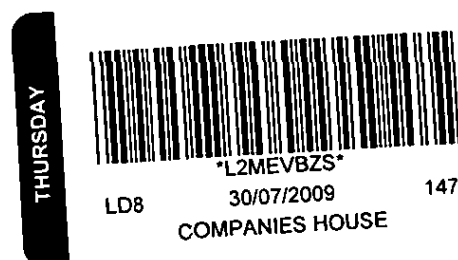


Registered number
03788540

Lakevilla Limited
Annual report and financial statements
for the year ended
30 September 2008



Lakevilla Limited

Annual report and financial statements for the year ended 30 September 2008

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Lakevilla Limited
Company information

Directors

Mr C King
Mr G Springer

Company secretary

Mr R N Luck

Registered office

Quadrant House
17 Thomas More Street
Thomas More Square
London E1W 1YW

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
1 Embankment Place
London
WC2N 6RH

Registered number

03788540

Lakevilla Limited
Directors' report for the year ended 30 September 2008

The directors present their report and the audited accounts of the company for the year ended 30 September 2008.

Principal activities and review of the business

The company acts as an investment company. On 31 January 2008 the company acquired from a fellow subsidiary company an interest in two limited liability partnerships with the consideration being satisfied by the issue of new ordinary shares. At 30 September 2008 it was necessary to impair the carrying value of this investment. The directors consider the financial position at 30 September 2008 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 and/or its investments operate within a highly competitive market place. Further discussion of the risks and uncertainties, 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

Lakevilla Limited is managed by the directors in accordance with its ultimate parent company, Loopsign Ltd, group strategies and for this reason, the directors believe 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 year are set out in the profit and loss account on page 5. The directors do not recommend the payment of a dividend (2007: £nil).

Directors

The directors of the company who served during the year and up to the date of signing the financial statements were:

Mr C King
Mr G Springer

Qualifying third party indemnity provisions

The company maintains liability insurance for its directors and officer. Following shareholder approval, the company has also provided an indemnity for its directors and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 1985.

Independent auditors and disclosure of information to auditors

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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.

The report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



Mr R N Luck
Company secretary
21 July 2009

Lakevilla Limited

Statement of directors' responsibilities for the year ended 30 September 2008

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year which give a true 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). The financial statements are required by law to give 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 those financial statements, the directors are 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, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with Companies Act 1985. 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.

By order of the board



Mr R N Luck
Company secretary

21 July 2009

**Independent auditors' report
to the members of Lakevilla Limited**

We have audited the financial statements of Lakevilla Limited for the year ended 30 September 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

21 July 2009

Lakevilla Limited
Profit and loss account
for the year ended 30 September 2008

	Note	2008 £	2007 £
Operating profit	2	-	-
Exceptional items:			
loss on provision against diminution in value of investment		(10,340,654)	-
Loss on ordinary activities before taxation		<u>(10,340,654)</u>	<u>-</u>
Tax on loss on ordinary activities	4	-	-
Loss for the financial year	8	<u>(10,340,654)</u>	<u>-</u>

All amounts relate to continuing operations.

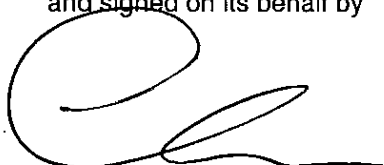
There is no material difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical costs equivalents.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.

Lakevilla Limited
Balance sheet
as at 30 September 2008

	Note	2008 £	2007 £
Fixed assets			
Investments	5	36,160,300	-
Net assets		<u>36,160,300</u>	<u>-</u>
Capital and reserves			
Called up share capital	6	40,000,823	2
Share premium	7	6,500,133	-
Profit and loss account	8	(10,340,656)	(2)
Total shareholders' funds	9	<u>36,160,300</u>	<u>-</u>

These financial statements were approved by the Board of Directors on 21 July 2009
and signed on its behalf by



Mr C King
Director
21 July 2009

Lakevilla Limited
Notes to the accounts
for the year ended 30 September 2008

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

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 Financial Reporting Standard No.1 (revised 1996) from including a cash flow statement on the grounds that the company is wholly owned and its ultimate parent publishes a consolidated cash flow statement.

