Registered No. 2658817

Pedstowe Mayfair Limited (formerly Humberts Mayfair Limited and Humberts Blenheim Bishop Limited)

Annual report and financial statements for the year ended 30 September 2007

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Pedstowe Mayfair Limited

Annual report and financial statements for the year ended 30 September 2007

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Director and advisers

Director

N R Carwright

Secretary

N R Gordon

Registered Office

17 Hanover Square
London
W1S 1HU

Registered number

2658817

Registered auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Director's report
for the year ended 30 September 2007

The director presents the report and the audited financial statements of the company for the year ended 30 September 2007.

The company was previously known as Humberts Blenheim Bishop Limited and before that as Blenheim Bishop Limited

Principal activity

The principal activities of the company are property letting agents, management of property, land and new homes and estate agency.

Business review

On 29 May 2008 the Company sold the business of Thomson Currie for consideration of £50,000 plus cancellation of the deferred consideration. On 4 June 2008 the Company sold the Blenheim Bishop trade and certain of the remaining assets of the Company for nil in return for the cancellation of deferred consideration in the parent company. Pedstowe Mayfair Limited has therefore recognised a loss on the sale. Following these transactions the business ceased to trade.

The director therefore considers that it is no longer appropriate to prepare these accounts on a going concern basis because the company has ceased to trade and it is the intention of the director to wind the company down. These financial statements have therefore been prepared on a 'break up basis'. Any fixed assets and long term liabilities have been transferred to current assets and provision has been made for closure costs and losses to the date of termination.

Results and dividends

No dividends were paid or proposed during the period

Directors

The directors who served throughout the year, except as stated, were as follows:

J H Vandermolen (resigned 4 February 2009)
N R Cartwright
S Newman (resigned 4 February 2009)
M Vandermolen (resigned 4 February 2009)
S M Ziff (resigned 27 February 2008)
I Marcus (resigned 14 November 2007)
R Dantzic (resigned 14 November 2007)

Director's report
for the year ended 30 September 2007 (continued)

Director's responsibilities statement

Company law requires the director to prepare financial statements for each financial year that 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 year. In preparing the financial statements the director is required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable 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 company will continue in business.

The director confirms that he has complied with the above requirements.

The director is responsible for keeping proper accounting records that 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 1985. 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.

Donations

Charitable donations in the year amounted to £4,350 (2006: £6,425)

Statement of disclosure of information to auditors

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

By order of the board

N.R. Cartwright

N R Cartwright
Director

16 April 2009

Independent auditors' report to the members of Pedstowe Mayfair Limited

We have audited the financial statements of Pedstowe Mayfair Limited for the year ended 30 September 2007 which comprise the profit and loss account, balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of director and auditors

The director's 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 Director's Responsibilities Statement.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Director's 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 Director's 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 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.

However, as detailed in note 1 to these financial statements the evidence available to us was limited. Owing to the nature of these limitations we have been unable to obtain sufficient appropriate audit evidence by using other audit procedures or to determine whether proper accounting records have been maintained. Because of the potential significance to the financial statements of the combined effect of these matters we have been unable to form a view on the financial statements.

Independent auditors' report to the members of Pedstowe Mayfair Limited (continued)

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion: disclaimer on view given by the financial statements

Because of the possible effect of the limitation of evidence available to us, we are unable to form an opinion as to whether:

- The financial statements give a true and fair view, in accordance with United Kingdom General Accepted Accounting Practice, of the state of the company's affairs at 30 September 2007 and of its loss for the year then ended.
- The financial statements have been properly prepared in accordance with the Companies Act 1985; and

Notwithstanding our disclaimer on the view given by the financial statements, in our opinion the information given in the Director's report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
20 April 2009

Profit and loss account
for the year ended 30 September 2007

	Notes	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Turnover	1	**1,771**	1,509
Staff costs	2, 3	**(870)**	(647)
Administrative and establishment expenses		**(243)**	(448)
Depreciation of tangible fixed assets	2, 7	**(28)**	(5)
Impairment of goodwill	9	**(2,454)**	-
Total operating costs		**(3,595)**	(1,100)
Operating (loss)/profit	2	**(1,824)**	409
Winding down provision	12	**(614)**	-
Net interest receivable and similar items	5	**1**	(10)
(Loss)/Profit on ordinary activities before tax	2	**(2,437)**	399
Tax on loss on ordinary activities	6	**67**	(133)
(Loss)/Profit for financial year	14	**(2,370)**	266

All the above activities relate to discontinued operations.

