

**REGISTERED NUMBER: 04171425 (England and Wales)**

**Report of the Directors and  
Financial Statements for the Year Ended 31 March 2013  
for  
Luton Investco (2) Limited**



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for the Year Ended 31 March 2013**

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**Luton Investco (2) Limited**

**Company Information  
for the Year Ended 31 March 2013**

**DIRECTORS:**

R G St J Rowlandson FCA  
E T M Rowlandson  
S M Younghusband FCA

**SECRETARY:**

The Finance & Industrial Trust Limited

**REGISTERED OFFICE**

Graham House  
7 Wyllyotts Place  
Potters Bar  
Hertfordshire  
EN6 2JD

**REGISTERED NUMBER:**

04171425 (England and Wales)

**AUDITORS:**

MHA MacIntyre Hudson  
Euro House  
1394 High Road  
London  
N20 9YZ

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**Luton Investco (2) Limited (Registered number: 04171425)**

**Report of the Directors  
for the Year Ended 31 March 2013**

The directors present their report with the financial statements of the company for the year ended 31 March 2013

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of property investment

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2012 to the date of this report

R G St J Rowlandson FCA  
E T M Rowlandson  
S M Younghusband FCA

The group has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 judgements 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, MHA MacIntyre Hudson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**Luton Investco (2) Limited (Registered number: 04171425)**

**Report of the Directors  
for the Year Ended 31 March 2013**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'A Teoh', is written over the printed name.

The Finance & Industrial Trust Limited - Secretary

25 September 2013

**Report of the Independent Auditors to the Members of  
Luton Investco (2) Limited**

We have audited the financial statements of Luton Investco (2) Limited for the year ended 31 March 2013 on pages five to twelve. 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).

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 a Report of the Auditors 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 Ethical Standards for Auditors.

**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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 March 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors 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, 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 in preparing the Report of the Directors.



Brendan Sharkey (Senior Statutory Auditor)  
for and on behalf of MHA MacIntyre Hudson  
Euro House  
1394 High Road  
London  
N20 9YZ

Date

26 September 2013

**Luton Investco (2) Limited (Registered number: 04171425)**

**Profit and Loss Account  
for the Year Ended 31 March 2013**

	Notes	31 3 13 £	31 3 12 £
<b>TURNOVER</b>		258,000	193,500
Cost of sales		<u>24,768</u>	<u>21,670</u>
<b>GROSS PROFIT</b>		233,232	171,830
Administrative expenses		<u>28,670</u>	<u>28,565</u>
<b>OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	204,562	143,265
Tax on profit on ordinary activities	4	<u>44,002</u>	<u>27,379</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>160,560</u>	<u>115,886</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

**Luton Investco (2) Limited (Registered number: 04171425)**

**Statement of Total Recognised Gains and Losses  
for the Year Ended 31 March 2013**

	31 3 13 £	31 3 12 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	160,560	115,886
Unrealised surplus/(deficit) on revaluation of investment properties	<u>(188,000)</u>	<u>706,071</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u><u>(27,440)</u></u>	<u><u>821,957</u></u>

The notes form part of these financial statements



**Luton Investco (2) Limited (Registered number: 04171425)**

**Balance Sheet  
31 March 2013**

	Notes	31 3.13 £	31 3.12 £
<b>FIXED ASSETS</b>			
Investment property	6	2,032,000	2,220,000
<b>CREDITORS</b>			
Amounts falling due within one year	7	(1,942,300)	(2,101,556)
<b>NET CURRENT LIABILITIES</b>		(1,942,300)	(2,101,556)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		89,700	118,444
<b>PROVISIONS FOR LIABILITIES</b>	8	(117,139)	(118,443)
<b>NET (LIABILITIES)/ASSETS</b>		(27,439)	1
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1	1
Revaluation reserve	10	(1,739,444)	(1,551,444)
Profit and loss account	10	1,712,004	1,551,444
<b>SHAREHOLDERS' FUNDS</b>	14	(27,439)	1

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 25 September 2013 and were signed on its behalf by



S M Younghusband FCA - Director

**Notes to the Financial Statements  
for the Year Ended 31 March 2013**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

**Going concern**

The accounts have been prepared under the going concern concept because the ultimate parent undertaking, RO Trading Limited, has confirmed its willingness and ability to provide adequate funds for the company to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements

**Turnover**

Turnover, which is stated net of VAT and trade discounts, represents rent receivable in respect of the company's investment properties. Turnover arose wholly in the UK

**Taxation**

Corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (or similar fair value adjustments) of fixed assets, and on disposals of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**Investment properties**

Investment properties are revalued annually. Surplus or deficits on individual properties are transferred to the investment revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. Depreciation is not provided in respect of freehold investment properties or of leasehold investment properties where the unexpired term of the lease is more than 20 years. The directors consider that this accounting policy, which represents a departure from the small Companies and Groups (Accounts and Directors' Report) Regulations 2008, is necessary to provide a true and fair view as required under SSAP 19.

