

Registered number
03355362

Richian Limited

Annual report and financial statements

for the year ended
30 September 2011



Richian Limited
Annual report and financial statements for the year ended 30 September 2011
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Richian Limited

Company information for the year ended 30 September 2011

Director

Mr L K Sebastian

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

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Richian Limited

Director's report for the year ended 30 September 2011

The director presents his annual report and the audited financial statements of the company for the year ended 30 September 2011

Principal activities

The company acts as a commercial property investment company. The director considers the financial position at 30 September 2011 to be satisfactory.

Principal risks and uncertainties

The key business risks and uncertainties affecting the company are considered to relate to the fact that the company operates within a highly competitive market place. The directors of the group have reviewed the group's exposure to credit risk, liquidity risk and cashflow risk. These risks and uncertainties are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Key performance indicators

Richian Limited is managed by the director in accordance with the strategies of its ultimate parent company, Loopsign Limited. For this reason, the director believes that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. These strategies and key performance indicators are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Results and dividends

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 (2010: £nil).

Directors

The following persons served as directors during the year and up to the date of signing the financial statements:

Mr L K Sebastian (appointed 8 July 2011)

Mr R J Livingstone (resigned 8 July 2011)

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

The director confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.


Richian Limited

Director's report for the year ended 30 September 2011 (continued)

Independent auditors

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

By order of the board



Mr R N Luck

Company secretary

30 March 2012

Richian Limited

Statement of Director's Responsibilities for the year ended 30 September 2011

The director is responsible for preparing the director's report and 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 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 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 him 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.

By order of the board



Mr R N Luck

Company secretary

30 March 2012

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICHIAN LIMITED

We have audited the financial statements of Richian Limited for the year ended 30 September 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the statement of director's responsibilities, 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). 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.

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 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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the director's report 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.



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

30 March 2012

Richian Limited
Profit and loss account
for the year ended 30 September 2011

	Note	2011 £	2010 £
Turnover	2	875,689	764,406
Cost of sales		(86,920)	(75,489)
Gross profit		<u>788,769</u>	<u>688,917</u>
Administrative expenses		(55,802)	(51,605)
Other operating income		525	4,201
Operating profit	3	<u>733,492</u>	<u>641,513</u>
Interest payable and similar charges	4	(599,516)	(602,090)
Profit on ordinary activities before taxation		<u>133,976</u>	<u>39,423</u>
Tax on profit on ordinary activities	6	-	-
Profit for the financial year	13	<u>133,976</u>	<u>39,423</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 stated above and their historical costs equivalents

Richian Limited
Statement of total recognised gains and losses
for the year ended 30 September 2011

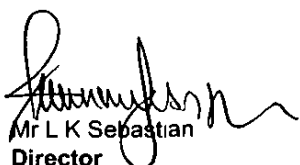
	Note	2011 £	2010 £
Profit for the financial year		133,976	39,423
Unrealised (deficit)/surplus on revaluation of investment properties	7	(2,266,706)	398,046
Total recognised gains and (losses) relating to the year		<u>(2,132,730)</u>	<u>437,469</u>

Richian Limited
Balance sheet
as at 30 September 2011

Registered number
03355362

	Note	2011 £	2010 £
Fixed assets			
Investment Properties	7	6,000,000	8,266,706
Current assets			
Debtors	8	4,781,666	4,689,616
Creditors amounts falling due within one year	9	<u>(265,797)</u>	<u>(266,011)</u>
Net current assets		4,515,869	4,423,605
Total assets less current liabilities		10,515,869	12,690,311
Creditors amounts falling due after more than one year	10	(9,846,876)	(9,888,588)
Net assets		<u>668,993</u>	<u>2,801,723</u>
Capital and reserves			
Called up share capital	11	2	2
Revaluation reserve	12	(514,181)	1,752,525
Profit and loss reserve	13	1,183,172	1,049,196
Total shareholder's funds	14	<u>668,993</u>	<u>2,801,723</u>

These financial statements were approved by the Board of Directors on **30 March** 2012
and signed on its behalf by


Mr L K Sebastian
Director

30 March 2012

Richian Limited
Notes to the financial statements
for the year ended 30 September 2011

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 investment properties', investment properties are revalued by the directors 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.

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.

Richian Limited
Notes to the financial statements
for the year ended 30 September 2011

1 Accounting policies (continued)

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

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.

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 profit and loss when earned.