The Company has no recognised gains or losses other than those included in the profit and loss account above and therefore no separate statement of recognised gains and losses has been presented.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historic cost equivalents.

Balance sheet
At 30 September 2007

	Notes	2007	2006
		£'000	£'000
Fixed assets			
Tangible fixed assets	7	-	76
Investments	8	-	19
		-	95
Current assets			
Intangible current assets	9	600	-
Debtors	10	1,266	1,124
Cash at bank and in hand		207	12
		2,073	1,136
Creditors: amounts falling due within one year	11	(2,827)	(916)
Net current (liabilities)/assets		(754)	220
Total assets less current liabilities		(754)	315
Provisions for liabilities and charges	12	(1,260)	(1)
Net (liabilities)/assets		(2,014)	314
Capital and reserves			
Called up share capital	13	1	1
Capital contribution	14	42	-
Profit and loss account	14	(2,057)	313
Total shareholders' (deficit)/funds	15	(2,014)	314

N.R. Cartwright

N Cartwright
Director

16 April 2009

Notes to the financial statements for the year ended 30 September 2007

1. Accounting policies

(a) **Basis of accounting**

The financial statements have been prepared on the historical cost convention and in accordance with the Companies Act 1985 and applicable UK accounting standards. A summary of the more important group accounting policies is set out below, together with an explanation of where changes have been made to previous policies on the adoption of new accounting standards in the year.

On 29 May 2008 the Company sold the business of Thomson Currie for consideration of £50,000 plus cancellation of the deferred consideration. On 4 June 2008 the Company sold the Blenheim Bishop trade and certain of the remaining assets of the Company for nil in return for the cancellation of deferred consideration in the parent company. Pedstowe Mayfair Limited has therefore recognised a loss on the sale which is included within the winding down provision. Following these transactions the business ceased to trade.

The director considers that it is no longer appropriate to prepare these accounts on a going concern basis because the company has ceased to trade and it is the intention of the director to wind the company down. These financial statements have therefore been prepared on a 'break up basis'. Any fixed assets and long term liabilities have been transferred to current assets and provision has been made for closure costs and losses to the date of termination.

Following the sale of the Thomson Currie and Blenheim Bishop businesses, the accounting records of these businesses remained with those businesses and the director no longer has access to these records. Sufficient audit evidence has therefore not been available to support:

- The recoverability of debtors, the completeness of creditors and therefore the adequacy of the provision for winding down costs.
- Operating leases and the company's future liabilities arising from these which may also impact upon the winding down provision.
- The results and closing balance sheet of Thomson Currie. The business was purchased two weeks prior to the year end. Thomson Currie generated a profit of £35,000 in this period.
- The disclosure of directors' emoluments.

(b) **Changes in accounting policy**

The Group has adopted FRS 20, 'Share-based payments', in these financial statements. There were no share options in the prior year and therefore no prior year adjustment is required.

Independent auditors' report to the members of Pedstowe Mayfair Limited (continued)

(c) **Cash flow statement and related party disclosures**
The company is a wholly owned subsidiary of Pedstowe plc (formerly Humberts Group plc) and is included in the consolidated financial statements of Pedstowe plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1. The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are 90% or more owned by the Pedstowe plc group.

(d) **Turnover**
Turnover represents the income receivable from invoiced fees and commission, net of value added tax. Letting fee income is recognised when invoiced and provision is made for fees refunded as a result of early termination of tenancies. Management fees are recognised on a straight line basis over the period of the management agreement.

(e) **Tangible fixed assets**
Tangible fixed assets are carried at cost less accumulated depreciation and, where appropriate, provision for impairment. Depreciation is calculated on a straight line basis and provided on all tangible fixed assets in order to write off their cost over the following expected useful lives:

Leasehold property improvements	–	7 years
Equipment, fixtures and fittings	–	5 years
Computer equipment	–	3 years

Tangible fixed assets have been restated as current as the financial statements are prepared on a break up basis as the trade, assets and liabilities were sold post year end.

(f) **Deferred tax**
Deferred tax is provided in full on an undiscounted basis, on all timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law at the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in financial statements.

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

(g) **Leases**
The amounts payable under operating leases are charged to the profit and loss account in the year in which they are incurred. Rent free periods or any inducement to enter into operating lease agreements are released to the profit and loss account over the period to the date on which the rent is first expected to be adjusted to the prevailing market rate.

