

MARYLEBONE COMMERCIAL FINANCE (2)

REPORT AND FINANCIAL STATEMENTS

Period ended 31 December 2012

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COMPANIES HOUSE

Company Registered No 2411349

MARYLEBONE COMMERCIAL FINANCE (2)

DIRECTORS' REPORT

The directors submit their annual report and the financial statements for the period ended 31 December 2012

CHANGE IN ACCOUNTING REFERENCE DATE

The Company has changed its accounting reference date from 30 June 2013 to 31 December 2012

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company ceased the undertaking of leasing services in 2007. Following the cessation of this business the Company earned interest on deposits held with Commerzbank AG London Branch.

During the prior period the Company made a payment of £29,184,577, plus interest of £5,699,456, to HM Revenue and Customs in order to fully settle tax liabilities arising out of the Company's transfer of lease rentals that took place in 2007. The Company received a loan of £34,900,000 from Commerzbank AG London Branch in order to be in a position to make the payment, with the loan, including accrued interest, subsequently forgiven in full by Commerzbank AG London Branch.

On 14 February 2012, 75% of the Company's ordinary shares of £1 each were acquired by Commerzbank Leasing Holdings Limited, so that all of the ordinary shares of the Company were owned by Commerzbank Leasing Holdings Limited.

On 27 March 2012, the Company repaid all the preference shares of £1 each for a total consideration of £7,115,141, which the holder of the preference shares, Commerzbank Leasing Holdings Limited, accepted as full and final payment to cover all previous arrears of preference dividends. Following this transaction the Company was left with just 4 ordinary shares of £1 each and became dormant.

The directors do not expect the Company to enter into any new transactions in the foreseeable future.

RESULTS AND DIVIDENDS

The results of the Company for the period are set out in detail on page 2.

The result for the financial period was £nil (period ended 30 June 2012: loss of £34,824,174). The directors do not recommend the payment of a dividend (period ended 30 June 2012: £25,000 paid to the preference shareholder).

DIRECTORS

The directors who held office throughout the period were as follows:

N G Aiken
R A Birch
P R Burrows
A D Levy

Certain directors benefited from qualifying third party indemnity provisions in place during the period.

Approved by the Board of Directors
and signed on behalf of the Board



J C Wall
Secretary

Marylebone Commercial Finance (2)
Company Registered No 2411349

25 March 2013

MARYLEBONE COMMERCIAL FINANCE (2)

PROFIT AND LOSS ACCOUNT

For the period ended 31 December 2012

		6 month period ended 31 December 2012 £	18 month period ended 30 June 2012 £
	Note		
Interest receivable from Commerzbank AG London Branch		-	113,708
Other interest receivable		-	25
Interest payable to Commerzbank AG London Branch		-	(53,776)
Interest on late payment of tax		-	(5,699,554)
OPERATING LOSS AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(5,639,597)
Tax on loss on ordinary activities	3	-	(29,184,577)
LOSS FOR THE FINANCIAL PERIOD	5	-	(34,824,174)

All amounts stated above derive from discontinued activities

There is no difference between the loss for the financial period above and its historical cost equivalent

There are no recognised gains or losses for the current or the preceding period other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented

A statement showing the movement in the profit and loss account reserve is set out in note 5 on page 5

The accounting policies and notes on pages 4 and 5 form an integral part of these financial statements

MARYLEBONE COMMERCIAL FINANCE (2)

BALANCE SHEET

As at 31 December 2012

		31 December 2012 £	30 June 2012 £
	Note		
CURRENT ASSETS			
Debtors amounts due from parent undertakings		<u>4</u>	<u>4</u>
CAPITAL AND RESERVES			
Called up share capital	4	4	4
SHAREHOLDERS' FUNDS	5	<u>4</u>	<u>4</u>

Statements -

- a) For the period ended 31 December 2012 the Company was entitled to exemption under section 480 of the Companies Act 2006
- b) Members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006
- c) The directors acknowledge their responsibility for
 - i ensuring the Company keeps accounting records which comply with section 386, and
 - ii preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial period, and of its profit or loss for the financial period, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company

These financial statements on pages 2 to 5 were approved by the Board of Directors and signed on its behalf by



A D Levy
Director

25 March 2013

The accounting policies and notes on pages 4 and 5 form an integral part of these financial statements

MARYLEBONE COMMERCIAL FINANCE (2)

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2012

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 and accounting standards applicable in the UK and under the historical cost convention

During 2007 the Company transferred all of its lease rentals and therefore ceased its leasing business. Following the settlement of outstanding liabilities during the prior period with HM Revenue and Customs, and the subsequent repayment of preference share capital, the Company became dormant.

