

REGISTERED NUMBER: 00806646 (England and Wales)

Report of the Directors and
Audited Financial Statements for the Year Ended 31st December 2011
for
Love Lane Investments Ltd



Love Lane Investments Ltd (Registered number 00806646)

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for the Year Ended 31st December 2011

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Love Lane Investments Ltd
Company Information
for the Year Ended 31st December 2011

DIRECTORS

Lord Borwick
Ms J Craymer
T Borwick

SECRETARY

Ms J Craymer

REGISTERED OFFICE

1 Love Lane
London
EC2V 7JN

REGISTERED NUMBER:

00806646 (England and Wales)

AUDITORS.

Nexia Smith & Williamson
Portwall Place
Bristol
BS1 6NA

Report of the Directors
for the Year Ended 31st December 2011

The directors present their report with the financial statements of the company for the year ended 31st December 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property and investment holding

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2011 to the date of this report

Lord Borwick
Ms J Craymer
T Borwick

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Nexia Smith & Williamson Audit Limited trading as Nexia Smith & Williamson, were appointed as auditors, replacing Grant Thornton UK LLP.

The auditors, Nexia Smith & Williamson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD:



Ms J Craymer - Secretary

6th September 2012

Report of the Independent Auditors to the Members of
Love Lane Investments Ltd

We have audited the financial statements of Love Lane Investments Ltd for the year ended 31st December 2011 on pages four to twelve. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 Report of the Directors 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 31st December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

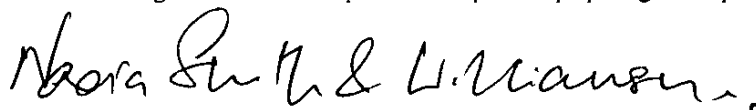
Opinion on other matter prescribed by the Companies Act 2006

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

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.



Carl Deane (Senior Statutory Auditor)
for and on behalf of Nexia Smith & Williamson
Bristol

6th September 2012

Love Lane Investments Ltd (Registered number 00806646)

Profit and Loss Account
for the Year Ended 31st December 2011

	Notes	2011 £	2010 £
TURNOVER		320,653	301,855
Administrative expenses		<u>662 573</u>	<u>79,341</u>
OPERATING (LOSS)/PROFIT	3	(341,920)	222 514
Interest receivable and similar income		<u>609</u>	<u>15</u>
		(341,311)	222,529
Amounts written off investments	4	<u>143 946</u>	<u>-</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(485,257)	222,529
Tax on (loss)/profit on ordinary activities	5	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(485,257)</u>	<u>222,529</u>

The notes form part of these financial statements

Love Lane Investments Ltd (Registered number 00806646)

Statement of Total Recognised Gains and Losses
for the Year Ended 31st December 2011

	2011 £	2010 £
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(485 257)	222,529
Revaluation	276 296	<u>(837 759)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(208,961)</u>	<u>(615,230)</u>

The notes form part of these financial statements

Love Lane Investments Ltd (Registered number 00806646)


Balance Sheet
31st December 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	6	1,840,580	1,700,027
Investments	7	11,622	155,568
		<u>1,852,202</u>	<u>1,855,595</u>
CURRENT ASSETS			
Debtors	8	301,241	179,720
Cash at bank and in hand		221,634	475,269
		<u>522,875</u>	<u>654,989</u>
CREDITORS			
Amounts falling due within one year	9	179,683	146,229
NET CURRENT ASSETS		<u>343,192</u>	<u>508,760</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,195,394</u>	<u>2,364,355</u>
CREDITORS			
Amounts falling due after more than one year	10	3,797,237	3,757,237
NET LIABILITIES		<u>(1,601,843)</u>	<u>(1,392,882)</u>
CAPITAL AND RESERVES			
Called up share capital	12	6,250	6,250
Share premium	13	16,244	16,244
Revaluation reserve	13	-	(287,836)
Profit and loss account	13	(1,624,337)	(1,127,540)
SHAREHOLDERS' FUNDS		<u>(1,601,843)</u>	<u>(1,392,882)</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 6th September 2012 and were signed on its behalf by

Lord Borwick - Director



The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31st December 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company is a wholly owned subsidiary of Federated Investments LLP and the cash flows of the company are included in the consolidated cash flow statement of Federated Investments LLP. Consequently the company is exempt under the terms of FRS1 (revised) from publishing a cash flow statement

