Registered number
4222524

TELEREAL DEVELOPMENTS LIMITED

ANNUAL REPORT

For the year ended 31 March 2007

TELEREAL DEVELOPMENTS LIMITED

ANNUAL REPORT

For the year ended 31 March 2007

TELEREAL DEVELOPMENTS LIMITED

DIRECTORS' REPORT

For the year ended 31 March 2007

The dırectors present theır report and accounts for the year ended 31 March 2007

Princıpal activities
The pnncıpal actıvıty of the company ıs property development

Revıew of busıness
In the year ended 31 March 2007 the company made a profit before tax of £163,000 (2006 £8,883,000) The dırectors do not antıcıpate any sıgnıficant change to current actıvıty ın the foreseeable future

The company meets the definıtıon of a small company ın accordance wıth the companıes Act 1985, and has chosen to take advantage of the small company exemptıon not to dısclose an enhanced busıness revıew

Dırectors
Detaıls of dırectors who have held office durıng the year are shown below

Mark Pears
Trevor Pears
Mıchael Baker
Adam Dakın
Graham Edwards
Warren Persky

All dırectors served throughout the year under revıew and up to the date of thıs report

Dıvıdends
The dırectors paıd a dıvıdend of £nıl (2006 £6,700,000) on the ordınary shares durıng the year

Statement of directors' responsıbılıtıes

Company Law requıres the dırectors to prepare financıal statements for each financıal year whıch gıve a true and faır vıew of the state of affaırs of the company and of the profit or loss of the company for that penod In preparıng those financıal statements, the dırectors are requıred to

- select suıtable accountıng polıcıes and then apply them consıstently
- make judgements and estımates that are reasonable and prudent
- state whether applıcable accountıng standards have been followed, subject to any materıal departures dısclosed and explaıned ın the financıal statements and
- prepare the financıal statements on the goıng concern basıs unless ıt ıs ınappropnate to presume that the company wıll contınue ın busıness

The dırectors confirm that they have complıed wıth the above requırements ın preparıng the financıal

The dırectors are responsıble for maıntaınıng proper accountıng records that dısclose wıth reasonable accuracy at any tıme the financıal posıtıon of the company and to enable the dırectors to ensure that the financıal statements comply wıth the Companıes Act 1985 The dırectors are also responsıble for safeguardıng the assets of the company and hence for takıng reasonable steps for the preventıon and detectıon of fraud and other ırregularıtıes

TELEREAL DEVELOPMENTS LIMITED

DIRECTORS' REPORT

For the year ended 31 March 2007

Statement of disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and the directors 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 the company's auditors are aware of that information

This report was approved by the board on 4 DECEMBER 2007

Eric Wallington
Company Secretary

TELEREAL DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TELEREAL DEVELOPMENTS LIMITED

We have audited the financial statements of Telereal Developments Limited for the year ended 31 March 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes These financial statements have been prepared under the accounting policies set out therein

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and 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) 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 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 31 March 2007 and of its profit and cash flows for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
4 December **2007**

TELEREAL DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2007

	Note	2007 £000	2006 £000
Turnover	2	399	14,154
Operating costs	3	(164)	(5,427)
Operating profit		235	8,727
Net interest (payable)/ receivable	5	(72)	156
Profit on ordinary activities before taxation		163	8,883
Tax on profit on ordinary activities	6	(49)	(2,665)
Profit for the financial year		114	6,218

The notes on pages 7 to 11 form part of the financial statements

All the company's activities are continuing operations and all income is derived in the UK

The company has no recognised gains and losses other than shown above and therefore no separate statement of total recognised gains and losses has been presented

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

TELEREAL DEVELOPMENTS LIMITED

BALANCE SHEET

As at 31 March 2007

	Note	2007 £000	2006 £000
Current assets			
Properties held for sale		1,332	1,332
Debtors	8,17	408	245
Cash at bank and in hand	9	480	1,266
		2,220	2,843
Creditors· amounts falling due within one year	10, 17	(1,878)	(2,615)
Net current assets		342	228
Net assets		**342**	**228**
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	341	227
Total equity shareholders' funds	13	**342**	**228**

The notes on pages 7 to 11 form part of the financial statements

The financial statements on pages 4 to 11 were approved by the directors on 4 DEC 2007 and signed on its behalf by

Graham Edwards
Director

Warren Persky

Warren Persky
Director

TELEREAL DEVELOPMENTS LIMITED

CASH FLOW STATEMENT

For the year ended 31 March 2007

	Note	2007 £000	2006 £000
Net cash inflow from operating activities	14	445	6,178
Returns on investments and servicing of finance			
Interest received		16	236
Interest paid		(88)	(80)
Net cash (outflow) / inflow from returns on investments and servicing of finance		(72)	156
Taxation		(1,975)	(890)
Equity dividends paid		-	(6,700)
Net cashflow before financing		(1,602)	(1,256)
Financing			
Loans from / (repayments to) related parties		816	(1,129)
Net cash inflow/(outflow) from financing		816	(1,129)
Decrease in cash		(786)	(2,385)

Reconciliation of net cash flow to movement in net debt

	Note	2007 £000	2006 £000
Decrease in cash in the year		(786)	(2,385)
Movement in net funds for the year	15	(786)	(2,385)
Net funds at 1 April		1,266	3,651
Net funds at 31 March		480	1,266

