

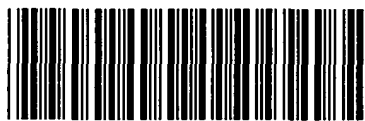
H.A. Leasing Limited

FINANCIAL STATEMENTS

for the year ended

31 May 2015

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COMPANIES HOUSE

Company Registration No. 03462658

H.A. Leasing Limited

COMPANY INFORMATION

DIRECTORS	R Tchenguiz V A Tchenguiz
COMPANY NUMBER	03462658 (England & Wales)
REGISTERED OFFICE	5th Floor Leconfield House Curzon Street London W1J 5JA
AUDITOR	Baker Tilly UK Audit LLP 3rd Floor One London Square Cross Lanes Guildford Surrey GU1 1UN
SOLICITORS	Osborne Clarke One London Wall London EC2Y 5EB

H.A. Leasing Limited

DIRECTORS' REPORT

The directors present their report and the financial statements of H.A. Leasing Limited for the year ended 31 May 2015.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company, which has remained unchanged during the financial year, was property investment by holding lease interests in land and buildings, and the letting of investment property. There were no additions or disposals of investment property during the year.

The investment property held at 31 May 2015 was valued as at that date at £680,000 (2014: £672,000) by the directors. The increase in value during the year amounted to £8,000 (2014: £11,000) as set out in note 7.

The company also acts as an intermediate holding company.

In the opinion of the directors, subject to the matters set out on page 7 regarding going concern and the support given by Rotch Property Group Limited, a fellow group company, the result for the year and the financial position of the company at 31 May 2015 were satisfactory.

DIVIDENDS

The directors do not recommend payment of a dividend.

DIRECTORS

The following directors have held office since 1 June 2014:

R Tchenguiz
V A Tchenguiz

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

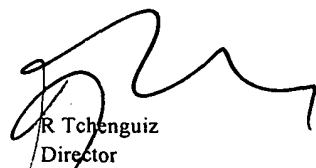
The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

Baker Tilly UK Audit LLP (whose name will change on 26 October 2015 to RSM UK Audit LLP) have indicated their willingness to be reappointed for another term and appropriate arrangements are being made 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 provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



R Tchenguiz
Director
21 October 2015

H.A. Leasing Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' 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). 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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.

H.A. Leasing Limited

INDEPENDENT AUDITOR'S REPORT

To The Members Of H.A. Leasing Limited

We have audited the financial statements on pages 4 to 15. 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 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 more fully explained 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

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 May 2015 and of its result 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 - Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in the accounting policies on page 7 of the financial statements concerning the company's ability to continue as a going concern. The company is a party to a cross-collateralised group loan funding structure. As a result of breaches to loan covenants by a fellow group company and a member of that cross-collateralised group loan funding structure the company's ability to continue as a going concern may be impacted by the contingent events described on page 7. These contingent events indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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.

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 from the requirement to prepare a strategic report or in preparing the directors' report.

Baker Tilly UK Audit LLP

Christopher Hurren FCA (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

3rd Floor, One London Square, Cross Lanes

Guildford, Surrey, GU1 1UN

23/10/ 2015

H.A. Leasing Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 May 2015

	Notes	2015 £	2014 £
TURNOVER	1	345,176	346,016
Other operating expenses (net)	2	(11)	5,724
OPERATING PROFIT		345,165	351,740
Interest payable and similar charges	3	(405,607)	(404,895)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(60,442)	(53,155)
Taxation	6	(23,225)	31,675
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	14	(83,667)	(21,480)

All amounts derive from continuing activities.

H.A. Leasing Limited

STATEMENT OF RECOGNISED GAINS AND LOSSES

For the year ended 31 May 2015

	Notes	2015 £	2014 £
Loss for the financial year		(83,667)	(21,480)
Unrealised surplus on revaluation of properties	14	4,820	-
Total recognized gains and losses relating to the financial year		<u>(78,847)</u>	<u>(21,480)</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

for the year ended 31 May 2015

	2015 £	2014 £
Loss for the financial year	(60,442)	(53,155)
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>(2,383)</u>	<u>(4,927)</u>
Historical cost loss on ordinary activities before taxation	<u>(62,825)</u>	<u>(58,082)</u>
Historical cost loss for the year retained after taxation	<u>(86,050)</u>	<u>(26,407)</u>

