Company Registration No. 01984155 (England and Wales)

AZUREMERE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

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AZUREMERE LIMITED

COMPANY INFORMATION

Director	Mr R N Luck (Appointed 4 August 2015)
Company number	01984155
Registered office	Quadrant House, Floor 6 4 Thomas More Square London E1W 1YW
Independent Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

AZUREMERE LIMITED

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AZUREMERE LIMITED

DIRECTOR'S REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

The director presents his annual report and audited financial statements for the period ended 30 September 2015.
Following the change in the ownership the company's reporting date was changed from 31 December to 30 September. The comparative information (which were unaudited) presented in these financial statements is for the 12 months ended 31 December 2014.

Principal activities
The principal activity of the company continued to be that of property investment. The results for the period and the financial position at the period end were considered satisfactory by the director who expects continued growth in the foreseeable future.

Director
The director who held office during the period and up to the date of signature of the financial statements was as follows:

Mr R N Luck	(Appointed 4 August 2015)
Mr Simon Eisenberg	(Resigned 4 August 2015)

Results and dividends
The results for the period are set out on page 5. The company made profit of £7.2m for the period ended 30 September 2015 (for the year ended 31 December 2014: £8.7m). Net assets were £16.5m (2014: £9.3m) at the period / year end.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Qualifying third party indemnity provisions
The company has made qualifying third party indemnity provisions for the benefit of its director during the period. These provisions remain in force at the reporting date.

Independent Auditors
PricewaterhouseCoopers LLP were appointed independent auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to independent auditors
The director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the company is therefore exempt from the requirement to prepare a strategic report.

On behalf of the board

.....
Mr R N Luck
Director
7/7/16

AZUREMERE LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). Under company law the director must not approve the financial statements unless he is 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 director is 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, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

Independent auditors' report to the members of Azuremere Limited

Report on the financial statements

Qualified opinion on state of affairs and disclaimer of opinion on profit for the period

In our opinion, except for the possible effects on the corresponding figures of the matter described in the Basis for qualified opinion on state of affairs and disclaimer of opinion on profit for the period paragraph below, the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2015.

Because of the significance of the matter described in the paragraph below, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the company's profit for the period ended 30 September 2015. Accordingly, we do not express an opinion on:

- the company's profit for the period ended 30 September 2015;
- whether the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- whether the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion on state of affairs and disclaimer of opinion on profit for the period

We were unable to obtain sufficient appropriate audit evidence in relation to the opening balances as at 1 January 2015 because sufficient accounting records were not available as at 1 January 2015. They were also not available for the first seven months of the current period. Because of the possible effect of the limitation in evidence available to us, we are unable to form an opinion on the profit for the period ended 30 September 2015. In addition, our opinion on the state of affairs of the company is qualified because of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

What we were engaged to audit

The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 30 September 2015;
- the statement of total comprehensive income for the period then ended;
- the statement of changes in equity 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 the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our disclaimer of opinion on the profit for the period, described above, in our opinion the information given in the Director's Report for the financial period 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

In respect solely of the limitation on our work relating to the opening balances, described in the Basis for our qualified opinion on state of affairs and disclaimer of opinion on profit for the period paragraph above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and

- we were unable to determine whether adequate accounting records have been kept.

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

- 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.

Director's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of director's 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 director was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the director

As explained more fully in the Statement of Director's Responsibilities set out on page 2, the director is 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. Because of the matter described in the Basis for qualified opinion on state of affairs and disclaimer of opinion on profit paragraph above, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the company's profit.

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 were engaged to audit the financial statements in accordance with 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 director; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in 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.

