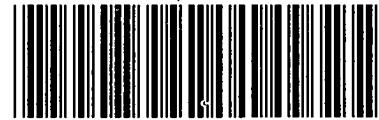


Company Registration No. 05791650 (England and Wales)

LDC (PROJECT 111) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

TUESDAY



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COMPANIES HOUSE

LDC (PROJECT 111) LIMITED

COMPANY INFORMATION

Directors	M C Allan J J Lister N Richards
Secretary	C R Szpojnarowicz
Company number	05791650
Registered office	The Core 40 St Thomas Street BRISTOL BS1 6JX
Auditor	KPMG Audit Plc 15 Canada Square LONDON E14 5GL
Business address	The Core 40 St Thomas Street BRISTOL BS1 6JX

LDC (PROJECT 111) LIMITED

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LDC (PROJECT 111) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and financial statements for the year ended 31 December 2014.

Principal activities

The principal activity of the company is the letting of investment property. The directors do not recommend the payment of a dividend (year ended 31 December 2013: £nil).

The company registration number is 05791650.

Directors

The following directors have held office since 1 January 2014:

M C Allan
J J Lister
N Richards

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the 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 auditor is aware of that information.

LDC (PROJECT 111) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

Statement of directors' responsibilities in respect of the Directors' Report and the 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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.

By order of the board

C R Szpojnarowicz

C R Szpojnarowicz

Secretary

29 June 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LDC (PROJECT 111) LIMITED

We have audited the financial statements of LDC (Project 111) Limited for the year ended 31 December 2014 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 explained more fully in the Directors' Responsibilities Statement set out on page 2 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). These standards require us to comply with the Auditing Practices Board'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 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 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF LDC (PROJECT 111) 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 take advantage of the small companies exemption in not preparing a strategic report.



Kate Teal (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc



Chartered Accountants
Statutory Auditor

KPMG Audit Plc
15 Canada Square
LONDON
E14 5GL

LDC (PROJECT 111) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	921,167	791,887
Reversal of impairment of fixed asset property		241,226	21,265
Operating profit	3	1,162,393	813,152
Interest payable and similar charges	4	(295,470)	-
Profit on ordinary activities before taxation		866,923	813,152
Tax on profit on ordinary activities	5	-	-
Profit for the year	11	866,923	813,152

The profit and loss account has been prepared on the basis that all operations are continuing operations.

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

There are no material differences between the profit for the financial year stated above and its historical cost equivalents.

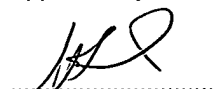
LDC (PROJECT 111) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	6	13,500,000		13,230,000	
Current assets		-		-	
Creditors: amounts falling due within one year	7	(4,811,096)		(11,855,860)	
Net current liabilities		(4,811,096)		(11,855,860)	
Total assets less current liabilities		8,688,904		1,374,140	
Creditors: amounts falling due after more than one year	8	(6,447,841)		-	
Net assets		2,241,063		1,374,140	
Capital and reserves					
Called up share capital	10	1		1	
Profit and loss account	11	2,241,062		1,374,139	
Shareholder's funds	12	2,241,063		1,374,140	

Approved by the Board and authorised for issue on 29 June 2015



N Richards
Director

Company registration No. 05791650

LDC (PROJECT 111) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

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

1.1 Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards (UK GAAP) and under the historical cost convention modified to include the revaluation of investment properties

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

1.2 Going concern

The financial statements have been prepared on a going concern basis notwithstanding net current liabilities of £4,811,096. The company is dependent for its working capital on funds provided to it by The Unite Group plc. The Unite Group plc has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company, and in particular, will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this understanding the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Turnover

Turnover from investment property leased out under operating leases is recognised in the profit and loss account on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income and are spread over the shorter of the lease term or the date when it is expected rent will revert to the prevailing market rate.

LDC (PROJECT 111) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

(Continued)

1.4 Tangible fixed assets and depreciation

In accordance with SSAP19 Accounting for Investment Properties:

- investment properties are revalued every six months at market value (determined in accordance with the Guidance Notes on the valuation of assets issued by the Royal Institution of Chartered Surveyors). Surpluses and deficits arising are transferred to the revaluation reserve except that any permanent impairment in the value of an investment property is taken to the profit and loss account for the year where it cannot be demonstrated that the recoverable amount of the asset is greater than the revalued amount; and
- no depreciation or amortisation is provided in respect of freehold investment properties or leasehold investment properties with over 20 years to run.

This treatment, as regards the company's investment properties, may be 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 accounts 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.

Net gains or losses on disposal of investment properties are calculated by reference to book value at the date of disposal and any revaluation surpluses of earlier years are transferred from revaluation reserve to the profit and loss account as a reserve movement. Investment properties under construction are revalued every six months at market value. They are not subject to depreciation, since the directors consider that the useful economic life of the assets does not begin until the properties are completed.

1.5 Deferred taxation

The charge for taxation is based on the result for the year and takes account of taxation deferred because of timing differences between the treatment of certain items for taxation and treatment under the company's accounting policies.

Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation.

In accordance with FRS19, deferred tax is provided in respect of all timing differences that have originated but not reversed at the balance sheet date that may give rise to an obligation to pay more or less tax in the future except as otherwise provided by FRS19.

