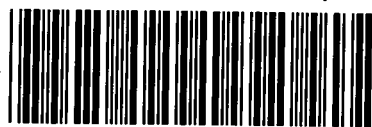


Registered number
08273787

10 Leake Street Limited
Annual report and financial statements
for the period
30 October 2012 to 31 December 2013

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10 Leake Street Limited
Annual report and financial statements for the period 30 October 2012
to 31 December 2013

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10 Leake Street Limited

Company information for the period 30 October 2012 to 31 December 2013

Directors

Mr R N Luck

Mr A W Walton

Company secretary

Mr R N Luck

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

1 Embankment Place

London

WC2N 6RH

Registered office

Quadrant House, Floor 6

4 Thomas More Square

London

E1W 1YW

Registered number

08273787

10 Leake Street Limited

Directors' report for the period 30 October 2012 to 31 December 2013

The director presents his annual report and the audited financial statements of the company for the period 30 October 2012 to 31 December 2013.

Principal activities

The company was incorporated on 30 October 2012 and acts as a commercial property investment company. The director considers the financial position at 31 December 2013 to be satisfactory.

Results and dividends

On 21 December 2012 the company acquired 10 Leake Street in Waterloo, London for £7.35m to be held as an investment property.

The company made a profit of £105,022 for the financial period 30 October 2012 to 31 December 2013. Net assets were £252,266 at the period end, as a result of an increase in the value of investment properties. The results for the financial period are set out in the profit and loss account on page 7. The director does not recommend the payment of a dividend.

Directors

The directors of the company who served during the period and up to the date of signing the financial statements were as follows:

Mr R N Luck (appointed 30 October 2012)

Mr A W Walton (appointed 14 July 2014)

Qualifying third party indemnity provisions

The company maintains liability insurance for its director and officer. Following shareholder approval, the company has also provided an indemnity for its director and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP were appointed as auditors during the year. In the absence of a notice proposing that their appointment be terminated, PricewaterhouseCoopers LLP, are deemed to have been re-appointed as auditors for the next year.

The report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Directors and signed by the order of the board



Mr R N Luck
Company secretary

30/7/2014

10 Leake Street Limited

**Statement of Directors' Responsibilities for the period 30 October 2012
to 31 December 2013**

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 prepared 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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



Mr R N Luck
Company secretary

30/11/2014

10 Leake Street Limited
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF 10 LEAKE STREET LIMITED

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the period 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by 10 Leake Street Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the period then ended;
- the statement of total recognised gains and losses for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Annual Report and financial statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

10 Leake Street Limited
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF 10 LEAKE STREET LIMITED

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.


Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Suzanne Woolfson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

30 July 2014

10 Leake Street Limited
Profit and loss account
for the period from 30 October 2012 to 31 December 2013

	Note	2013 £
Turnover	2	508,568
Administrative expenses		(24,347)
Other operating income		14,442
Operating profit	3	<u>498,663</u>
Interest payable and similar charges	4	(378,906)
Profit on ordinary activities before taxation		<u>119,757</u>
Tax on profit on ordinary activities	6	(14,735)
Profit for the financial period	13	<u>105,022</u>

All amounts relate to continuing operations.

There is no material difference between the profit on ordinary activities before taxation and the profit for the period stated above and their historical costs equivalents.

10 Leake Street Limited
Statement of total recognised gains and losses
for the period from 30 October 2012 to 31 December 2013

	Notes	2013 £
Profit for the financial period		105,022
Unrealised surplus on revaluation of investment properties	7	147,243
Total recognised gains and losses related to the period		<u>252,265</u>

10 Leake Street Limited
Balance sheet
as at 31 December 2013

Registered number
08273787

	Note	2013 £
Fixed assets		
Investment Properties	7	7,500,000
Current assets		
Debtors	8	719,814
Creditors: amounts falling due within one year	9	(307,722)
Net current assets		412,092
Total assets less current liabilities		<u>7,912,092</u>
Creditors: amounts falling due after more than one year	10	(7,659,826)
Net assets		<u>252,266</u>
Capital and reserves		
Called up share capital	11	1
Revaluation reserve	12	147,243
Profit and loss account	13	105,022
Total shareholder's funds	14	<u>252,266</u>