Neil Mellor (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
7 July 2016

AZUREMERE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	Notes	ended 30 September 2015 £	12 months to 31 December 2014 unaudited £
Turnover	3	49,405	25,000
Gross profit		49,405	25,000
Administrative expenses		(1,365)	(606)
Interest payable and similar charges		-	(2)
Fair value gains on investment properties		8,900,000	10,664,886
Profit on ordinary activities before taxation		8,948,040	10,689,278
Tax on profit on ordinary activity	6	(1,782,888)	(2,001,798)
Profit for the financial period / year		7,165,152	8,687,480
Total comprehensive income for the period / year		7,165,152	8,687,480

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

AZUREMERE LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2015

	Notes	30 September 2015 £	30 September 2015 £	31 December 2014 unaudited £	31 December 2014 unaudited £
Fixed assets					
Investment properties	7		20,000,000		11,100,000
Current assets					
Debtors	8	361,572		238,577	
Cash at bank and in hand		-		904	
		361,572		239,481	
Creditors: amounts falling due within one year	9	(84,817)		(7,878)	
Net current assets			276,755		231,603
Total assets less current liabilities			20,276,755		11,331,603
Provisions for liabilities	10		(3,784,427)		(2,004,427)
Net assets			16,492,328		9,327,176
Capital and reserves					
Called up share capital	11		100		100
Profit and loss reserves			16,492,228		9,327,076
Total equity			16,492,328		9,327,176

The financial statements were approved by the board of directors and authorised for issue on 7/7/16 and were signed on its behalf by:

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Mr R N Luck
Director

Company Registration No. 01984155

AZUREMERE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	Notes	Called up share capital £	Profit and loss reserves £	Total equity £
Balance at 1 January 2014 (unaudited)		100	639,596	639,696
Year ended 31 December 2014:				
Total comprehensive income for the year:		-	8,687,480	8,687,480
Balance at 31 December 2014 (unaudited)		100	9,327,076	9,327,176
Period ended 30 September 2015:				
Total comprehensive income for the period:		-	7,165,152	7,165,152
Balance at 30 September 2015		100	16,492,228	16,492,328

1 Accounting policies

General information

Azuremere Limited is a company limited by shares incorporated in England and Wales. The registered office is Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW.

1.1 Statement of compliance

The financial statements of Azuremere Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

1.2 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared in accordance with applicable accounting standards, under the historical cost convention, modified to include the investment properties at fair value. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

These financial statements for the period ended 30 September 2015 are the first financial statements of Azuremere Limited prepared in accordance with FRS 102. The date of transition to FRS 102 was 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 14.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemption if certain conditions have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statement, which give a true and fair view, in which that member is consolidated. The company is a qualifying entity as its results are consolidated into the financial statements of Loopsign Limited which are publicly available.

As a qualifying entity, the company has taken advantage of the following exemptions:

- from the requirement to prepare a statement of cash flows as required by paragraph 3.17 (d) of FRS 102; and
- from the requirement to present financial instruments disclosures, as required by FRS 102 paragraphs 11.39 to 11.48A, paragraph 12.26 and 12.29.

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

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1 Accounting policies **(Continued)**

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the director is 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Investment properties
Investment properties are professionally valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

3 Turnover

An analysis of the company's turnover is as follows:

	9 months to 30 September 2015 £	12 months to 31 December unaudited 2014 £
Turnover		
Rental income	48,178	25,000

4 Operating profit

	9 months to 30 September 2015 £	12 months to 31 December unaudited 2014 £
Operating profit for the period / year is stated after charging:		
Fees payable to the company's auditors for the audit of the company's annual financial statements	-	-

Auditors' remuneration has been borne by the company's intermediate parent London and Regional Properties Limited.

5 Director's remuneration

The director did not receive any emoluments in respect of his services to the company (2014: nil). The company has no (2014: nil) employees other than director.

6 Tax on profit on ordinary activities

	9 months to 30 September 2015	12 months to 31 December 2014 unaudited
	£	£
Current tax		
UK corporation tax on profits for the current period	2,888	4,878
Adjustments in respect of prior periods	-	(7,507)
Total current tax	2,888	(2,629)
Deferred tax		
Origination and reversal of timing differences	1,780,000	2,004,427
Total tax charge	1,782,888	2,001,798

The charge for the period / year can be reconciled to the profit per the statement of comprehensive income as follows:

	9 months to 30 September 2015	12 months to 31 December 2014 unaudited
	£	£
Profit on ordinary activities before taxation on continued operations	8,948,040	10,689,278
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax of 20.00% (2014 - 20.00%)	1,789,608	2,137,856
Adjustments in respect of prior years	-	(7,507)
Effect of revaluations of investments	-	(128,551)
Utilisation of tax losses	(6,720)	-
	(6,720)	(136,058)
Tax charge for the period / year	1,782,888	2,001,798

Factors which may affect future tax charge

With effect from 1 April 2017 and 1 April 2020, the UK corporation tax rate will be reduced to 19% and 17% respectively. These changes, which were announced in March 2015 budget and affirmed in March 2016 budget, will have no significant impact on these financial statements.

