

# **Parkmetro Limited**

## **Annual Reports and Financial Statements**

For the year ended 30 November 2012



# Parkmetro Limited

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Registered No 04359471

## **DIRECTORS**

R Harper

A J Brereton

## **AUDITORS**

Mercer & Hole

Fleet Place House

2 Fleet Place

London

EC4M 7RF

## **REGISTERED OFFICE**

Lehman Brothers

Level 23

25 Canada Square

London

E14 5LQ

## DIRECTORS' REPORT

The Directors submit their annual report together with the audited accounts of Parkmetro Limited for the year ended 30 November 2012

### RESULTS AND DIVIDENDS

The results of the Company are set out on page 7. The Directors do not recommend any payment of dividend (2011 £nil)

### PRINCIPAL ACTIVITIES

Parkmetro Limited invests in property development companies

### REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

On 18 January 2012, the Company disposed of its investments in LDC (Project 110) Limited and LDC (Project 170) Limited for £1,815,641 and £539,000 respectively. The shareholder loans given to these two companies were fully repaid on the 31 October 2012 as per the terms of the original loan agreement.

On 26 February 2010, Peterlee Shopping Centre Limited, in which the company held 49% of the share capital, went into Members Voluntary Liquidation. Following this announcement, the Directors have decided to provide in full for this investment. In August 2012 an amount of £19,360 was received as a final shareholder distribution from the liquidator of Peterlee Shopping Centre Limited.

The ultimate parent undertaking of Parkmetro Limited, Lehman Brothers Holdings Inc, incorporated in the State of Delaware in the United States of America, filed for Chapter 11 bankruptcy protection on 15 September 2008. Subsequent to this event, the immediate parent undertaking of Parkmetro Limited, Eldon Street Holdings Limited, went into administration on 9 December 2008.

Following the events noted above, the Directors continue to provide in full for the amount owed by Eldon Street Holdings Limited. The Company also no longer has a continuing trade and there are no plans for it to re-invest in property or joint ventures; accordingly, these financial statements have not been prepared on a going concern basis. The impact of this is discussed in note 1 of the financial statements.

### DIRECTORS

The Directors during the year and at the date of this report, unless otherwise stated, were

A J Brereton  
R Harper

### DIRECTORS' AND OFFICERS' LIABILITY AND INDEMNITY INSURANCE

Liability and indemnity insurance for the Directors and officers of Parkmetro Limited was maintained throughout the year. This insurance was still in place at the date of this report.

DIRECTORS' REPORT

**STATEMENT OF DISCLOSURE TO AUDITORS**

So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the Directors have taken all necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Mercer & Hole, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

For and behalf of the board



~~A.J. Breeton~~

RH

Director RICHARD HARPER

Date 30 08 13

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The Directors are responsible for preparing the accounts in accordance with applicable law and regulations

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the accounts 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 and 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 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, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1, the Directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARKMETRO LIMITED

We have audited the financial statements of Parkmetro Limited for the year ended 30 November 2012 set out on pages 7 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 Directors' 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 30 November 2012 and of its result for the year then ended
- have been properly prepared in accordance with the Companies Act 2006
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice

### **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 statement.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARKMETRO LIMITED (CONTINUED)

**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

*Men x H*

Andrew Crook ACA (Senior Statutory Auditor)  
for and on behalf of Mercer & Hole

Chartered Accountants  
Statutory Auditor

*20 August 2013*

Fleet Place House  
2 Fleet Place  
London  
EC4M 7RF

**PROFIT AND LOSS ACCOUNT**  
For the year ended 30 November 2012

	<i>Notes</i>	<i>2012</i> £	<i>2011</i> £
Operating income		2,929,746	-
Operating expenses		(184)	(130)
<b>OPERATING PROFIT/(LOSS)</b>	<b>2</b>	<b>2,929,562</b>	<b>(130)</b>
Interest receivable and similar income	<b>3</b>	-	48
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>2,929,562</b>	<b>(82)</b>
Tax on profit/(loss) on ordinary activities	<b>6</b>	(658,698)	304,150
<b>PROFIT FOR THE YEAR</b>	<b>11</b>	<b>2,270,864</b>	<b>304,068</b>

All results are from discontinued activities

There are no recognised gains or losses other than those passing through the profit and loss account



Parkmetro Limited

**BALANCE SHEET**  
at 30 November 2012

	Notes	2012 £	2011 £
<b>CURRENT ASSETS</b>			
Investments	7	-	50
Debtors	8	-	3,784,241
Cash at Bank		7,069,483	638,758
		<u>7,069,483</u>	<u>4,423,049</u>
<b>CURRENT LIABILITIES</b>			
Creditors amounts falling due within one year	9	(680,886)	(305,316)
<b>NET CURRENT ASSETS</b>		<u>6,388,597</u>	<u>4,117,733</u>
<b>NET ASSETS</b>		<u>6,388,597</u>	<u>4,117,733</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	1	1
Profit and loss account	11	6,388,596	4,117,732
<b>SHAREHOLDER'S FUNDS</b>	11	<u>6,388,597</u>	<u>4,117,733</u>

