

Registered number
08273787

10 Leake Street Limited

Annual report and financial statements

for the year ended
31 December 2014

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10 Leake Street Limited**Annual report and financial statements for the year ended 31 December 2014****Contents**

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10 Leake Street Limited

Company information for the year ended 31 December 2014

Directors

Mr R N Luck

Mr M A Wenlock

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

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10 Leake Street Limited
Directors' report for the year ended 31 December 2014

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

Principal activities

The company's principal activity is property investment. The directors consider the financial position at 31 December 2014 to be satisfactory.

Results and dividends

The company made a profit of £65,541 (2013: £105,022) for the year ended 31 December 2014. Net assets were £173,929 (2013: £252,266) at the year end, as a result of capitalised development costs being offset by no movement in the overall value of investment properties. The results for the financial year are set out in the profit and loss account on page 6. The director does not recommend the payment of a dividend.

Directors

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

Mr R N Luck
Mr M A Wenlock (appointed 5 February 2015)
Mr A W Walton (resigned 5 February 2015)

Qualifying third party indemnity provisions

The company maintains liability insurance for its directors. 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/period. 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
29 SEP 2015

10 Leake Street Limited

Statement of Directors' Responsibilities for the year ended 31 December 2014

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
29 SEP 2015

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, 10 Leake Street Limited's financial statements (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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account and the statement of total recognised gains and losses for the year then ended;
- 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.

Opinion on other matters 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.

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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

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.

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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.



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

29 September 2015

10 Leake Street Limited
Profit and loss account
for the year ended 31 December 2014

		Period from 30 October 2012 to 31 December	
	Note	2014	2013
		£	£
Turnover	2	503,365	508,568
Administrative expenses		(15,364)	(24,347)
Other operating income		-	14,442
Operating profit	3	<u>488,001</u>	<u>498,663</u>
Interest payable and similar charges	4	(383,291)	(378,906)
Profit on ordinary activities before taxation		<u>104,710</u>	<u>119,757</u>
Tax on profit on ordinary activities	6	(39,169)	(14,735)
Profit for the financial year/period	13	<u>65,541</u>	<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 year/period stated above and their historical costs equivalents.

10 Leake Street Limited
Statement of total recognised gains and losses
for the year ended 31 December 2014

	Notes	2014 £	Period from 30 October 2012 to 31 December 2013 £
Profit for the financial year/period		65,541	105,022
Unrealised (deficit)/surplus on revaluation of investment properties	7	(143,878)	147,243
Total recognised gains and losses related to the year/period		<u>(78,337)</u>	<u>252,265</u>

10 Leake Street Limited
Balance sheet
as at 31 December 2014

Registered number
08273787

	Note	2014 £	2013 £
Fixed assets			
Investment properties	7	7,500,000	7,500,000
Current assets			
Debtors	8	1,190,742	719,814
Creditors: amounts falling due within one year	9	<u>(473,995)</u>	<u>(307,722)</u>
Net current assets		716,747	412,092
Total assets less current liabilities		<u>8,216,747</u>	<u>7,912,092</u>
Creditors: amounts falling due after more than one year	10	(8,042,818)	(7,659,826)
Net assets		<u>173,929</u>	<u>252,266</u>
Capital and reserves			
Called up share capital	11	1	1
Revaluation reserve	12	3,365	147,243
Profit and loss account	13	170,563	105,022
Total shareholder's funds	14	<u>173,929</u>	<u>252,266</u>

These financial statements were approved by the Board of Directors on **29 sep** 2015
and signed on its behalf by



Mr R N Luck
Director

29 SEPTEMBER 2015

10 Leake Street Limited
Notes to the financial statements
for the year ended 31 December 2014

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 year, 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 year.

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.

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.

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 year has been derived from its principal activity, wholly undertaken in the UK.

10 Leake Street Limited
Notes to the financial statements
for the year ended 31 December 2014

2 Turnover

	2014	2013
	£	£
Net rental income		
Rental income	503,365	508,568
Turnover	<u>503,365</u>	<u>508,568</u>
Net property outgoings	(15,364)	(24,347)
Recoverable property expenses	-	14,442
Property outgoings	<u>(15,364)</u>	<u>(9,905)</u>
Net rental income	<u>488,001</u>	<u>498,663</u>

3 Operating profit

	2014	2013
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	<u>3,000</u>	<u>3,000</u>

4 Interest payable and similar charges

	2014	2013
	£	£
Other interest payable	300	-
Interest payable to group undertakings	382,991	378,906
	<u>383,291</u>	<u>378,906</u>

5 Director's emoluments

The directors did not receive any emoluments in respect of their services to the company (2013: nil). The company has no (2013: nil) employees other than the directors.