2 Turnover

Net rental income	2011 £	2010 £
Rental income	813,696	704,540
Recoverable property expenses	61,993	59,866
Turnover	<u>875,689</u>	<u>764,406</u>
Recoverable property expenses	(86,920)	(75,489)
Property outgoings	<u>(86,920)</u>	<u>(75,489)</u>
Net rental income	<u>788,769</u>	<u>688,917</u>

3 Operating profit

	2011 £	2010 £
Operating profit is stated after charging Auditors' remuneration	<u>-</u>	<u>-</u>

Auditors' remuneration has been borne by London & Regional Properties Limited

4 Interest payable and similar charges

	2011 £	2010 £
Interest payable to group undertakings	<u>599,516</u>	<u>602,090</u>

Richian Limited
Notes to the financial statements
for the year ended 30 September 2011

5 Director's emoluments

The director did not receive any emoluments in respect of his services to the company (2010 £nil) The company has no employees (2010 none) other than the director

The above details of director's emoluments do not include the emoluments which are paid by a fellow subsidiary and recharged to the company as part of a management charge This management charge, which in 2011 amounted to £23,800 (2010 £30,000), also includes a recharge of administration costs borne by the fellow subsidiary on behalf of the company and it is not possible to identify separately the amount of the director's emoluments Mr Livingstone is a director of the parent company and a number of fellow subsidiary companies and Mr Sebastian is an employee of a fellow subsidiary The total emoluments of Mr Livingstone are included in the aggregate of directors' emoluments included in the financial statements of the ultimate parent company The total emoluments of Mr Sebastian are included in the aggregate of employee wages and salaries included in the financial statements of the ultimate parent company

6 Tax on profit on ordinary activities

No tax has been provided for due to the availability of losses through group relief

Factors affecting tax charge for period

From 01 April 2011, the rate of corporation tax has reduced from 28% to 26%, giving a blended average rate for the year of 27%

The tax assessed for the year is different (2010 different) than the blended/standard rate of corporation tax in the UK of 27% (2010 28%) The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	133,976	39,423
	£	£
Profit on ordinary activities multiplied by the blended/standard rate of corporation tax in the UK of 27% (2010 28%)	36,174	11,038
Effects of:		
Utilisation of tax losses	(36,174)	(11,038)
Current tax charge for period	-	-

The corporation tax charge for the year has been reduced by £36,174 (2010 £11,038) because of losses surrendered by fellow subsidiary undertakings No payment for this surrender is to be made by the company

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 2011 Budget The changes, which were enacted on 19 July 2011 reduce the rate by 1% per annum to 23% by 1 April 2014 These changes have no impact on these financial statements

Richian Limited
Notes to the financial statements
for the year ended 30 September 2011

7 Investment properties

	Freehold Land and Buildings
	2011 £
Valuation	
At 1 October 2010	8,266,706
Deficit on revaluation	(2,266,706)
At 30 September 2011	<u>6,000,000</u>
 Cost	 <u>6,514,181</u>

The investment property was valued by the directors after taking independent advice from a professional valuer on an open market value basis at 30 September 2011. The valuation has been made in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors in the United Kingdom.

The investment property has been charged to secure loan notes issued by a fellow subsidiary company and the bank loan made to a further fellow subsidiary company.

8 Debtors	2011 £	2010 £
Trade debtors	141,215	17,038
Amounts owed by group undertakings	4,626,952	4,534,780
Other debtors	2	2
Prepayments and accrued income	13,497	137,796
	<u>4,781,666</u>	<u>4,689,616</u>

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

Other debtors relates to unpaid share capital of £2 (2010: £2).

9 Creditors: amounts falling due within one year	2011 £	2010 £
Trade creditors	8,697	11,190
Other taxes and social security costs	34,290	29,006
Accruals and deferred income	222,810	225,815
	<u>265,797</u>	<u>266,011</u>

10 Creditors: amounts falling due after more than one year	2011 £	2010 £
Amounts owed to group undertakings	<u>9,846,876</u>	<u>9,888,588</u>

The amounts owed to group undertakings are secured over the properties of the company, are repayable in October 2013 and bear interest at between 5.53% and 6.16% (2010: 5.53% and 6.16%).

Richian Limited
Notes to the financial statements
for the year ended 30 September 2011

11 Called up share capital

		2011	2010
		£	£
Authorised			
1,000 ordinary shares of £1 each		<u>1,000</u>	<u>1,000</u>
	2011	2010	
	Number	Number	
			2011
			£
			2010
			£
Allotted, called up and unpaid			
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>

12 Revaluation reserve

	2011
	£
At 1 October 2010	1,752,525
Deficit arising on revaluation during the year	<u>(2,266,706)</u>
At 30 September 2011	<u>(514,181)</u>

13 Profit and loss reserve

	2011
	£
At 1 October 2010	1,049,196
Profit for the financial year	<u>133,976</u>
At 30 September 2011	<u>1,183,172</u>

14 Reconciliation of movement in shareholder's funds

	2011	2010
	£	£
At 1 October	2,801,723	2,364,254
Profit for the financial year	133,976	39,423
Other recognised gains and losses	<u>(2,266,706)</u>	<u>398,046</u>
At 30 September	<u>668,993</u>	<u>2,801,723</u>

15 Related party transactions

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS 8, 'Related Party Disclosures', on the grounds that it is wholly owned subsidiary of a group headed by Loopsign Limited, whose financial statements are publicly available

Richian Limited
Notes to the financial statements
for the year ended 30 September 2011

16 Parent undertaking

The immediate parent undertaking is London & Regional Group Securitisation No 2 Limited, a company incorporated and registered in England and Wales

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

London & Regional Group Holdings Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements as at 30 September 2011 Loopsign Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2011 The consolidated financial statements of Loopsign Limited can be obtained from the 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