2 Turnover

Turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

LDC (PROJECT 111) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

3	Operating profit	2014	2013
		£	£
	Operating profit is stated after crediting:		
	Reversal of past impairment	241,226	21,265
	Rental income received under operating leases	921,167	791,887
		<u> </u>	<u> </u>

Auditor's remuneration of £570 (31 Dec 2013: £555) for the year was borne by another group company.

Fees paid to the company's auditor, KPMG Audit Plc and its associates for services other than statutory audit of the company are not disclosed in the company's accounts since the consolidated accounts of the company's parent, The Unite Group plc are required to disclose non audit fees on a consolidated basis.

Directors' remuneration was borne by another group company in respect of both years.

4	Interest payable and similar charges	2014	2013
		£	£
	Bank loan interest	295,470	-
		<u> </u>	<u> </u>

5	Taxation	2014	2013
		£	£
	Total current tax	-	-
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	866,923	813,152
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.50% (2013 - 23.25%)	186,388	189,030
		<u> </u>	<u> </u>
	Effects of:		
	Capital allowances in excess of depreciation	(17,929)	(23,494)
	Income not taxable	-	(24,251)
	Group relief surrendered	63,526	-
	Tax losses brought forward utilised	(141,985)	(141,285)
	Expenditure not taxable	(51,864)	-
	Other tax adjustments	(38,136)	-
		<u> </u>	<u> </u>
		(186,388)	(189,030)
		<u> </u>	<u> </u>
	Current tax charge for the year	-	-
		<u> </u>	<u> </u>

LDC (PROJECT 111) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

6 Tangible fixed assets

	Investment property £
Valuation	
At 1 January 2014	13,230,000
Additions	28,774
Reversal of previous impairment	241,226
	<hr/>
At 31 December 2014	13,500,000
	<hr/>

The freehold investment property was valued as at 31 December 2014, on the basis of 'market value' as defined in the RICS Appraisal and Valuation Manual issued by The Royal Institution of Chartered Surveyors by Messrs Jone Lang LaSalle Limited, Chartered Surveyors as external valuers.

The total interest and bank costs included in the cost of the property at 31 December 2014 was £611,318 (31 December 2013: £611,318)

The historical cost of the property at 31 December 2014 was £13,804,545 (31 December 2013: £13,775,771).

7 Creditors: amounts falling due within one year

	2014 £	2013 £
Amounts owed to group undertakings	4,803,749	11,854,168
Other creditors	7,347	1,692
	<hr/>	<hr/>
	4,811,096	11,855,860
	<hr/>	<hr/>

LDC (PROJECT 111) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

8	Creditors: amounts falling due after more than one year	2014 £	2013 £
	Bank loans	6,447,841	-
	Analysis of loans		
	Wholly repayable within ten years	6,447,841	-
	Loan maturity analysis		
	In more than five years	6,501,000	-
		6,501,000	-
	Less: Unamortised loan costs	(53,159)	-
		6,447,841	-

A new bank loan, which totals £6,501,000 has been secured over the investment property and is repayable in full on 31 January 2024. The bank loan is disclosed net of unamortised refinance costs £53,159. The loan attracts interest monthly at a fixed interest rate of 4.56%.

9 Provisions for liabilities

Deferred taxation movements in the financial statements are as follows:

	2014 £	2013 £
Decelerated capital allowances	372,363	477,948
Group tax losses available	(210,766)	(305,825)
Company tax losses available	(161,597)	(172,123)

There were no provisions at the start of the year. No other provisions were made during the year.

Deferred tax assets and liabilities on all timing differences have been calculated at 20%, being the rate of UK corporation tax that was substantively enacted at the balance sheet date, which is applicable from 1 April 2015. There are no other factors that may significantly affect future tax charges.

10	Share capital	2014 £	2013 £
	Allotted, called up and fully paid		
	1 Ordinary share of £1 each	1	1

LDC (PROJECT 111) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

11 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 January 2014	1,374,139
Profit for the year	866,923
Balance at 31 December 2014	<u>2,241,062</u>

12 Reconciliation of movements in shareholder's funds

	2014 £	2013 £
Profit for the financial year	866,923	813,152
Opening shareholder's funds	<u>1,374,140</u>	<u>560,988</u>
Closing shareholder's funds	<u>2,241,063</u>	<u>1,374,140</u>

13 Contingent liabilities

The company had no contingent liabilities at 31 December 2014 (31 December 2013: £nil).

14 Capital commitments

The company had no capital commitments at 31 December 2014 (31 December 2013: £nil).

15 Employees

There were no employees during either year.

16 Control

The company's immediate parent undertaking is LDC (Holdings) plc.

The company's ultimate parent undertaking is The Unite Group plc.

The largest and smallest group in which the results of the company are consolidated is that headed by The Unite Group plc. The consolidated accounts of this company are available to the public and can be obtained from The Core, 40 St Thomas Street, BRISTOL, BS1 6JX.

LDC (PROJECT 111) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

17 Related party transactions

As the company is a wholly owned subsidiary of The Unite Group plc, the company has taken advantage of the exemption in Financial Reporting Standard 8 from the requirements to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent undertaking.