These financial statements were approved by the Board of Directors on
and signed on its behalf by

30/7/2014



Mr R N Luck
Director

30/7/2014

10 Leake Street Limited
Notes to the financial statements
for the period from 30 October 2012 to 31 December 2013

1 Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention as modified for the revaluation of investment properties, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

Investment properties

In accordance with SSAP 19 'Accounting for investments properties', investment properties are revalued by the director annually on an open market basis and independently valued when required by SSAP 19. Any changes in the market value of investment properties are taken to the statement of total recognised gains and losses and transferred to the revaluation reserve, unless a deficit (or its reversal) on an individual investment property is expected to be permanent, in which case it is charged (or credited) to the profit and loss account of the period.

No depreciation is provided in respect of investment properties. The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with SSAP 19 and the director considers that to depreciate would not give a true and fair view.

The depreciation (which would, had the provisions of the Act been followed, have been charged to the profit and loss account) is only one of the factors reflected in the valuation and the amount attributable to this factor cannot reasonably be separately identified or quantified.

Finance costs

Finance costs, including issue costs which are initially recognised as a reduction in the proceeds of the associated capital instrument, are amortised over the period of the loans in accordance with FRS 4 'Capital instruments'.

Deferred taxation

Deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that give rise to an obligation to pay more or less tax in the future. Deferred tax is not recognised when fixed assets are revalued unless, by the balance sheet date, there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements.

Deferred tax is measured on a non-discounted basis. A deferred tax asset is regarded as recoverable and therefore recognised only when, 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Cash flow statement

The company has taken advantage of the exemption in the Financial Reporting Standards No 1 (Revised 1996) 'Cash flow statements' from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned and its ultimate parent publishes a consolidated cash flow statement.

10 Leake Street Limited
Notes to the financial statements
for the period from 30 October 2012 to 31 December 2013

1 Accounting policies (continued)

Deferred income

Income from properties is allocated in the year to which it relates, with payments received in advance held as deferred income and credited to the the profit and loss when earned.

Turnover

Turnover represents rental income and recoverable property expenses, net of value added tax. Rental income is recognised over the term of the lease on a straight-line basis. The total turnover of the company for the period has been derived from its principal activity, wholly undertaken in the UK.

2 Turnover

	2013
	£
Net rental income	
Rental income	508,568
Turnover	<u>508,568</u>
Net property outgoings	(24,347)
Recoverable property expenses	14,442
Property outgoings	<u>(9,905)</u>
Net rental income	<u>498,663</u>

3 Operating profit

	2013
	£
Operating profit is stated after charging:	
Auditors' remuneration	<u>3,000</u>

4 Interest payable and similar charges

	2013
	£
Interest payable to group undertakings	<u>378,906</u>

5 Director's emoluments

The director did not receive any emoluments in respect of his services to the company. The company has no employees other than the director.

6 Tax on profit on ordinary activities

	2013
	£
Current tax:	
UK corporation tax on profits of the period	<u>14,735</u>

Factors affecting tax charge for the period

From 01 April 2013 the rate of corporation tax has reduced from 24% to 23%, giving a blended average rate for the period 30 October 2012 to 31 December 2013 of 23.36%.

10 Leake Street Limited
Notes to the financial statements
for the period from 30 October 2012 to 31 December 2013

6 Tax on profit on ordinary activities (continued)

The tax assessed for the period is different to the blended rate of corporation tax in the UK of 23.36%. The differences are explained below:

	2013
	£
Profit on ordinary activities before tax	<u>119,757</u>
Standard rate of corporation tax in the UK	23.36%
	£
Profit on ordinary activities multiplied by the blended rate of corporation tax in the UK of 23.36%	27,975
Effects of:	
Capital allowances for period in excess of depreciation	(13,240)
Current tax charge for the period	<u>14,735</u>

No provision has been made for deferred tax on gains recognised on revaluing the property to its open market value. The director has no intention of selling the property, and therefore, at present, it is not envisaged that any tax will become payable in the foreseeable future. The director considers that it is too onerous to provide an estimate of the tax that would be payable if the property was sold at the value shown. Such a tax estimate is not considered meaningful as properties are often divested through the sale of companies.

