

# Financial Statements Leasehold Property Management Limited

---

for the year ended 31 October 2013

MONDAY



LD2  
30/06/2014  
COMPANIES HOUSE

\*L3B60NI0\*

#328

Registered number: 03572300

**Leasehold Property Management Limited**

## Company Information

<b>Directors</b>	R Steinhouse J K E Jackson
<b>Company secretary</b>	J K E Jackson
<b>Registered number</b>	03572300
<b>Registered office</b>	353 Kentish Town Road London NW5 2TJ
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
<b>Bankers</b>	National Westminster Bank plc PO Box No 159 332 Holborn London WC1V 7PS
<b>Solicitors</b>	Stevensons Gorgate Chambers Gorgate Drive Hoe Dereham Norfolk NR20 4HB

## Contents

	Page
<b>Directors' report</b>	1 - 2
<b>Independent auditor's report</b>	3 - 4
<b>Profit and loss account</b>	5
<b>Balance sheet</b>	6
<b>Notes to the financial statements</b>	7 - 16

## Directors' report

for the year ended 31 October 2013

The directors present their report and the financial statements for the year ended 31 October 2013

### Directors' responsibilities statement

The directors are responsible for preparing the directors' report 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 judgments 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.

## Directors' report

for the year ended 31 October 2013

### Directors

The directors who served during the year were

R Steinhouse  
J K E Jackson

### Charitable donations

During the year the company made charitable donations of £4,029 (2012 £nil)

### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information

### Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 30 April 2014 and signed on its behalf



J K E Jackson  
Director



## Independent auditor's report to the members of Leasehold Property Management Limited

We have audited the financial statements of Leasehold Property Management Limited for the year ended 31 October 2013, which comprise the profit and loss account, the balance sheet and the related notes. 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 an auditor's report 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 auditor**

As explained more fully in the directors' responsibilities statement, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 31 October 2013 and of its profit 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent auditor's report to the members of Leasehold Property Management Limited

### **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 from the requirement to prepare a strategic report or in preparing the directors' report

*Grant Thornton UK LLP*

Harold Wilson (senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
London

30 April 2014

## Profit and loss account

for the year ended 31 October 2013

	Note	2013 £	2012 £
<b>Turnover</b>	1	1,989,067	2,331,084
Cost of sales		<u>(1,093,846)</u>	<u>(1,273,389)</u>
<b>Gross profit</b>		895,221	1,057,695
Administrative expenses		<u>(919,150)</u>	<u>(821,455)</u>
<b>Operating (loss)/profit</b>	2	(23,929)	236,240
<b>Exceptional items</b>			
Intercompany loan waiver	4	<u>2,016,000</u>	<u>-</u>
<b>Profit on ordinary activities before interest</b>		1,992,071	236,240
Interest receivable and similar income		-	3,084
Interest payable and similar charges		<u>(482)</u>	<u>(2)</u>
<b>Profit on ordinary activities before taxation</b>		1,991,589	239,322
Tax on profit on ordinary activities	6	<u>-</u>	<u>(53,074)</u>
<b>Profit for the financial year</b>	12	<u><u>1,991,589</u></u>	<u><u>186,248</u></u>

The notes on pages 7 to 16 form part of these financial statements

All transactions arise from continuing operations

There were no recognised gains or losses other than the results for the financial year set out as above



## Balance sheet

as at 31 October 2013

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	7		60,630		77,506
<b>Current assets</b>					
Debtors	8	3,301,016		15,802,504	
Cash at bank and in hand		421,165		203,035	
		<u>3,722,181</u>		<u>16,005,539</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(3,626,874)</u>		<u>(17,918,697)</u>	
<b>Net current assets/(liabilities)</b>			<u>95,307</u>		<u>(1,913,158)</u>
<b>Net assets/(liabilities)</b>			<u>155,937</u>		<u>(1,835,652)</u>
<b>Capital and reserves</b>					
Called up share capital	11		1,000		1,000
Profit and loss account	12		154,937		(1,836,652)
<b>Shareholders' funds/(deficit)</b>			<u>155,937</u>		<u>(1,835,652)</u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 April 2014