The surplus or deficit over the carrying value of an investment property realised on disposal is dealt with through the profit and loss account. Any previous revaluation surplus is transferred from the revaluation reserve to the profit and loss reserve

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2013

2 STAFF COSTS

There were no staff costs for the year ended 31 March 2013 nor for the year ended 31 March 2012

3 OPERATING PROFIT

The operating profit is stated after charging

	31 3 13 £	31 3 12 £
Auditors' remuneration	<u>1,000</u>	<u>1,000</u>
Directors' remuneration and other benefits etc	<u>-</u>	<u>-</u>

4 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	31 3 13 £	31 3 12 £
Current tax		
UK corporation tax	45,306	31,548
Deferred tax	<u>(1,304)</u>	<u>(4,169)</u>
Tax on profit on ordinary activities	<u>44,002</u>	<u>27,379</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 3 13 £	31 3 12 £
Profit on ordinary activities before tax	<u>204,562</u>	<u>143,265</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2012 - 26%)	49,095	37,249
Effects of Capital allowances	<u>(3,789)</u>	<u>(5,701)</u>
Current tax charge	<u>45,306</u>	<u>31,548</u>

5 DIVIDENDS

	31 3 13 £	31 3 12 £
Ordinary shares share of £1		
Final	<u>-</u>	<u>877,345</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2013

6 INVESTMENT PROPERTY

	Total £
<b>COST OR VALUATION</b>	
At 1 April 2012	2,220,000
Revaluations	(188,000)
At 31 March 2013	<u>2,032,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2013	<u>2,032,000</u>
At 31 March 2012	<u>2,220,000</u>

Freehold land and buildings have been valued by a director on an open market basis at 31 March 2013 and the movement on revaluation represents the net movement for the year. The directors believe that the cumulative deficit on revaluation is not of a permanent nature and the deficit has not been taken to the profit and loss account. The historic cost of revalued properties is as follows -

	2013 £	2012 £
Freehold land and buildings	<u>3,771,444</u>	<u>3,771,444</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 13 £	31 3 12 £
Amounts owed to group undertakings	1,823,345	1,996,359
Tax	45,306	31,548
VAT	7,900	7,900
Other creditors	249	249
Accruals and deferred income	65,500	65,500
	<u>1,942,300</u>	<u>2,101,556</u>

8 PROVISIONS FOR LIABILITIES

	31 3 13 £	31 3 12 £
Deferred tax	<u>117,139</u>	<u>118,443</u>
		Deferred tax £
Balance at 1 April 2012		118,443
Charge for the year		3,631
Change in rate		(4,935)
Balance at 31 March 2013		<u>117,139</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2013**

**8 PROVISIONS FOR LIABILITIES - continued**

The deferred tax liability is analysed as follows -

	2013 £	2012 £
Capital allowances	117,139	118,443
	<u>          </u>	<u>          </u>

No provision is made for the potential liability to taxation that would arise if the Company's land and buildings were sold at the valuations given. The maximum potential liability that would crystallise if the properties were sold at the values stated is estimated to be £Nil (2012: £Nil).

**9 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £1	31 3 13 £	31 3 12 £
1	Ordinary shares		<u>1</u>	<u>1</u>

**10 RESERVES**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 April 2012	1,551,444	(1,551,444)	-
Profit for the year	160,560		160,560
Revaluation	-	(188,000)	(188,000)
At 31 March 2013	<u>1,712,004</u>	<u>(1,739,444)</u>	<u>(27,440)</u>

**11 RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

**12 POST BALANCE SHEET EVENTS**

There has been no event since the balance sheet date that could materially affect the state of affairs of the company as at 31 March 2013 or that requires disclosure.

**13 ULTIMATE CONTROLLING PARTY**

The company's immediate parent company is RO Ventures Limited, a company incorporated in England and Wales, and the ultimate parent company is RO Trading Limited, a company incorporated in England and Wales.

Mr R G St J Rowlandson, a director of RO Trading Limited and members of his close family, control the company as a result of them owning and controlling the issued share capital of RO Trading Limited.

RO Trading Limited is the parent company of the largest and smallest group of which the company is a member for which consolidated accounts are prepared. Copies of its group accounts can be obtained from Graham House, 7 Wyllyotts Place, Potters Bar, Hertfordshire, EN6 2JD.

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2013**

**14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 3 13	31 3 12
	£	£
Profit for the financial year	160,560	115,886
Dividends	-	(877,345)
	<u>160,560</u>	<u>(761,459)</u>
Other recognised gains and losses relating to the year (net)	(188,000)	706,071
<b>Net reduction of shareholders' funds</b>	<b>(27,440)</b>	<b>(55,388)</b>
Opening shareholders' funds	1	55,389
<b>Closing shareholders' funds</b>	<b><u>(27,439)</u></b>	<b><u>1</u></b>