Factors that may affect future tax charges

Reductions to the UK Corporation tax rate were announced in the March 2013 budget. The changes, which were enacted on 17 July 2013 reduce the UK corporation tax rate to 21% with effect from 1 April 2014 and to 20% from 1 April 2015. These changes have no impact on these financial statements.

7 Investment properties

	Freehold Land and Buildings £
Valuation	
At 30 October 2012	-
Additions	7,352,757
Surplus on revaluation	147,243
At 31 December 2013	<u>7,500,000</u>
Cost	<u>7,352,757</u>

On 21 December 2012 the company acquired 10 Leake Street in Waterloo, London for £7.35m. The investment properties were valued by the director after taking independent advice from a professional valuer on an open market value basis at 31 December 2013. The valuation has been made in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors in the United Kingdom.

10 Leake Street Limited
Notes to the financial statements
for the period from 30 October 2012 to 31 December 2013

8 Debtors	2013
	£
Trade debtors	124,579
Amounts owed by related undertakings	595,234
Other debtors	1
	<u>719,814</u>

Amounts owed by related undertakings are interest free, repayable on demand, and unsecured.

Other debtors relates to unpaid share capital of £1.

9 Creditors: amounts falling due within one year	2013
	£
Trade creditors	33,478
Amounts owed to group undertakings	40,885
Corporation tax	14,735
Other taxation and social security costs	23,474
Accruals and deferred income	195,150
	<u>307,722</u>

The amounts owed to group undertakings are interest free, repayable on demand and unsecured.

10 Creditors: amounts falling due after more than one year	2013
	£
Amounts owed to group undertakings	<u>7,659,826</u>

The amounts owed to group undertakings bear interest at 5%, are repayable on 1 January 2018 and are unsecured.

11 Called up share capital	2013
	£
Authorised: 1,000 ordinary shares of £1 each	<u>1,000</u>

	2013	2013
	Number	£
Allotted, called up and unpaid: Ordinary shares of £1 each	<u>1</u>	<u>1</u>

10 Leake Street Limited
Notes to the financial statements
for the period from 30 October 2012 to 31 December 2013

12 Revaluation reserve

	£
At 30 October 2012	-
Surplus arising on revaluation during the period	147,243
At 31 December 2013	<u>147,243</u>

13 Profit and loss account

	£
At 30 October 2012	-
Profit for the financial period	105,022
At 31 December 2013	<u>105,022</u>

14 Reconciliation of movement in shareholder's funds

	2013 £
At 30 October 2012	-
Profit for the financial period	105,022
Other recognised gains and losses	147,243
At 31 December 2013	<u>252,265</u>

15 Related party transactions

During the period the company lent £595,234 to London & Regional Properties Limited, a company which is ultimately controlled by I M Livingstone and R J Livingstone. I M Livingstone and R J Livingstone share a 50% stake in the joint venture SRE Waterloo Properties Sarl, the parent company to 10 Leake Street Limited. At the period end the amount outstanding was £595,234.

During the period the company borrowed £40,885 from Elizabeth House Limited Partnership, a partnership whose intermediate parent is SRE Waterloo Properties Sarl, the parent of 10 Leake Street Limited. At the period end the amount outstanding was £40,885.

During the period, the company also borrowed £7,280,920 from its parent SRE Waterloo Properties Sarl. The loan with SRE Waterloo Properties Sarl has accrued interest payable of £378,906 during the period and hence at the period end £7,659,826 was outstanding.

16 Ultimate parent undertaking and controlling party

The immediate parent undertaking is SRE Waterloo Properties Sarl, a company registered in Luxembourg. As SRE Waterloo Properties Sarl is a joint venture, there is no ultimate controlling party.