H.A. Leasing Limited

BALANCE SHEET

As at 31 May 2015

Company registration No. 03462658

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	680,000	672,000
Investments	8	236,836	236,836
		<u>916,836</u>	<u>908,836</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	9	958,925	976,477
Debtors: amounts falling due after more than one year	9	4,415,563	4,464,304
		<u>5,374,488</u>	<u>5,440,781</u>
CREDITORS: Amounts falling due within one year	10	<u>(152,778)</u>	<u>(141,816)</u>
NET CURRENT ASSETS		<u>5,221,710</u>	<u>5,298,965</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,138,546	6,207,801
CREDITORS: Amounts falling due after more than one year	11	(7,137,201)	(7,150,834)
PROVISIONS FOR LIABILITIES	12	<u>(430,402)</u>	<u>(407,177)</u>
NET LIABILITIES		<u>(1,429,057)</u>	<u>(1,350,210)</u>
CAPITAL AND RESERVES			
Called up share capital	13	200,000	200,000
Profit and loss account	14	<u>(1,629,057)</u>	<u>(1,550,210)</u>
SHAREHOLDERS' DEFICIT	15	<u>(1,429,057)</u>	<u>(1,350,210)</u>

The financial statements on pages 4 to 15 were approved by the board of directors and authorised for issue on 21 October 2015 and are signed on its behalf by:

R Tchenguiz

Director

H.A. Leasing Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards.

The financial statements have been prepared under the historical cost convention.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

GROUP ACCOUNTS

The group comprises a small-sized group. The company has therefore taken advantage of the small companies regime under Part 15 ss380 to 384 Companies Act 2006 not to prepare group accounts.

GOING CONCERN

The properties owned by the company are financed by a loan from its parent company which forms part of a cross-collateralised long term funding structure, set up to be principally self-financing. The directors have assessed the operation of the cross-collateralised structure and the continuation and availability of support being provided by Rotch Property Group Limited, a fellow group company (see note 17).

The directors have determined that the company has, or can expect to have, subject to the further matters set out hereafter, sufficient working capital for its needs for at least 12 months from the date of approval of these financial statements. In view of this the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

During the year ended 31 May 2012, following a valuation of the property portfolio securing the borrowings, the valuation covenant was breached on certain of the loans of a fellow group company and member of the cross-collateralised group loan funding structure to which the company is a party. This triggered defaults on all of the bank loans of that company.

As a result of the cross default clauses in the loan agreements, defaults on the wider cross-collateralised group loans were triggered. The bank has reserved its position in respect of the fellow group company's valuation covenant breach. At the year-end, therefore, the fellow group company's bank loans and all the loans within the cross-collateralised structure amounting to £102,725,923 (2014: £103,937,331) were effectively repayable on demand. In addition, the cross-collateralised group also has interest rate swaps that in the event of a break would be added to the liability of the cross-collateralised group and would become immediately repayable. The value of the interest rate swaps as at 31 May 2015 was a liability of £20,132,623 (2014: £16,426,817).

The company, together with its parent company and the other companies that are party to the cross-collateralisation structure, continues in discussion with its bankers to explore the alternatives available to effect a cure of the breach to the loan valuation covenant and to regularise the overall loan position. Recent valuations indicate that the amount required to cure the breach is much smaller than hitherto, and the directors have offered to pay this amount, £129,000, to remedy the breach and are awaiting the decision of the bank as to whether to accept this proposal.

The directors acknowledge that to date the bank has been supportive of the group's efforts. As the amount required to cure the breach has been offered to the bank, the funding structure remains self-financing and the group is meeting all its interest and repayment obligations the directors do not expect a withdrawal of the bank facilities for at least 12 months from the date of approval of these financial statements.

The financial statements have been prepared on the going concern basis which assumes that the bank will not withdraw its loan facilities to the cross-collateralised group. The principal direct and indirect effects of the withdrawal by the lender of its funding are that:

- i. the cross collateralised borrowings as at the year-end, totalling £102,725,923 (2014: £103,937,331), as set out in note 11, would be demanded for immediate repayment. Further costs could arise in respect of the interest rate arrangements that fix the interest rates on those loans, the level of which would depend on the market rates of interest prevailing at the time of such a termination. As at 31 May 2015 these costs were £20,132,623 (2014: £16,426,817);

H.A. Leasing Limited

ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN (CONTINUED)

ii. if not repaid when due, the bank could exercise its security over the properties and may seek to sell or dispose of assets separately or together at a time of its own choosing. This process may not represent an orderly realisation in the normal course of business. The consequence of this is that the company's property may be realised at significantly less than its carrying value in these financial statements.

iii. If a realisation of the company's investment property was carried out then a tax liability would arise on any sale of the property in excess of cost. No provision has been made in the financial statements for any such tax liability. A disposal based on the carrying value of the property as at the year end would have resulted in a tax liability crystallising estimated at £20,140 (2014: £nil) as referred to in note 12.

INVESTMENT PROPERTIES

In accordance with Statement of Standard Accounting Practice No.19, investment properties are revalued annually on an open market basis and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

This treatment is a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

INVESTMENTS

Fixed asset investments are stated at cost. Provision is made for any impairment in value.