Approved by the Board of Directors on 30 08. 13 and signed on its behalf by



~~A J Brereton~~ RH

Director RICHARD HARPER

Registered No 04359471

**CASHFLOW STATEMENT**  
for the year ended 30 November 2012

	<i>Notes</i>	<i>2012</i> £	<i>2011</i> £
<b>NET CASHFLOW FROM OPERATING ACTIVITIES</b>	12	2,557,715	(30)
<b>TAXATION</b>	13	55,533	56,715
<b>FINANCING ACTIVITIES</b>			
Receipts from loan repayments		3,817,477	-
<b>NET CASH INFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING</b>		6,430,775	56,685
<b>INCREASE IN CASH IN THE YEAR</b>	14	6,430,775	56,685

NOTES TO THE ACCOUNTS  
at 30 November 2012

**1. ACCOUNTING POLICIES**

*Accounting Convention*

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards

The Directors have considered the factors discussed in the Directors' Report regarding the lack of a continuing trade in the company and have resolved that they do not consider the Company to be a going concern. These accounts have therefore been prepared on a break-up basis. Fixed assets investments have been reclassified to current asset investments and estimated costs of closure have been accrued for.

*Current Asset Investments*

Unlisted investments are stated at the lower of historic cost and net realisable value

**2 OPERATING PROFIT**

Operating profit is stated after (debiting)/crediting

	2012	2011
	£	£
Administrative expenses	(184)	(30)
Late Filing Fees	-	(100)
Write-back of winding up expenses	5,000	-
Capital distribution	19,360	-
Profit on sale of investment	2,787,504	-
Intercompany balance write off	117,882	-
	<u>2,929,562</u>	<u>(130)</u>

**3 INTEREST RECEIVABLE AND SIMILAR INCOME**

	2012	2011
	£	£
Interest receivable from immediate parent undertaking	(32,343)	9,767
Provision against interest receivable from immediate parent undertaking	32,343	(9,767)
Interest Receivable on Tax Repayment	-	48
	<u>-</u>	<u>48</u>

NOTES TO THE ACCOUNTS  
at 30 November 2012

**4. ADMINISTRATIVE EXPENSES**

Auditors' remuneration for the current and prior year in respect of audit services was borne by the immediate parent undertaking

Parkmetro Limited had no employees during the period (2011 – none)

**5 DIRECTORS' EMOLUMENTS**

The Directors serving during the year were remunerated by LB SF Warehouse Limited both in 2012 and 2011

**6 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES**

	2012 £	2011 £
<b>a) Analysis of tax charge in the year</b>		
<u>Current Tax</u>		
Adjustments in respect of prior years	(12,580)	(375,289)
Income received in respect of losses surrendered in prior years	(4,061)	(123,313)
Payments made in respect of group relief required in prior years	6,290	183,683
UK corporation tax on profit / (loss) for the year	669,049	10,769
Tax on profit / (loss) on ordinary activities	<u>658,698</u>	<u>(304,150)</u>
<b>b) Factors affecting current tax charge</b>		
Profit/(loss) on ordinary activities before tax	2,929,562	(82)
Profit / (loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.67 % (2011 26%)	722,723	(21)
Effect of		
Impact of tax rate change from 28% to 26% as at 1 April 2011	-	(1)
Income from investments non-taxable	(26,979)	-
Non assessable income	(695,656)	-
Non-deductible expenses	-	2,630
Chargeable gains	551,883	-
Additional taxable income	117,078	8,161
Prior period adjustment		
Adjustments in respect of prior year	(12,580)	(375,289)
Income received in respect of losses surrendered in prior years	(4,061)	(123,313)
Payments made in respect of group relief required in prior years	6,290	183,683
Current tax charge for the year	<u>658,698</u>	<u>(304,150)</u>

**c) Factors affecting future tax charges**

The reduction in the UK corporation tax rate to 23% was substantively enacted in March 2012 and is effective from 1 April 2013. A further reduction from 23% to 21% was substantively enacted in March 2013 and will be effective from 1 April 2014. In addition, the Government announced its intention to further reduce the UK corporation tax rate to 20% from 1 April 2015.