7 Investment property

	2015 £
Fair value	
At 1 January 2015 (unaudited)	11,100,000
Net gain through fair value adjustments	8,900,000
At 30 September 2015	20,000,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out at the reporting date by the directors after taking independent advice from a professional valuer on an open market value basis. The valuation has been made in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom.

8 Debtors

	Due within one year	
	30 September 2015 £	31 December unaudited 2014 £
Trade debtors	59,144	-
Loans and other receivables	6,106	-
Amounts owed by fellow group undertakings	296,322	238,577
	361,572	238,577

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

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

9 Creditors: amounts falling due within one year

	30 September 2015 £	31 December 2014 unaudited £
Trade creditors	1,519	-
Corporation tax	2,888	4,878
Accruals and deferred income	80,410	3,000
	84,817	7,878

10 Provisions for liabilities

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

	Revaluation £
Deferred tax liability at 1 January 2014 (unaudited)	-
Deferred tax movements in prior year	
Charge to profit or loss	2,004,427
Deferred tax liability at 31 December 2014 (unaudited)	2,004,427
Deferred tax movements in current period	
Charge to profit or loss	1,780,000
Deferred tax liability at 30 September 2015	3,784,427

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	30 September 2015 £	31 December 2014 unaudited £
Deferred tax liabilities	3,784,427	2,004,427

11 Called up share capital

	30 September 2015 £	31 December 2014 unaudited £
Issued and fully paid		
100 ordinary shares of £1 each	100	100

12 Related party transactions

During the period the company lent £14,177 (2014: nil) to its intermediate parent undertaking London & Regional Properties Limited and £43,567 (2014: £25,000) to its immediate parent undertaking LR (Long Lane) Limited.

At the reporting date the amounts owed by LR (Long Lane) Limited and London & Regional Properties Limited to the company were £296,322 (2014: £238,577) and £14,177 (2014: nil) respectively.

13 Controlling party

The immediate parent undertaking is LR (Long Lane) Limited,

The ultimate parent undertaking is Loopsign Limited, a company incorporated in England and Wales.

London & Regional Group Holdings Limited is an intermediate parent undertaking of the smallest group of undertakings to consolidate these financial statements as at 30 September 2015. Loopsign Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statement at 30 September 2015. The consolidated financial statements of Loopsign Limited can be obtained from company secretary at Quadrant House, Floor 6, 4 Thomas More Square, London E1W 1YW.

The ultimate controlling parties are I M Livingstone and R J Livingstone through their joint ownership of Loopsign Limited.

14 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 January 2014 unaudited £	31 December 2014 unaudited £
Equity as reported under previous UK GAAP	639,696	666,717
Adjustments arising from transition to FRS 102:		
Revaluation of investment property	-	10,664,886
Tax effect	-	(2,004,427)
Equity reported under FRS 102	639,696	9,327,176

Reconciliation of profit or loss

		12 months to 31 December 2014 unaudited £
Profit or loss as reported under previous UK GAAP		27,021
Adjustments arising from transition to FRS 102:		
Revaluation of investment property	-	10,664,886
Tax effect	-	(2,004,427)
Profit or loss reported under FRS 102		8,687,480

14 Reconciliations on adoption of FRS 102 **(Continued)**

Notes to reconciliations on adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102.

Investment properties
The effect of transition to FRS 102 has been £8,660,459 increase to the profit and net assets position of the comparative period. The increase relates to £10,664,886 gain on revaluation of investment properties previously accounted for at cost, off-set by the £2,004,427 deferred tax liability arising on the revaluation.