Preparation of consolidated financial statements

The financial statements contain information about Love Lane Investments Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Federated Investments LLP, a Limited Liability Partnership registered in England & Wales

Turnover

Turnover represents net invoiced sales of services, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Leasehold properties	Straight line over the life of the lease
Fixtures, fittings and equipment	25% straight line

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

Property Revaluation

Individual freehold and leasehold properties are revalued every year with the surplus or deficit on book value being transferred to the revaluation reserve except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. A deficit which represents a clear consumption of economic benefits is charged to the profit and loss account regardless of any such previous surplus

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement on reserves. On the disposal or recognition of a provision for impairment of a revalued fixed asset any related balance remaining in the revaluation reserve is also transferred to the profit and loss account as a movement on reserves

Going Concern

The financial statements have been prepared on a going concern basis. This assumes that the company continues to receive support from its parent undertaking, Federated Investments LLP. A letter of support has been received from the parent undertaking indicating that it will continue to provide financial support to the company for at least twelve months from the date of approval of these financial statements

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise and to reclassify fixed assets and long term liabilities to current assets and current liabilities

Notes to the Financial Statements - continued
for the Year Ended 31st December 2011

1 ACCOUNTING POLICIES - continued

Investments

Fixed asset investments are stated at cost less provision for impairment

2 STAFF COSTS

	2011 £	2010 £
Wages and salaries	112 751	115 228
Social security costs	12,431	12,152
Other pension costs	3 200	3,200
	<u>128 382</u>	<u>130 580</u>

The average monthly number of employees during the year was as follows

	2011	2010
Administration	<u>3</u>	<u>3</u>

3 OPERATING (LOSS)/PROFIT

The operating loss (2010 - operating profit) is stated after charging

	2011 £	2010 £
Depreciation - owned assets	136,481	117 241
Auditors' remuneration	<u>4,400</u>	<u>7,941</u>
Directors' remuneration and other benefits etc	<u>76 350</u>	<u>66,006</u>

4 AMOUNTS WRITTEN OFF INVESTMENTS

	2011 £	2010 £
Amounts written off investments	<u>143,946</u>	<u>-</u>

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31st December 2011 nor for the year ended 31st December 2010

In accordance with Financial reporting Standard 19 deferred tax has not been provided on the revalued properties. If the properties were sold for their revalued amount a tax liability of £188,872 (2010 £170,691) would be payable

Notes to the Financial Statements - continued
for the Year Ended 31st December 2011

6 TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures Fittings & Equipment £	Totals £
COST OR VALUATION			
At 1st January 2011	2,336,918	32,947	2,369,865
Additions	-	738	738
Revaluations	(496,918)	-	(496,918)
At 31st December 2011	1,840,000	33,685	1,873,685
DEPRECIATION			
At 1st January 2011	636,918	32,920	669,838
Charge for year	136,296	185	136,481
Revaluation adjustments	(773,214)	-	(773,214)
At 31st December 2011	-	33,105	33,105
NET BOOK VALUE			
At 31st December 2011	1,840,000	580	1,840,580
At 31st December 2010	1,700,000	27	1,700,027

The Bankers, C Hoare & Co, have a legal charge over the leasehold property together with a guarantee and indemnity from Love Lane Investments Limited for the security of Federated Investments LLP liabilities

During the year the leasehold property was revalued to reflect its current market value. In the opinion of the directors, aided by independent property consultants (Messrs Strutt and Parker), as at 31 December 2011 the valuation based on the property being fully let £1,840,000 (2010 £1,700,000)

Cost or valuation at 31st December 2011 is represented by

	Leasehold Property £	Fixtures Fittings & Equipment £	Totals £
Valuation in 2007	4,125,000	-	4,125,000
Valuation in 2008	(1,476,613)	-	(1,476,613)
Valuation in 2009	526,290	33,611	559,901
Valuation in 2010	(837,759)	74	(837,685)
Valuation in 2011	(496,918)	-	(496,918)
	1,840,000	33,685	1,873,685

Notes to the Financial Statements - continued
for the Year Ended 31st December 2011