Interest receivable

Interest receivable is accounted for on an accruals basis.

Interest on late payment of tax

Interest arising from the late payment of tax is recognised as interest payable, reflecting the funding benefit to the Company of late payment.

Taxation

The charge for taxation is based on the results for the period.

Full provision is made in the profit and loss account for taxation in respect of all differences in timing between the accounting and tax treatments of income and expenses. The timing differences are recognised as deferred tax liabilities or assets, measured at expected future tax rates. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities are not discounted.

Transactions with related parties

Where transactions are undertaken between the Company and another member of the Commerzbank AG Group, the directors will consider the substance of any associated transactions in determining the most appropriate accounting treatment.

In the prior period, a loan of £34,900,000 was made to the Company by Commerzbank AG London Branch to provide the Company with funds to settle outstanding liabilities with HM Revenue and Customs. Following this settlement, Commerzbank AG London Branch waived the loan liability, including accrued interest. The benefit arising from this waiver was treated as a capital contribution and taken directly to reserves as a result of the fact that the transaction was with the Company's ultimate parent company. The credit arising was taken to the profit and loss reserve on the basis that the loan was entered into in order to fund the Company's settlement of its tax liability.

Related party disclosure

The Company's ultimate parent undertaking, Commerzbank AG, prepares consolidated financial statements, which are publicly available. Accordingly advantage is taken in these financial statements of the exemptions available in FRS 8, 'Related Party Disclosures' for disclosure of transactions with entities that are part of the group or investees of group entities as related parties.

Cash flow statement

The Company has taken advantage of the exemption under FRS 1 (revised) 'Cash Flow Statements' not to prepare a cash flow statement on the grounds that the ultimate parent undertaking, Commerzbank AG, prepares consolidated financial statements, which are publicly available.

2. TRADING

The Company did not trade during the period and made neither a profit nor a loss. There were no movements on shareholder's funds nor any other recognised gains or losses. The expenses of the Company have been borne by Commerzbank AG London Branch. None of the directors received any emoluments in respect of their services to the Company.

MARYLEBONE COMMERCIAL FINANCE (2)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the period ended 31 December 2012

3. TAX ON LOSS ON ORDINARY ACTIVITIES	6 month period ended 31 December 2012 £	18 month period ended 30 June 2012 £
a) Analysis of charge for the period		
Current tax - adjustments relating to prior years	-	29,184,577
b) Factors affecting the current tax charge for the period:		
Loss on ordinary activities before taxation	-	(5,639,597)
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 24% (period ended 30 June 2012 26%)	-	(1,466,295)
Effects of		
Losses carried forward	-	1,466,295
Adjustments relating to prior years	-	29,184,577
Charge for the period	-	29,184,577
4. CALLED UP SHARE CAPITAL	31 December 2012 £	30 June 2012 £
Authorised		
100 ordinary shares of £1 each	100	100
105 preference shares of £1 each	105	105
	<u>205</u>	<u>205</u>
Allotted, called up and fully paid		
4 ordinary shares of £1 each	4	4
5. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES		

	Issued share capital 31 December 2012 £	Profit and loss account 31 December 2012 £	Shareholders' funds total 31 December 2012 £	Shareholders' funds total 30 June 2012 £
At beginning of the period	4	-	4	7,010,543
Loss for the financial period	-	-	-	(34,824,174)
Preference dividend	-	-	-	(25,000)
Loan forgiven by Commerzbank AG London Branch	-	-	-	34,953,776
Repayment of preference share capital	-	-	-	(7,115,141)
At end of the period	<u>4</u>	<u>-</u>	<u>4</u>	<u>4</u>

6. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking of the Company is Commerzbank Leasing Holdings Limited, a company incorporated in England & Wales

The largest group in which the results of the Company are consolidated is that headed by Commerzbank AG, a company incorporated in Germany under German law. Commerzbank AG is also the ultimate parent undertaking and controlling party. Financial statements of Commerzbank AG are available from Commerzbank AG, Investor Relations, Kaiserplatz, D-60261 Frankfurt am Main, Germany