Registered number
03355362

Richian Limited

Annual report and financial statements

for the year ended
30 September 2013

Richian Limited
Annual report and financial statements for the year ended 30 September 2013
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Richian Limited
Company information for the year ended 30 September 2013

Director
Mr L K Sebastian

Company secretary
Mr R N Luck

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
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London
WC2N 6RH

Registered office
Quadrant House, Floor 6
4 Thomas More Square
London
E1W 1YW

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Richian Limited

Strategic report for the year ended 30 September 2013

The director presents his strategic report for the year ended 30 September 2013

Review of the business

The company acts as a commercial property investment company It made a profit of £162 4k for the year ended 30 September 2013 (2012 £137 5k) The company had net liabilities of £0 2m at the year end (2012 net assets of £0 1m), the movement being primarily due to a £0 5m fall in the valuation of the investment property held

A long term inter-company loan from fellow group undertaking London & Regional Portfolio Finance Limited ("LRPF") matured in October 2013 LRPF itself has loans from a further group undertaking, London & Regional Debt Securitisation No 2 plc ("LORDS 2") and another party, that also matured in October 2013 Effective 20 December 2013, agreement was reached with all parties that all these loans be extended to October 2014 with further extensions to October 2016 permitted subject to certain amortisation targets being achieved for the inter-company loan from LORDS 2 to LRPF

As part of this restructuring, the amount of the inter-company loan from LRPF was decreased, as was the effective interest rate See note 9 for further detail

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 director of the group has 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

Financial risk management

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk Further discussion of the financial risk management objectives and policies, in the context of the group as a whole, are discussed in the company's ultimate parent's group annual report which does not form part of this report

Key performance indicators

The company is managed by the director in accordance with the strategies of its ultimate parent company, Loopsign Limited For this reason, the director believes that 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

Going concern

The director believes that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of London & Regional Group Securitisation No 2 Limited The director has received confirmation that London & Regional Group Securitisation No 2 Limited intends to support the company for at least one year after these financial statements are signed

By order of the board

Mr R N Luck

Company Secretary

30 June 2014

Richian Limited
Director's Report for the year ended 30 September 2013

The director presents his annual report and the audited financial statements of the company for the year ended 30 September 2013

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 (2012 £nil)

Director
The following person served as director during the year and up to the date of signing the financial statements

Mr L K Sebastian

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 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

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 June 2014

Richian Limited
Statement of Director's Responsibilities for the year ended 30 September 2013

The director is responsible for preparing the strategic report, 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) 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 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,

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 June 2014

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF RICHIAN LIMITED

We have audited the financial statements of Richian Limited for the year ended 30 September 2013 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 director and auditors
As explained more fully in the statement of director's responsibilities as set out on page 4, 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 director's 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

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 2013 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

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the strategic report and 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

Neil Mellor (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 June 2014

Richian Limited
Profit and loss account
for the year ended 30 September 2013

	Note	2013	2012
		£	£
			(restated)
Turnover	2	842,234	852,227
Cost of sales		(60,022)	(59,117)
Gross profit		782,212	793,110
Administrative expenses		(25,100)	(30,281)
Other operating income		25	95
Operating profit	3	757,137	762,924
Interest payable and similar charges	4	(594,749)	(597,937)
Profit on ordinary activities before taxation		162,388	164,987
Tax on profit on ordinary activities	6	-	(27,527)
Profit for the financial year	13	162,388	137,460

All amounts relate to continuing operations

There is no material difference between the profit on ordinary activities before taxation and the profit for the years stated above and their historical costs equivalents

Richian Limited
Statement of total recognised gains and losses for the year ended 30 September 2013

	Note	2013 £	2012 £
Profit for the financial year		162,388	137,460
Unrealised deficit on revaluation of investment properties	7	(500,000)	(700,000)
Total recognised losses related to the year		(337,612)	(562,540)

Richian Limited
Balance sheet
as at 30 September 2013

Registered number
03355362

	Note		2013 £		2012 £
Fixed assets					
Investment properties	7		4,800,000		5,300,000
Current assets					
Debtors	8	5,050,900		4,947,846	
Creditors amounts falling due within one year	9	(10,082,059)		(330,702)	
Net current (liabilities)/assets			(5,031,159)		4,617,144
Total assets less current liabilities			(231,159)		9,917,144
Creditors· amounts falling due after more than one year	10		-		(9,810,691)
Net (liabilities)/assets			(231,159)		106,453
Capital and reserves					
Called up share capital	11		2		2
Revaluation reserve	12		(1,714,181)		(1,214,181)
Profit and loss reserve	13		1,483,020		1,320,632
Total shareholder's (deficit)/funds	14		(231,159)		106,453

These financial statements were approved by the Board of Directors on 30 June 2014
and signed on its behalf by

Mr L K Sebastian
Director
30 June 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 For the year ended 30 September 2013, irrecoverable insurance expenses have been reclassified as cost of sales (see note 2) and consequently prior year administrative expenses of £3,655 have been reclassified for comparative purposes There is no impact on the profit for the prior financial year The principal accounting policies, which have been applied consistently throughout the year, are set out below