7 **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1st January 2011	1	155,567	155,568
Impairments	-	(143,946)	(143,946)
At 31st December 2011	1	11,621	11,622
NET BOOK VALUE			
At 31st December 2011	1	11,621	11,622
At 31st December 2010	1	155,567	155,568

The company's investments at the balance sheet date in the share capital of companies include the following

Federated Management Limited

Country of incorporation England & Wales

Nature of business providing management and advisory services

Class of shares %
Ordinary holding
100.00

	2011 £	2010 £
Aggregate capital and reserves	(51,448)	(111,894)
Profit/(loss) for the year	60,446	(98,011)

The company holds one ordinary share of £1 in Federated Management Limited

Unlisted Investments

The company holds 4.6% of the Ordinary Shares in a company registered in England. It is the opinion of the directors that the value of the unlisted investment held is nil (2010 £143,946). The investment was written down from £143,946 to nil during the year.

Included in the unlisted investments are two 'fine and rare mascots' which cost £11,621. It is the opinion of the directors that these are not valued at less than cost.

8 **DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £	2010 £
Trade debtors	750	82,682
Amounts owed by group undertakings	227,062	18,562
Other debtors	73,429	78,476
	301,241	179,720

Included within 'Other Debtors' are Prepayments and Accrued Income of £69,878. (2010 £77,250)

A bad debt provision has been provided against the trade debtor of £146,250 due from Federated Trust Corporation Ltd, which is a Member of the immediate parent of the company, Federated Investments LLP.

Included within 'Amounts owed by group undertakings' is a loan of £35,500 due from Federated Trust Corporation Ltd. A full bad debt provision has been provided against this loan.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2011

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

	2011	2010
	£	£
Payments on account	82,364	82,320
Taxation and social security	3,410	3,701
Other creditors	93,909	60,208
	<u>179,683</u>	<u>146,229</u>

Included within 'Other Creditors' are Accruals and Deferred Income of £84,971 (2010 £55,042)

10 **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2011	2010
	£	£
Other creditors	<u>3,797,237</u>	<u>3,757,237</u>

This loan is due to Rutland Investments Limited, which is a Member of the immediate parent of the company, Federated Investments LLP. The loan is interest free and has no set repayment term. The loan is secured on the assets of the company.

11 **OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	2011	2010
	£	£
Expiring		
In more than five years	<u>40,000</u>	<u>40,000</u>

12 **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			2011	2010
Number	Class	Nominal value	£	£
6,250	Ordinary	1	<u>6,250</u>	<u>6,250</u>

13 **RESERVES**

	Profit and loss account	Share premium	Revaluation reserve	Totals
	£	£	£	£
At 1st January 2011	(1,127,540)	16,244	(287,836)	(1,399,132)
Deficit for the year	(485,257)	-	-	(485,257)
Other movements	(11,540)	-	11,540	-
Revaluation adjustment	-	-	276,296	276,296
	<u>(1,624,337)</u>	<u>16,244</u>	<u>-</u>	<u>(1,608,093)</u>
At 31st December 2011	<u>(1,624,337)</u>	<u>16,244</u>	<u>-</u>	<u>(1,608,093)</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2011

14 ULTIMATE PARENT COMPANY

The company's immediate and ultimate parent undertaking and controlling party is Federated Investments LLP, an entity registered and incorporated in England and Wales, whose annual report and financial statements may be obtained from the Designated Partner, Federated Investments LLP, 1 Love Lane, London EC2V 7JN

It is also the parent undertaking of the largest and smallest group for which group accounts are prepared

15 RELATED PARTY DISCLOSURES

	2011	2010
	£	£
Loan balance owed to related parties - Rutland Investments Limited	3,797,237	3,757,237
Rent paid to related parties - Rutland Investments Limited	40,000	40,000
Rent debtor due from related parties - Federated Trust Corporation Ltd	146,250	81,250
Rent received from related parties - Federated Trust Corporation Ltd	-	65,000
Loan balance from related parties - Federated Trust Corporation Ltd	35,500	7,000

During the year a bad debt provision was provided against the rent debtor of £146,250 from Federated Trust Corporation Ltd and the loan balance of £35,500

The company has taken advantage of the exemption in Financial Reporting Standard No 8 "Related party disclosures" and has not disclosed transactions with group undertakings