J K E Jackson  
Director

The notes on pages 7 to 16 form part of these financial statements

## Notes to the financial statements

for the year ended 31 October 2013

### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### 1.2 Going concern

Written representations have been received from companies under common control that should the company require financial support then this will be made available so that liabilities can be met as they fall due

#### 1.3 Turnover

Turnover represents management charges, fees and insurance commissions receivable less payable

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Motor vehicles	-	16 67% straight line
Fixtures & fittings	-	20% straight line
Equipment	-	33% straight line
Leasehold improvements	-	25% straight line

#### 1.5 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# Notes to the financial statements

for the year ended 31 October 2013

## 2. Operating (loss)/profit

The operating (loss)/profit is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	33,575	46,234
Auditor's remuneration	25,478	3,800
Pension costs	-	30,934
Loss on disposal of fixed assets	-	12
	<u>          </u>	<u>          </u>

## 3. Directors' remuneration

Remuneration in respect of directors of this company was as follows

	2013 £	2012 £
Remuneration	250,132	241,760
	<u>          </u>	<u>          </u>

The highest paid director received £161,766 (2012 £150,422) in the year. During the year the company paid pension contributions in respect of one director (2012 one).

## 4. Exceptional items

	2013 £	2012 £
Intercompany loan waiver	2,016,000	-
	<u>          </u>	<u>          </u>

## 5. Liability limitation agreement with the auditor

The company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 October 2013. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements.

## 6. Taxation

	2013 £	2012 £
UK corporation tax charge on profit for the year	-	53,074
	<u>          </u>	<u>          </u>

# Notes to the financial statements

for the year ended 31 October 2013

## 7. Tangible fixed assets

	Motor vehicles £	Fixtures & fittings £	Equipment £	Leasehold improvements £	Total £
<b>Cost</b>					
At 1 November 2012	60,769	18,546	155,094	126,952	361,361
Additions	32,370	-	2,580	-	34,950
Disposals	(36,354)	-	-	-	(36,354)
At 31 October 2013	56,785	18,546	157,674	126,952	359,957
<b>Depreciation</b>					
At 1 November 2012	28,349	13,327	119,942	122,237	283,855
Charge for the year	4,738	1,742	23,312	3,783	33,575
On disposals	(18,103)	-	-	-	(18,103)
At 31 October 2013	14,984	15,069	143,254	126,020	299,327
<b>Net book value</b>					
At 31 October 2013	41,801	3,477	14,420	932	60,630
At 31 October 2012	32,420	5,219	35,152	4,715	77,506

## 8. Debtors

	2013 £	2012 £
Trade debtors	11,102	51,243
Amounts owed by group undertakings	1,346,912	12,193,542
Corporation tax repayable	-	91,627
Other debtors	1,943,002	3,466,092
	<u>3,301,016</u>	<u>15,802,504</u>

# Notes to the financial statements

for the year ended 31 October 2013

## 9. Creditors:

### Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	81,597	55,932
Amounts owed to group undertakings	1,898,928	7,261,048
Corporation tax	-	17,945
Other taxation and social security	56,479	52,661
Other creditors	1,589,870	10,531,111
	<u>3,626,874</u>	<u>17,918,697</u>

## 10. Related party transactions

The following companies are related as the director, R Steinhouse, controls these companies by virtue of his shareholdings. The balances due to and from these related companies are as shown below