Notes to the financial statements for the year ended 30 September 2007

(h) **Share-based payment**

The fair value of share-based payment awards is calculated using a Black-Scholes model. In accordance with FRS 20, 'Share-based Payment', the resulting cost is charged as employee costs to the income statement over the vesting period of the relevant award. This charge is amended to take into account changes in the number of equity instruments expected to vest as a consequence of the changes in expectation as to the attainment of any performance-related conditions. No changes to the charge are made when the expected or actual level of awards vesting differs from the original estimate due to non-attainment of market conditions, e.g., non-attainment of the appropriate total shareholder return. Cancelled awards are deemed to have vested upon cancellation. Any unamortised expense associated with such awards is charged to the income statement immediately.

(i) **Fixed asset investments**

Investments are stated at cost, subject to any permanent diminution in value.

(j) **Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

The winding down provision represents the director's best estimate of closure costs and losses to the date of termination.

[illegible]

Notes to the financial statements for the year ended 30 September 2007

2. (Loss)/Profit on ordinary activities before taxation

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
(Loss)/Profit before taxation is stated after charging/(crediting):		
Staff costs (see note 3)	870	647
Depreciation and impairment of fixed assets	28	9
Loss on disposal of fixed assets	53	-
Impairment of intercompany and other debtors	22	-
Impairment of investments	19	-
Operating lease rentals:		
-Land and buildings	98	45
-Other	16	-

Services provided by the Company's auditor and network firms

During the period the Company obtained the following services from the Company's auditor at costs detailed below:

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Audit Services	24	6

3. Staff costs

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Wages and salaries	745	587
Social security costs	83	60
Employee share scheme	42	-
	870	647

Notes to the financial statements for the year ended 30 September 2007 (continued)

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

	12 months to Sept 2007 Number	6 months to Sept 2006 Number
Land sales	**2**	2
New Homes sales	**6**	6
Administration and other services	**2**	2
	10	10

4. Directors' remuneration

Included in staff costs are directors' emoluments as follows:

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Aggregate emoluments	**239**	212

The highest paid director earned emoluments of £131,000 in 2007.

No director (2006: 1) has any retirement benefit accruing under the Company's defined contribution scheme.

At 30 September 2006 J Vandermolen had a director's loan account of £177,549. The loan was repaid on 3 October 2006.

5. Net interest receivable and similar items

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Bank and other interest receivable	1	11
Other interest payable	-	(1)
Net interest receivable and similar items	1	(10)

Notes to the financial statements for the year ended 30 September 2007 (continued)

6. Taxation

a) Analysis of charge in period

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Current tax:		
UK corporation tax at 30% (2006: 30%)	-	133
Adjustment in respect of prior years	(66)	-
Total current tax (see note 6(b))	(66)	133
Deferred tax:		
Origination and reversal of timing differences	12	-
Deferred tax asset not recognised	(13)	-
	1	-
Tax on (loss)/profit on ordinary activities	(67)	133

a) **Factors affecting the tax charge for the year:**

The tax credit (2006: charge) for the period is lower (2006: lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
(Loss)/Profit on ordinary activities before tax	(2,437)	399
Tax on loss on ordinary activities at standard corporation tax rate of 30%	(731)	120
Effects of:		
Losses carried forward	505	-
Expenses not deductible for tax purposes	203	20
Capital allowances for period in excess of depreciation	23	1
Adjustments to tax charge in respect of prior periods	(66)	(8)
Current tax (credit)/charge for the year	(66)	133

The UK corporation tax rate has changed from 30% to 28% effective 1 April 2008. There is no material difference to deferred tax arising from this change in rate.

Notes to the financial statements for the year ended 30 September 2007 (continued)

7. Tangible fixed assets

	Leasehold property improvements	Equipment fixtures & fittings	Total
	£'000	£'000	£'000
Cost			
At 1 October 2006	98	168	266
Additions	1	4	5
Disposals	(91)	(152)	(243)
At 30 September 2007	**8**	**20**	**28**
Depreciation			
At 1 October 2006	57	133	190
Charge for year	8	20	28
Disposals	(57)	(133)	(190)
At 30 September 2007	**8**	**20**	**28**
Net book value			
At 30 September 2007	**-**	**-**	**-**
At 30 September 2006	41	35	76

8. Investments

	Other fixed asset investments
	£'000
At 1 October 2006	19
Impairment of investment	(19)
At 30 September 2007	**-**

The above investment relates to a Wembley debenture.