Investments

Investments are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

2 Operating profit

	2008	2007
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	-	-

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

3 Directors' emoluments

The directors did not receive any emoluments in respect of their services to the company (2007 : £nil).
The company has no employees (2007: nil) other than the directors.

The emoluments of the directors are paid by a fellow subsidiary company which makes no recharge to the company. Mr King is a director of the ultimate parent company and a number of fellow subsidiary companies and Mr Springer is an employee of a fellow subsidiary. The total emoluments of Mr King are included in the aggregate of directors' emoluments included in the financial statements of the ultimate parent company. The total emoluments of Mr Springer are included in the aggregate of employee wages and salaries included in the financial statements of the ultimate parent company.

Lakevilla Limited
Notes to the accounts
for the year ended 30 September 2008

4 Tax on profit/(loss) on ordinary activities

No tax has been provided for due to no taxable profits arising in the year.

Factors affecting the tax charge for the period:

From 01 April 08 the rate of corporation tax has reduced from 30% to 28%, giving a blended average rate for the year of 29%.

The tax assessed for the year is lower (2007: lower) than the blended/standard rate of corporation tax in the UK (29%; 2007: 30%). The differences are explained below:

	2008 £	2007 £
Loss on ordinary activities before taxation	(10,340,654)	-
Profit on ordinary activities multiplied by blended (2007: standard) rate of corporation tax in the UK of 29% (2007: 30%)	(2,998,790)	-
Effects of:		
Impairment provision not tax deductible	2,998,790	-
Total current tax charge	-	-

5 Investments

	Other investments £
Book value	
At 1 October 2007	-
Additions	46,500,954
Provision for diminution in value of investments	(10,340,654)
At 30 September 2008	36,160,300

The company has 3.9% holdings in two limited liability partnerships, which indirectly hold interests in a healthcare group. The directors believe that the carrying value of the investments as at 30 September 2008 is supported by their underlying net assets and valuation of the business.

6 Called up share capital

	2008 £	2007 £
Authorised:		
Ordinary shares of £1 each	60,001,000	2

	2008 Number	2007 Number	2008 £	2007 £
Allotted and fully paid:				
Ordinary shares of £1 each	40,000,823	2	40,000,823	2

Movement in share capital

	2008 £
At 1 October	2
Shares issued	40,000,821
At 30 September	40,000,823

On 31 January 2008 the company issued 40,000,821 ordinary shares of £1 each for consideration of £46,500,954.

Lakevilla Limited
Notes to the accounts
for the year ended 30 September 2008

7 Share premium	2008
	£
At 1 October	-
Shares issued	6,500,133
At 30 September	<u>6,500,133</u>

On 31 January 2008 the company issued 40,000,821 ordinary shares of £1 each for consideration of £46,500,954.

8 Profit and loss account	2008
	£
At 1 October 2007	(2)
Loss for the financial year	(10,340,654)
At 30 September 2008	<u>(10,340,656)</u>

9 Reconciliation of movement in shareholders' funds	2008	2007
	£	£
At 1 October	-	-
Loss for the financial year	(10,340,654)	-
Shares issued	46,500,954	-
At 30 September	<u>36,160,300</u>	<u>-</u>

10 Related party transactions

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is wholly owned subsidiary of a group headed by Loopsign Ltd, whose accounts are publically available.

11 Parent undertaking

The immediate parent undertaking is TPE No.2 Limited.

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

Loopsign Ltd is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2008. The consolidated financial statements of Loopsign Limited can be obtained from the company secretary at:

Quadrant House, Floor 6
17 Thomas More Street
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.