NOTES TO THE ACCOUNTS  
at 30 November 2012

7. CURRENT ASSET INVESTMENTS

	2012	2011
	£	£
Unlisted investments	-	50
	=	=

During the year, the company disposed of its investments in LDC (Project 110) Limited and LDC (Project 170) Limited for £2,787,504

8. DEBTORS

	2012	2011
	£	£
Amounts due from immediate parent undertaking	1,624,007	1,656,349
Provision for estimated recovery of immediate parent undertaking loan	(1,624,007)	(1,656,349)
Amount due from LDC (Project 110) Limited	-	2,488,484
Amount due from LDC (Project 111) Limited	-	1,328,993
Provision for estimated recovery of amount due from LDC (Project 110) Limited and LDC (Project 111) Limited	-	(100,000)
Corporation tax debtor	-	66,764
	<u>-</u>	<u>3,784,241</u>

Following the announcement of the immediate parent undertaking going into administration, the Directors' resolved to provide for 100% of the amount owed from the immediate parent undertaking

During the year the loans to LDC (Project 110) Limited and LDC (Project 111) Limited were repaid

**NOTES TO THE ACCOUNTS**  
at 30 November 2012

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012	2011
	£	£
Amounts due to group undertakings	10,069	186,966
Amount due to LDC (Project 170) Limited	-	90,000
Corporation tax	670,817	23,350
Accruals and deferred income	-	5,000
	<u>680,886</u>	<u>305,316</u>

During the year, the company took advantage of group losses available from Eldon Street Holdings Limited at a cost of £6,152 (2011 £172,437) A repayment was made during the year of £172,437 At the year end £6,152 (2011 £172,437) was due to Eldon Street Holdings Limited

During the year, the company took advantage of group losses available from Eldon Street (Harley) Limited at a cost of £50 (2011 £nil) At the year end £50 (2011 £nil) was due to Eldon Street (Harley) Limited

During the year, the company took advantage of group losses available from Eldon Street (Colbert Orco) Limited at a cost of £88 (2011 £nil) At the year end £88 (2011 £nil) was due to Eldon Street (Colbert Orco) Limited

During the year, the company took advantage of group losses available from Thayer Properties Limited at a cost of £nil (2011 £10,750) A repayment was made during the year of £10,750 At the year end £nil (2011 £10,750) was due to Thayer Properties Limited

During the year the balance of £90,000 due to LDC (Project 170) was written off to the profit and loss account

Also included in creditors is an amount of £3,779 (2011 £3,779) due to Lehman Brothers Limited

These loans are interest free and repayable on demand

**10. SHARE CAPITAL**

	2012	2011
	£	£
Allotted, called up and unpaid		
1 Ordinary share of £1	1	1
	=	=

NOTES TO THE ACCOUNTS  
at 30 November 2012

**11 RECONCILIATION OF SHAREHOLDER'S FUNDS AND MOVEMENT ON RESERVES**

	Share capital	Profit and loss account	<i>Total Shareholder's funds</i>
	£	£	£
At 30 November 2010	1	3,813,664	3,813,665
Profit for the year	-	304,068	304,068
At 30 November 2011	1	4,117,732	4,117,733
Profit for the year	-	2,270,988	2,270,988
At 30 November 2012	1	6,388,720	6,388,721

**12 CASH FLOW FROM OPERATING ACTIVITIES**

Reconciliation of operating loss to net cash outflow from operating activities

	2012	2011
	£	£
Operating profit/(loss)	2,929,612	(130)
Decrease in short term investments	50	-
(Increase)/decrease in debtors	(100,000)	100
Decrease in creditors	(271,897)	-
	<u>2,557,715</u>	<u>(30)</u>

**13 ANALYSIS OF CASH FLOWS**

	2012	2011
	£	£
<b>Taxation</b>		
Corporation tax refund	66,762	56,685
Payment for group losses	(6,290)	-
Receipt for group losses	4,061	-
Payment on account	(9,000)	-
Net cash inflow	<u>55,533</u>	<u>56,685</u>

# NOTES TO THE ACCOUNTS

at 30 November 2012

## 14 ANALYSIS OF NET FUNDS

	At 1 December 2011 £	Cash flows £	At 30 November 2012 £
Cash at bank and in hand	638,758	6,430,725	7,069,483
Net funds	<u>638,758</u>	<u>6,430,725</u>	<u>7,069,483</u>

## 15. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2012 £	2011 £
Increase in cash in the year	6,430,725	56,685
Movement in net funds in the year	<u>6,430,725</u>	<u>56,685</u>
Opening net funds	638,758	582,073
Closing net funds	<u>7,069,483</u>	<u>638,758</u>

## 16. CONTINGENT LIABILITIES

The Company is registered with HM Revenue & Customs as a member of the Lehman Brothers Limited group for VAT purposes and as a result, is jointly and severally liable on a continuing basis for amounts owing by other members of the group in respect of unpaid VAT

## 17. PARENT UNDERTAKING

The company's immediate parent undertaking is Eldon Street Holdings Limited, which went into administration on 9 December 2009

## 18. RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in note 8 and 9