

Company Registration No. 07579402 (England and Wales)

LDC (NAIRN STREET) HOLDINGS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017



LDC (NAIRN STREET) HOLDINGS LIMITED

COMPANY INFORMATION

Directors	J J Lister C R Szpojnarowicz D Faulkner
Secretary	C R Szpojnarowicz
Company number	07579402
Registered office	South Quay House Temple Back Bristol BS1 6FL
Business address	South Quay House Temple Back Bristol BS1 6FL

LDC (NAIRN STREET) HOLDINGS LIMITED

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LDC (NAIRN STREET) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their annual report and unaudited financial statements for the year ended 31 December 2017.

Principal activities

The principal activity of the Company continued to be that of a holding company. The directors expect to continue to carry out these activities in the future.

The company registration number is 07579402.

Directors

The directors who held office during the year and subsequently, unless otherwise stated, were as follows:

J J Lister

C R Szpojnarowicz

D Faulkner

J L Watts

(Resigned 11 April 2018)

Results and dividends

The results for the year are set out on page 3.

No ordinary dividends were paid (2016: £nil). The directors do not recommend payment of a final dividend.

Financial risk management

Credit risk


Debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements.

On behalf of the board



D Faulkner

Director

24 September 2018

LDC (NAIRN STREET) HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors are responsible for preparing the Annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; and
- 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.

LDC (NAIRN STREET) HOLDINGS LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Gain/(loss) on revaluation of investments	7	1,436	(2,800)
Profit/(loss) before tax	3	1,436	(2,800)
Taxation	6	(244)	518
Profit/(loss) for the financial year attributable to the equity shareholders of the company		1,192	(2,282)
Total comprehensive income/(loss) for the year		1,192	(2,282)

The statement of total comprehensive income has been prepared on the basis that all operations are continuing operations.

LDC (NAIRN STREET) HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investments	7		2,846		1,410
Creditors: amounts falling due within one year	8	(1)		(1)	
Net current liabilities			(1)		(1)
Total assets less current liabilities			2,845		1,409
Provisions for liabilities	9		(483)		(239)
Net assets			2,362		1,170
Capital and reserves					
Called up share capital	11		1		1
Profit and loss reserves			2,361		1,169
Total equity			2,362		1,170

For the year ended 31 December 2017 the company was entitled to exemption under section 479a of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were approved by the board of directors and authorised for issue on 24th September 2018 and are signed on its behalf by:


D Faulkner
Director

Company Registration No. 07579402

LDC (NAIRN STREET) HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2016	1	3,451	3,452
Loss and total comprehensive income for the year	-	(2,282)	(2,282)
Balance at 31 December 2016	1	1,169	1,170
Year ended 31 December 2017:			
Profit and total comprehensive income for the year	-	1,192	1,192
Balance at 31 December 2017	1	2,361	2,362

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

LDC (Nairn Street) Holdings Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The registered office is South Quay House, Temple Back, Bristol, BS1 6FL.

1.1 Accounting convention

The principal accounting policies are summarised below. They have been applied consistently throughout the year and to the preceding year.

The nature of the company's operations and its principal activities are set out in the Directors' Report on page 1.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of LDC (Nairn Street) Holdings Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

LDC (Nairn Street) Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. LDC (Nairn Street) Holdings Limited is consolidated in the financial statements of its ultimate parent, The Unite Group plc, which may be obtained at South Quay House, Temple Back, Bristol, BS1 6FL. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement, financial instruments, intra-group transactions and remuneration of key management personnel.

1.2 Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net current liabilities of £1 which the directors believe to be appropriate for the following reasons. 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 entity 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 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at fair value, with reference to the net assets which is considered to approximate fair value, at each reporting date. Changes in fair value are recognised in the profit and loss account

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.4 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

i. Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a. The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b. The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c. The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d. There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e. Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- f. Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

ii. Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

1.5 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

1.6 Reserves

The Company's reserves are as follows:

- Called up share capital reserve contains the nominal value of the shares issued
- Profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.7 Consolidation exemption

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements therefore present information about the undertaking as an individual undertaking and not about the Group

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Investment in subsidiaries

The valuation of subsidiary undertakings involves significant judgement as the valuation requires an assessment of the fair value of all the underlying assets and liabilities of the subsidiary. Any changes to the assumptions made could have a significant impact on the carrying value of these assets.

3 Profit/(loss) before taxation	2017 £	2016 £
Profit/(loss) for the year is stated after charging/(crediting):		
(Gain)/loss on revaluation of investments	(1,436)	2,800

4 Auditor's remuneration	2017 £	2016 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the company's financial statements	-	650

All auditor remuneration was borne by another group company.

There were no fees for services other than statutory audit of the Company paid to the Company's auditor, Deloitte LLP and its associates. The company is exempt from audit for the year ended 31 December 2017, therefore no audit fees are payable.

5 Employees

There were no employees during either year.

Directors' remuneration was borne by another group company in both years. Directors have not performed any qualifying services for this entity during either year.

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

6 Taxation

	2017 £	2016 £
Current tax		
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	244	(518)
Total deferred tax	244	(518)
Total tax	244	(518)

The taxation charge that would arise at the standard rate of UK corporation tax is reconciled to the actual tax charge below. The main rate of corporation tax reduced from 20% to 19% with effect from 1 April 2017. Accordingly, the reconciliation above has been calculated at a rate of 19.25% (2016: 20%).

The UK corporation tax rate will reduce from 19% to 17% with effect from 1 April 2020. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2017 has been calculated based on the rate at which it is expected to reverse.

There is no expiry date in respect of timing differences, unused tax losses or tax credits.

	2017 £	2016 £
Profit/(loss) before taxation	1,436	(2,800)
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	276	(560)
Rate difference on deferred tax	(32)	42
Total tax	244	(518)

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Fixed asset investments

	Notes	2017 £	2016 £
Investments in subsidiaries	16	2,846	1,410

Movements in fixed asset investments

	2016 £	2015 £
Valuation		
At 1 January	1,410	4,210
Revaluation	1,436	(2,800)
At 31 December	2,846	1,410

8 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts due to group undertakings	1	1

Amounts due to group undertakings are interest free and repayable on demand.

9 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	10	483	239
		483	239

10 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Investments in subsidiaries	483	239

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

10 Deferred taxation

(Continued)

	2017 £
Movements in the year:	
Liability at 1 January 2017	239
Charge to profit or loss	244
Liability at 31 December 2017	<u>483</u>

Deferred tax assets and liabilities are offset only where the company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the company.

11 Called up share capital

	2017 £	2016 £
Ordinary called up share capital Issued and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

12 Contingent liabilities

The Company had no contingent liabilities at 31 December 2017 (2016: £nil).

13 Capital commitments

The Company had no capital commitments at 31 December 2017 (2016: £nil).

14 Related party transactions

No guarantees have been given or received.

15 Controlling party

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

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 financial statements of this company are available to the public and can be obtained from its registered office, South Quay House, Temple Back, Bristol, BS1 6FL.

LDC (NAIRN STREET) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

16 Subsidiaries

These financial statements are separate company financial statements for LDC (Nairn Street) Holdings Limited.

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct
LDC (Nairn Street) GP3 Limited	England and Wales General partner	Ordinary	100
LDC (Nairn Street) GP4 Limited	England and Wales General partner	Ordinary	100

The registered office of the subsidiaries is South Quay House, Temple Back, Bristol, BS1 6FL.