Going concern

The director believes that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of London & Regional Group Securitisation No 2 Limited The director has received confirmation that London & Regional Group Securitisation No 2 Limited intends to support the company for at least one year after these financial statements are signed

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

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

Richian Limited
Notes to the financial statements
for the year ended 30 September 2013

1 Accounting policies (continued)

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 the profit and loss when earned

2 Turnover

Net rental income	**2013**	**2012**
	£	**£**
		(restated)
Rental income	783,262	783,268
Recoverable property expenses	58,972	68,959
Turnover	842,234	852,227
Net property outgoings	(3,610)	(3,655)
Recoverable property expenses	(56,412)	(55,462)
Property outgoings	(60,022)	(59,117)
Net rental income	782,212	793,110

3 Operating profit	**2013**	**2012**
	£	**£**
Operating profit is stated after charging		
Auditors' remuneration	-	-

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

4 Interest payable and similar charges	**2013**	**2012**
	£	**£**
Other interest payabe	42	552
Interest payable to group undertakings	594,707	597,385
	594,749	597,937

5 Director's emoluments
The director did not receive any emoluments in respect of his services to the company (2012 £nil) The company has no employees (2012 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 2013 amounted to £23,800 (2012 £23,800), 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 L K Sebastian is an employee of a fellow subsidiary and the total emoluments of Mr L K 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

	2013	2012
	£	£
Current tax		
Adjustments in respect of previous years	-	27,527

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

Factors affecting tax charge for the year

From 01 April 2013 the rate of corporation tax has reduced from 24% to 23%, giving a blended average rate for the year of 23 5%

The tax assessed for the year is different (2012 different) than the blended rate of corporation tax in the UK of 23 5%, (2012 25%) The differences are explained below

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows

	2013	2012
	£	£
Profit on ordinary activities before taxation	162,388	164,987
Blended rate of corporation tax in the UK	23 5%	25 0%
	£	£
Profit on ordinary activities multiplied by the blended rate of corporation tax in the UK of 23 5% (2012 25%)	38,161	41,247
Effects of		
Utilisation of tax losses	(38,161)	(41,247)
Adjustments to tax charge in respect of previous years	-	27,527
Current tax charge for the year	-	27,527

The corporation tax charge for the year has been reduced by £38,161 (2012 £41,247) 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 forseeable 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 2013 budget The changes, which were enacted on 17 July 2013 reduce the UK corporation tax rate to 21% with effect from 1 April 2014 and to 20% from 1 April 2015 These changes have no impact on these financial statements

7 Investment properties

	Freehold Land and Buildings
	2013
	£
Valuation	
At 1 October 2012	5,300,000
Unrealised deficit arising in the year	(500,000)
At 30 September 2013	4,800,000
Cost	6,514,181

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 2013 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

	2013	2012
	£	£
Trade debtors	14,487	116,146
Amounts owed by group undertakings	5,021,506	4,817,710
Other debtors	2	2
Prepayments and accrued income	14,905	13,988
	5,050,900	4,947,846

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

Other debtors relates to unpaid share capital of £2 (2012 £2)

9 Creditors amounts falling due within one year

	2013	2012
	£	£
Trade creditors	7,261	7,197
Amounts owed to group undertakings	9,810,691	-
Corporation tax	-	11,037
Taxation and social security	34,063	45,074
Accruals and deferred income	230,044	267,394
	10,082,059	330,702

The amounts owed to group undertakings are secured over the properties of those group undertakings, bore interest at between 5 53% and 6 16% (2012 5 53% and 6 16%) and were repayable in October 2013 Following the restructuring of the loans on 20 December 2013, as described in the strategic report, these amounts were decreased to £5,370,198 and now bear interest at an average rate of 2 82% over 3 month Sterling LIBOR, and are repayable in October 2014 with further extensions to October 2016 permitted subject to certain amortisation targets being met

Richian Limited
Notes to the financial statements
for the year ended 30 September 2013

10 Creditors amounts falling due after more than one year

	2013 £	2012 £
Amounts owed to group undertakings	-	9,810,691

The prior year amounts owed to group undertakings were secured over the properties of the company, were repayable in October 2013 and bore interest at between 5 53% and 6 16%

11 Called up share capital

	2013 £	2012 £
Authorised		
1,000 (2012 1,000) ordinary shares of £1 each	1,000	1,000

	2013 Number	2012 Number	2013 £	2012 £
Allotted, called up and unpaid				
Ordinary shares of £1 each	2	2	2	2

12 Revaluation reserve

	2013 £
At 1 October 2012	(1,214,181)
Deficit arising on revaluation during the year	(500,000)
At 30 September 2013	(1,714,181)

13 Profit and loss reserve

	2013 £
At 1 October 2012	1,320,632
Profit for the financial year	162,388
At 30 September 2013	1,483,020

14 Reconciliation of movement in shareholder's (deficit)/funds

	2013 £	2012 £
At 1 October	106,453	668,993
Profit for the financial year	162,388	137,460
Other recognised gains and losses	(500,000)	(700,000)
At 30 September	(231,159)	106,453

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

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 2013 Loopsign Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2013 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