The notes on pages 7 to 11 form part of the financial statements

1 Accounting policies

Basis of financial statements
The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom

Properties held for sale
Properties held for sale are included in the accounts at the lower of cost and net realisable value The purchase and sale of properties are included in the accounts at the point of completion

Cash at bank and in hand

The company classifies as cash those deposits held with a maturity period of less than three months

Debtors

All trade debtors are recognised at the amounts receivable less any provision for doubtful debts Collectibility of trade debtors is reviewed on an ongoing basis

Income recognition

Income is recognised in the accounts on a receivable basis

2 Turnover

	2007 £000	2006 £000
Rents receivable	49	30
Proceeds from property sales	350	14,124
	399	14,154

3 Operating costs

	2007 £000	2006 £000
Cost of property sales	-	4,802
Other operating costs	164	625
	164	5,427

The audit fee was paid on the company's behalf by Telereal Services Limited, a related party

4 Directors' emoluments

	2007 £000	2006 £000
Aggregate emoluments	1	11
Payments to defined contribution pension scheme	-	1

Retirement benefits are accruing to two *(2006 two)* directors under a defined contribution scheme

The emoluments were paid by Telereal Services Limited, a company with which Telereal Developments Ltd has common directors and therefore is a related party

TELEREAL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2007

5 Net interest (payable) / receivable

		2007 £000	2006 £000
Interest receivable			
Bank and other		12	235
Related parties	17	-	1
		12	236
Interest payable			
Related parties	17	(84)	(80)
		(84)	(80)
Net interest (payable) / receivable		(72)	156

6 Taxation

	2007 £000	2006 £000
Analysis of charge in the year		
UK corporation tax on profits for the year	49	2,665
Tax on profit on ordinary activities	49	2,665

Factors affecting tax charge for the year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows

	2007 £000	2006 £000
Profit on ordinary activities before tax	163	8,883
Standard rate of corporation tax in the UK	30%	30%
	£000	£000
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% *(2006 30%)*	49	2,665
Current tax charge for the year	49	2,665

7 Dividends

	2007 £000	2006 £000
Dividends paid	-	6,700

TELEREAL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2007

8 Debtors

	2007 £000	2006 £000
Other debtors	7	11
Value added tax recoverable	3	230
Corporation tax	394	-
Prepayments and accrued income	4	4
	408	245

9 Cash at bank and in hand

	2007 £000	2006 £000
Cash at bank and in hand	480	1,266

At the year end the company had short term deposits of £480,091 *(2006 £1,266,357)*

10 Creditors amounts falling due within one year

		2007 £000	2006 £000
Amounts due to related parties	17	1,878	1,062
Corporation tax		-	1,532
Accruals and deferred income		-	21
		1,878	2,615

11 Called up share capital

	2007 £000	2006 £000
Authorised, allotted, issued and fully paid		
500 'A' ordinary shares of £1	-	-
500 'B' ordinary shares of £1	-	-
	1	1

The voting rights of the holders of all ordinary shares are the same and all the ordinary shares rank pari passu on a winding up

12 Reserves

	2007 £000	2006 £000
At 1 April	227	709
Profit for the financial year	114	6,218
Dividends	-	(6,700)
At 31 March	341	227

13 Reconciliation of movement in shareholders' funds

	2007 £000	2006 £000
Opening shareholders' funds	228	710
Profit for the financial year	114	6,218
Dividends	-	(6,700)
Closing shareholders' funds	342	228

14 Reconciliation of operating profit to net cash inflow from operating activities

	2007 £000	2006 £000
Operating profit	235	8,727
Decrease in properties held for sale	-	4,328
Decrease in debtors	231	471
Decrease in creditors	(21)	(7,348)
	445	6,178

15 Analysis of changes in net funds during the period

	At 1 Apr 2006 £000	Cash flows £000	Cash at bank and in hand £000
Cash at bank and in hand	1,266	(786)	480
Total	1,266	(786)	480

16 Ultimate parent undertaking

Amberglow Services Holdings Limited and Amberglow Ltd, both of which are incorporated in England and Wales, each have a 50% interest in Telereal Developments Limited

The ultimate holding company is William Pears Family Holdings Limited - a company incorporated in England and Wales

17 Related party transactions

During the year, the company had the following related party transactions -

	Costs incurred by / (on behalf of)		Interest payable to / (receivable from)		Management Fees Incurred		Loan Outstanding		Amount owed to / (owed by) related parties at year end	
	2007 £000	2006 £000	2007 £000	2006 £000	2007 £000	2006 £000	2007 £000	2006 £000	2007 £000	2006 £000
Telereal Services Ltd	15	396	43	12	151	602	-	-	78	27
Telereal 112 Ltd	-	(4)	41	-			-	1,035	-	1,035
Telereal Trading Properties Ltd	-	-	-	64	-	-	1,800	-	1,800	-
Telereal Ventures Ltd	-	-	-	4	-	-	-	-	-	-

Costs Incurred
Costs Incurred refers to operating expenses and costs of disposals that have been incurred either on behalf of or by a related party

Interest Payable/(Receivable)
The interest payable to Telereal Services Ltd is made up of £4,000 interest receivable and £47,000 interest payable