# Leasehold Property Management Limited

## Notes to the financial statements for the year ended 31 October 2013

Amounts owed by group undertakings:	2013 £	2012 £
Gray's Inn Properties Limited	-	1,144,485
Residents Insurance Services Limited	-	4,582,975
Gray's Inn Freeholds Limited	-	1,476,065
Gray's Inn Realty Limited	-	1,316,986
Raleigh Reversions Limited	-	11,151
Gray's Inn Estates Group Limited	-	3,547,868
Gilbert Reversions Limited	-	20,170
Ground Rent Estates 2 Limited	-	73
Ground Rent Estates 3 Limited	-	74
Ground Rent Estates 4 Limited	-	74
Ground Rent Estates 5 Limited	-	74
Freehold Properties 23 Limited	-	74
Freehold Properties 38 Limited	-	74
Freehold Reversions Limited	-	90,405
Freehold Properties 42 Limited	-	212
Freehold Properties 43 Limited	-	192
MacArthur Reversions Limited	-	212
Gray' Inn 15 Limited	-	192
Gray's Inn Trading Limited	-	212
Hudson Freeholds Limited	-	1,974
Gray's Inn Estates Limited	22,239	-
Freehold Estates Limited	551,581	-
The Gray's Inn Group Limited	2,049	-
Ground Rent Securities Limited	7,105	-
Freehold Properties 27 Limited	2,141	-
Freehold Properties 29 Limited	3,158	-
Ludgate Reversions Limited	2,769	-
Shackleton Properties Limited	1,984	-
Hillary Estates Limited	8,647	-
Gracie Properties Limited	2,710	-
Scott Freeholds Limited	6,943	-
Drake Freeholds Limited	62,615	-
Fiennes Estates Limited	13,416	-
Johnson Estates Limited	17,009	-
Thesiger Properties Limited	7,332	-
Freehold Portfolios GB Limited	24,871	-
Freehold Portfolios GP Limited	2,372	-
Livingstone Reversions Limited	36,334	-
Cabot Estates Limited	20,038	-
Frobisher Properties Limited	5,210	-
Freehold Properties 31 Limited	5,079	-
Freehold Properties 33 Limited	4,954	-
Freehold Properties 34 Limited	4,198	-
Freehold Properties 35 Limited	6,074	-
Gray's Inn Reversions Limited	6,139	-
Cook Properties Limited	15,828	-
Reversions 2 Limited	2,006	-
Realty Reversions Limited	1,940	-

**Leasehold Property Management Limited**

**Notes to the financial statements**  
**for the year ended 31 October 2013**

House Reversions Limited	2,600	-
Freehold Reversions Limited	2,305	-
Freehold Properties 39 Limited	3,421	-
Freehold Properties 40 Limited	13,187	-
Freehold Properties 41 Limited	20,756	-
Blake Estates Limited	2,480	-
Gray's Inn Capital Limited	455,409	-
Gray's Inn Operations Limited	13	-
	<u>1,346,912</u>	<u>12,193,542</u>

# Notes to the financial statements

for the year ended 31 October 2013

Included in other debtors	2013 £	2012 £
Gray's Inn Estates Limited	-	2,265,915
Brightsplit Limited	232,910	281,217
Coaching Consultancy Limited	24,222	495,335
Talkfree Design Limited	66,749	68,570
Gray's Inn Investments Limited	76,161	64,455
The Freehold Group Limited	-	9,195
Propor Limited	-	16,440
NLP School Europe Limited	41	3,117
Ground Rent Estates 6 Limited	13	59
Freehold Properties 20 Limited	13	74
Freehold Properties 24 Limited	13	74
Willam Limited	13	74
Freehold Properties 22 Limited	13	74
Freehold Properties 250 Limited	57,912	44
Meta Holdings Limited	13	74
Gray's Inn Operations Limited	-	14
Gray's Inn Holdings Limited	-	14
Gray's Inn Capital Limited	-	14
Propor Limited	11,054	-
Freehold Securities Limited	842,780	-
Ground Rent Estates 3 Limited	13	-
Ground Rent Estates 4 Limited	13	-
Ground Rent Estates 5 Limited	13	-
Ground Rent Estates Limited	5,460	-
Luton (Barons) Limited	32,021	-
Gilbert Reversions Limited	41,850	-
Freehold Properties 36 Limited	8,356	-
O & L Freeholds Limited	28,849	-
Ground Rent Estates Limited	13	-
Freehold Properties 21 Limited	27	-
Freehold Properties 23 Limited	185,686	-
MacArthur Reversions Limited	13	-
Gray's Inn 10 Limited	74,939	-
Gray's Inn 15 Limited	13	-
Gray's Inn Trading Limited	13	-
Gray's Inn 11 Limited	50,080	-
Freehold Properties 37 Limited	36,218	-
Freehold Properties 42 Limited	13	-
Freehold Properties 43 Limited	13	-
Freehold Properties 38 Limited	163	-
Hudson Freeholds Limited	3,874	-
	<u>1,779,547</u>	<u>3,204,759</u>



