u>	<u>606,106</u>

12. CONTINGENT LIABILITIES

The company has provided a guarantee to the bankers of Dawncrest Limited in relation to the business loan held by Dawncrest Limited.

Currently the directors have no concerns over the ability of Dawncrest Limited to meet the repayments of this loan. However, if Dawncrest Limited failed to meet their repayments then at the balance sheet date, Bath Street Properties could be liable for up to £1,298,089 (2011 - £1,378,559).

13. RELATED PARTY TRANSACTIONS

Dawncrest Limited, and its wholly owned subsidiaries Mountoak Limited and Mountoak 2 Limited are related to Bath Street Properties Limited by common control.

At the year end a balance of £81,063 (2011 - £64,485) was due to Mountoak Limited. During the year loans totalling £NIL (2011 - £5,000) were received from Mountoak Limited which also incurred expenditure on behalf of the company of £16,578 (2011 - £29,784).

At the year end a balance of £57,112 (2011 - £57,112) was due to Mountoak 2 Limited. During the year loans totalling £NIL (2011 - £30,000) were received from Mountoak 2 Limited and it also paid rent of £120,000 (2011 - £120,000) and service charges of £8,487 (2011 - £8,487) to Bath Street Properties Limited.

During the year Dawncrest Limited paid rent of £25,112 (2011 - £25,000) and service charges of £4,688 (2011 - £26,612) to Bath Street Properties Limited. Bath Street Properties Limited made loans to Dawncrest Limited totalling £45,000 (2011 - £NIL) and at the year end a balance of £70,000 (2011 - £25,000) is due from Dawncrest Limited.