DEFERRED TAXATION

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.

No provision is made for deferred tax on unrealised gains recognised on revaluing property to its market value.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax is measured on a non-discounted basis.

CASH FLOW STATEMENT

The company has taken advantage of the exemption in Financial Reporting Standard No.1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a small company.

FINANCE LEASES

Finance leases are initially stated at cost including acquisition costs. The carrying amount is increased by finance charges in the accounting period and reduced by payments received in the period. Finance charges are recognised in the profit and loss account so as to produce a constant return on the carrying amount.

RENT RECEIVABLE

Rental income from investment properties leased out under operating leases is recognised in the profit and loss account on an accruals basis over the term of the lease. The effect of rent reviews is only recognised when such reviews have been agreed with tenants. Where rents are subject to fixed indexation in lieu of rent reviews, the rents are recognised on a systemic basis as income in the periods in which they are earned.

Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earliest termination date.

H.A. Leasing Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2015

1 TURNOVER

	2015 £	2014 £
Finance lease income	294,937	297,476
Rent receivable	50,239	48,540
	<u>345,176</u>	<u>346,016</u>

Finance lease income represents finance charges allocated to the period so as to give a constant periodic rate of return over the duration of the lease.

2 OTHER OPERATING EXPENSES (NET)

	2015 £	2014 £
Administrative expenses	2,185	(3,724)
Other operating income	(2,174)	(2,000)
	<u>11</u>	<u>(5,724)</u>

3 INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Loan interest payable to group undertakings	396,951	396,239
Amortisation of finance costs	8,656	8,656
	<u>405,607</u>	<u>404,895</u>

4 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015 £	2014 £
Loss is stated after charging:		
Depreciation of tangible assets	37,333	34,789
Reversal of impairment of tangible assets	(40,513)	(45,789)
Auditor's remuneration	3,000	3,000
	<u></u>	<u></u>

5 EMPLOYEES

There were no employees during the year apart from the directors, who received no emoluments.

H.A. Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

6 TAXATION	2015	2014
	£	£
UK Corporation tax		
Current tax charge	-	-
Deferred tax		
Effects of changes in tax rates and laws	-	(57,242)
Deferred tax charge current year	23,225	25,567
Total deferred tax	23,225	(31,675)
Tax on loss on ordinary activities	23,225	(31,675)
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	(60,442)	(53,155)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2014: 21%)	(12,089)	(11,163)
Effects of:		
Non deductible expenses	22,385	20,717
Group relief	9,338	12,150
UK transfer pricing	3,591	3,863
Adjustment in respect of finance leases	(23,225)	(25,567)
	12,089	11,163
Current tax charge	-	-

H.A. Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

7 TANGIBLE FIXED ASSETS

	Investment property £
VALUATION	
At 1 June 2014	672,000
Revaluation	8,000
At 31 May 2015	680,000
DEPRECIATION	
At 1 June 2014	-
Charge for the year	37,333
Revaluation	(37,333)
At 31 May 2015	-
NET BOOK VALUE	
At 31 May 2015	680,000
At 31 May 2014	672,000

The property was valued as at 31 May 2015 at £680,000 (2014: £672,000) by the directors based on reports provided to them by Chartered Surveyors employed by the group's in house management company.

The original cost of the property was £794,328 (2014: £794,328).

Investment property at net book value comprises:	2015 £	2014 £
Short Leasehold	680,000	672,000

On an historical cost basis leasehold land and buildings would have been included at:

	£
Cost	
At 1 June 2014 and 31 May 2015	794,328
Depreciation based on cost	
At 1 June 2014	79,432
Charge in the year	39,716
At 31 May 2015	119,148
Net book value	
At 31 May 2015	675,180
At 31 May 2014	714,896

H.A. Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

8 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £
Cost	
At 1 June 2014 and at 31 May 2015	236,836

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Principal activity	Shares held Class	%
Restgrove Limited	England	Property investment*	Ordinary	100.00

* this company holds some of its property investments by way of a finance lease.

The aggregate amount of capital and reserves and the results of those undertakings for the last relevant financial year were as follows:

Company	Principal activity	Capital and reserves 2015 £	Profit/(loss) for the year 2015 £
Restgrove Limited	Property investment	514,876	32,601

9 DEBTORS	2015 £	2014 £
Trade debtors	31,428	-
Amounts owed by group undertakings	1,166,799	1,227,144
Finance leases	4,027,287	4,056,007
Prepayments and accrued income	148,974	157,630
	<u>5,374,488</u>	<u>5,440,781</u>

Amounts falling due after more than one year and included in the debtors above are:

	2015 £	2014 £
Amounts owed by group undertakings	288,082	288,082
Finance leases	3,987,207	4,027,287
Prepayments and accrued income	140,274	148,935
	<u>4,415,563</u>	<u>4,464,304</u>

The original cost of the finance leases was £3,578,256 (2014: £3,578,256).