**Leasehold Property Management Limited**

**Notes to the financial statements**  
for the year ended 31 October 2013

<b>Amounts owed to group undertakings</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Freehold Properties 29 Limited	-	445,999
Shackleton Properties Limited	-	78,273
Blake Estates Limited	-	8,319
Hillary Estates Limited	-	307,922
Scott Freeholds Limited	-	471,326
Drake Freeholds Limited	-	505,196
Fiennes Estates Limited	-	523,679
Johnson Estates Limited	-	274,671
Thesiger Properties Limited	-	260,010
Frobisher Properties Limited	-	86,849
Gracie Properties Limited	-	38,637
Freehold Portfolios GB Limited	-	739,668
Freehold Properties 31 Limited	-	282,003
Freehold Properties 33 Limited	-	84,467
Freehold Properties 34 Limited	-	393,415
Freehold Properties 35 Limited	-	163,597
Freehold Properties 36 Limited	-	68,048
Cook Properties Limited	-	610,374
Freehold Reversions 21 Limited	-	203,286
Freehold Properties 39 Limited	-	94,270
Freehold Portfolios GP Limited	-	18,138
Livingstone Reversions Limited	-	409,153
Cabot Estates Limited	-	709,156
Freehold Properties 41 Limited	-	240,258
Realty Reversions Limited	-	21,505
Freehold Properties 40 Limited	-	120,656
Ground Rent Realty Limited	-	55,744
Ground Rent Estates Limited	-	46,429
Gray's Inn Estates Limited	480,222	-
Freehold Investments Limited	19,069	-
Gray's Inn Estates Group Limited	510,187	-
Gray's Inn Properties Limited	7,846	-
Gray's Inn Freeholds Limited	9,136	-
Freehold Reversions Limited	49,665	-
Ground Rent Realty Limited	319	-
Residents Insurance Services Limited	615,597	-
Gray's Inn Holdings Limited	206,887	-
	<b>1,898,928</b>	<b>7,261,048</b>

## Leasehold Property Management Limited

### Notes to the financial statements for the year ended 31 October 2013

Included in other creditors:	2013 £	2012 £
Freehold Estates Limited	-	6,018,691
Freehold Securities Limited	-	1,211,988
Ground Rent Securities Limited	-	487,822
Freehold Investments Limited	-	165,451
The Gray's Inn Group Limited	-	33,018
Cromwell Business Centre Management Company Limited	20,726	297,250
Ludgate Reversions Limited	-	189,784
Luton (Barons) Limited	-	218,463
Reversions 2 Limited	-	90,149
House Freeholds Limited	-	3,079
Freehold Properties 27 Limited	-	33,588
Freehold Properties 28 Limited	-	4
Freehold Properties 37 Limited	-	97,405
House Reversions Limited	-	62,622
Gray's Inn Reversions Limited	-	113,966
O & L Freeholds Limited	-	170,174
Gray's Inn 10 Limited	-	365,434
Freehold Properties 21 Limited	-	171
Gray's Inn Developments Limited	14,755	104,598
Gray's Inn 11 Limited	-	10,065
The Freehold Group Limited	677,043	-
Raleigh Reversions Limited	2,348	-
Gray's Inn Realty Limited	55,042	-
	<u>769,914</u>	<u>9,673,722</u>

Management fees received:	2013 £	2012 £
Gray's Inn Estates Group Limited	216,139	2,278,882
Gray's Inn 10 Limited	200,000	-
The Freehold Group	550,000	-
Residents Insurance Services Limited	300,000	-
Gray's Inn Developments Limited	100,000	-
Gray's Inn Capital Limited	360,000	-
Freehold Investments Limited	35,166	-
Gray's Inn Estates Limited	118,452	-
	<u>1,879,757</u>	<u>2,278,882</u>

# Notes to the financial statements

for the year ended 31 October 2013

## 11. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

## 12. Reserves

	Profit and loss account £
At 1 November 2012	(1,836,652)
Profit for the financial year	1,991,589
At 31 October 2013	154,937

## 13. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Gray's Inn Operations Limited and the ultimate parent undertaking is Gray's Inn Holdings Limited. The ultimate controlling party is R Steinhouse by virtue of his majority shareholding.