6 Tax on profit on ordinary activities

	2014	2013
	£	£
Current tax:		
UK corporation tax on profits of the year/period	<u>39,169</u>	<u>14,735</u>

Factors affecting tax charge for the year/period

From 1 April 2014 the rate of corporation tax has reduced from 23% to 21%, giving a blended average rate for the year ended 31 December 2014 of 21.5%.

10 Leake Street Limited
Notes to the financial statements
for the year ended 31 December 2014

6 Tax on profit on ordinary activities (continued)

The tax assessed for the year/period is different (2013: different) to the blended rate of corporation tax in the UK of 21.5% (2013: 23.36%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	104,710	119,757
Blended rate of corporation tax in the UK	21.5%	23.36%
	£	£
Profit on ordinary activities multiplied by the blended rate of corporation tax in the UK	22,513	27,975
Effects of:		
Capital allowances for year/period in excess of depreciation	(9,341)	(13,240)
Expenses not deductible	12,351	-
Adjustments to tax charge in respect of previous years	13,646	-
Current tax charge for the year/period	39,169	14,735

Factors that may affect future tax charges

With effect from 1st April 2015, the UK corporation tax rate will be reduced to 20%. This change which was announced in the March 2014 budget, will have no impact on these financial statements.

7 Investment properties

	Freehold Land and Buildings £
Valuation	
At 1 January 2014	7,500,000
Additions	143,878
Deficit on revaluation	(143,878)
At 31 December 2014	<u>7,500,000</u>
Cost	<u>7,496,635</u>

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 2014. The valuation has been made in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors in the United Kingdom.

8 Debtors	2014 £	2013 £
Trade debtors	4,175	124,579
Amounts owed by group undertakings	1,186,566	595,234
Other debtors	1	1
	<u>1,190,742</u>	<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.

10 Leake Street Limited
Notes to the financial statements
for the year ended 31 December 2014

9 Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	81,789	33,478
Amounts owed to group undertakings	244,438	40,885
Corporation tax	25,523	14,735
Other taxation and social security costs	5,322	23,474
Accruals and deferred income	116,923	195,150
	<u>473,995</u>	<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

	2014	2013
	£	£
Amounts owed to group undertakings	<u>8,042,818</u>	<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

	2014	2013
	£	£
Authorised: 1,000 (2103: 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	2014	2013
	Number	Number
Allotted, called up and unpaid: Ordinary shares of £1 each	<u>1</u>	<u>1</u>

12 Revaluation reserve

	2014	2013
	£	£
At 1 January	147,243	-
(Deficit)/surplus arising on revaluation during the year/period	(143,878)	147,243
At 31 December	<u>3,365</u>	<u>147,243</u>

13 Profit and loss account

	2014	2013
	£	£
At 1 January	105,022	-
Profit for the financial year/period	65,541	105,022
At 31 December	<u>170,563</u>	<u>105,022</u>

14 Reconciliation of movement in shareholder's funds

	2014	2013
	£	£
At 1 January	252,265	-
Profit for the financial year/period	65,541	105,022
Other recognised gains and losses	(143,878)	147,243
At 31 December	<u>173,929</u>	<u>252,265</u>

10 Leake Street Limited
Notes to the financial statements
for the year ended 31 December 2014

15 Related party transactions

During the year/period the company lent £591,332 (2013: £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 year/period end the amount outstanding was £1,186,566 (2013: £595,234).

During the year/period the company borrowed £203,553 (2013: £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 year/period end the amount outstanding was £244,438 (2013: £40,885).

During the year/period, the company also borrowed £nil (2013: £7,280,920) from its parent SRE Waterloo Properties Sarl. The loan with SRE Waterloo Properties Sarl has accrued interest payable of £382,991 (2013: £378,906) during the year/period and hence at the year/period end £8,042,818 (2013: £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.