H.A. Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

10 CREDITORS: amounts falling due within one year	2015 £	2014 £
Loan from group undertaking (note 11)	26,251	16,675
Trade creditors	-	35
Accruals and deferred income	126,527	125,106
	<u>152,778</u>	<u>141,816</u>
11 CREDITORS: amounts falling due after more than one year	2015 £	2014 £
Loans from group undertaking	<u>7,137,201</u>	<u>7,150,834</u>
Loan maturity analysis		
In more than one year but not more than two years	39,452	24,957
In more than two years but not more than five years	201,883	138,675
In more than five years	6,895,866	6,987,202
	<u>7,137,201</u>	<u>7,150,834</u>

The group undertaking loans comprise four loans which are financed by loans from a third party to that group undertaking and have been provided to the company on the same interest and repayment terms. The loans are secured by a fixed and floating charge over the company's assets. The loans bear interest at 5.7% per annum.

Loan one's interest shortfall rolled up into the loan until April 2014. Since then, interest has been paid in full and the loan is then repayable in instalments until April 2025 when one bullet payment of £2,359,158 will be made.

Loan two's interest shortfall rolled up into the loan until April 2015. Since then, interest has been paid in full and the loan is then repayable in instalments until April 2035 when one bullet payment of £524,630 will be made.

Loan three is repayable in instalments until March 2025 when one bullet payment of £1,514,154 will be made.

Loan four's interest shortfall rolls up into the loan until March 2022. Thereafter, interest will be paid in full and the loan is then repayable in instalments until March 2025 when one bullet payment of £1,136,006 will be made.

The loans are subject to cross guarantees and cross-collateralisation of the underlying properties used as security with other group loans. The total value of the group loans subject to this cross-collateralisation, including the company's loans, is £102,725,923 (2014: £103,937,331) and the fair value of the financial instruments also subject to the cross-collateralisation is £(20,132,623) (2014: £(16,426,817)).

H.A. Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

12 PROVISIONS FOR LIABILITIES

	Deferred tax liability £
Balance at 1 June 2014	407,177
Profit and loss account	23,225
Balance at 31 May 2015	<u>430,402</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Other timing differences	<u>430,402</u>	<u>407,177</u>

Other timing differences arise on the difference in recognition of net income from the finance lease over the lease term at a constant rate of return and that recognised for tax purposes. These timing differences are not expected to reverse until 2023.

No provision for deferred taxation has been made in respect of the property held as an investment which is included in these financial statements at a valuation of £680,000 (2014: £672,000). It is estimated that if this property were to be sold at that valuation the tax liability would amount to £20,140 (2014: £16,181).

13 SHARE CAPITAL	2015 £	2014 £
Allotted, issued and fully paid		
Equity		
200,000 ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

14 RESERVES

	Profit and loss account £
Balance at 1 June 2014	(1,550,210)
Loss for the year	(83,667)
Unrealised surplus on revaluation of properties	4,820
Balance at 31 May 2015	<u>(1,629,057)</u>

H.A. Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT	2015	2014
	£	£
Loss for the financial year	(78,847)	(21,480)
Opening shareholders' deficit	(1,350,210)	(1,328,730)
Closing shareholders' deficit	<u>(1,429,057)</u>	<u>(1,350,210)</u>

16 CONTROL

The company's immediate holding company is Waxford Limited.

The directors regard the ultimate holding company to be Sunnymist Limited, a company incorporated in the British Virgin Islands.

The ultimate controlling party is the Tchenguiz Family Trust.

17 RELATED PARTY TRANSACTIONS

The company is related to fellow subsidiaries of Sunnymist Limited, with whom in many cases it has directors in common.

Rotch Property Group Limited, one such company, provides management services to the company. At the balance sheet date, and included within amounts owed by group undertakings, £878,717 (2014: £939,062) was due from that company. Management fees payable for the year amounted to £2,400 (2014: £2,400). No interest accrues on this related party balance.

Rotch Property Group Limited has also agreed to provide additional support to assist the company in meeting its operational costs as they arise should this be necessary.

As set out in note 11, the company is party to a cross-collateralisation arrangement in respect of loan facilities as at the year end totalling £102,725,923 (2014: £103,937,331). Of this amount, £26,774,629 (2014: £27,605,178) relates to loan facilities with Uni Lease No 1 Limited, a fellow subsidiary of Sunnymist Limited. The fair value of the financial instruments also subject to this cross-collateralisation arrangement is £(20,132,623) (2014: £(16,426,817)) of which £(2,237,276) (2014: £(1,650,984)) relates to Uni Lease No 1 Limited.

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.