Notes to the financial statements for the year ended 30 September 2007 (continued)

9. Intangible current assets

	Goodwill
	£'000
Additions	3,062
Adjustment to deferred consideration	(8)
Impairment of goodwill	(2,454)
At 30 September 2007	**600**

Purchase of Thomson Currie business

Thomson Currie was acquired on 14 September 2007 for £3,062,000 with consideration satisfied by:

	Book value	Adjustments	Fair value
	£'000	£'000	£'000
Fixed assets	5	(5)	-
Goodwill	-	3,062	3,062
Consideration			3,062

	£'000
Share issue*	800
Cash	1,600
Associated costs	54
Deferred share consideration	608
	3,062

* *1,142,857 ordinary shares of 5p issued at 70p by Humberts group plc and included within amounts due to parent undertakings (see note 11).*

In the 1 month period ended 30 September 2006 the Thomson Currie made a profit after tax of £35,478. Its principal activity is a residential, land and new homes and lettings agent.

On 29 May 2008 the Company sold the business and certain assets of Thomson Currie for consideration of £50,000 plus cancellation of the deferred consideration.

A winding down provision representing the estimated trading to the date of disposal together with the resulting losses on disposal has been created to reflect these transactions.

Notes to the financial statements for the year ended 30 September 2007 (continued)

10. Debtors

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Amounts falling due within one year		
Trade debtors	**353**	365
Other debtors	**913**	759
Total debtors	**1,266**	1,124

11. Creditors: amounts falling due within one year

	12 months to Sept 2007 £'000	6 months to Sept 2006 £'000
Bank overdraft	**-**	125
Trade creditors	**50**	115
Amounts due to parent undertaking	**2,483**	-
Social security and other taxes	**74**	458
Accruals and other creditors	**220**	218
	2,827	916

At 30 September 2007, the Company held an unsecured interest free loan from its parent undertaking of £2,483,000 repayable on demand.

Notes to the financial statements for the year ended 30 September 2007 (continued)

12. Provisions for liabilities and charges

	New Homes	Deferred consider -ation	Deferred tax	Winding down provision	Total
	£'000	£'000	£'000	£'000	£'000
At 1 October 2006	-	-	1	-	1
Acquisition	-	608	-	-	608
Charged to profit and loss account	46	-	-	614	660
Released in year	-	(8)	(1)	-	(9)
At 30 September 2007	**46**	**600**	**-**	**614**	**1,260**

The provision for new homes refunds represents amounts potentially repayable due to non-completions, calculated using historical information.

Deferred consideration represents the minimum payable to the previous owners of Thomson Currie based on the performance as at the date of disposal. At the date of sale the deferred consideration was waived in return for the sale of the Thomson Currie business back to the original owners.

Deferred taxation represents accelerated capital allowances.

The winding down provision represents the director's best estimate of the losses incurred up to the date of disposal of the trade and certain assets and liabilities of the Blenheim Bishop and Thomson Currie businesses on 4 June 2008 and 29 May 2008 respectively based on management accounts prepared to that date. The provision also includes the loss incurred on disposal of these businesses. £10,000 has been included for any additional costs that may be incurred in the wind down process.

13. Called up share capital

	2007	2006
	£'000	£'000
Authorised:		
1,001 ordinary shares of £1 each	1	1
Allotted, issued and fully paid:		
1,001 ordinary shares of £1 each	1	1

Notes to the financial statements for the year ended 30 September 2007 (continued)

14. Reserves

	Profit and loss account	Capital contribution
	£'000	£'000
At 1 October 2006	313	-
Capital contribution	-	42
Loss for the year	(2,370)	-
At 30 September 2007	**(2,057)**	**42**

15. Reconciliation of movements in shareholders' funds

	2007	2006
	£'000	£'000
Loss for the financial year	**(2,370)**	266
Dividends paid	**-**	(255)
Adjustment in respect of employee share schemes	**42**	-
Net change in shareholders' funds	**(2,328)**	11
Shareholders' funds as at 1 October 2006	**314**	303
Shareholders' funds at 30 September 2007	**(2,014)**	314

Notes to the financial statements for the year ended 30 September 2007 (continued)

16. Operating lease commitments

	12 months to Sept 2007		6 months to Sept 2006	
	Property	Vehicles & Equipment	Property	Vehicles & Equipment
	£'000	£'000	£'000	£'000
Annual commitments for operating leases expiring:				
-Within one year	-	-	-	-
-Between two and five years	98	4	-	
-After five years	-	17	90	-
	98	21	90	-

17. Capital commitments

At the year end, the Company had not contracted to any capital commitments (2006: £nil).

18. Immediate and ultimate parent company

The company's immediate parent undertaking is Pedstowe Group Holdings Limited (formerly Humberts Group Holdings Limited).

The ultimate parent undertaking is Pedstowe plc (formerly Humberts Group plc) which is the parent undertaking of the smallest and largest group to consolidate these financial statements.