

REGISTERED NUMBER 431995 (England and Wales)

4313995

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2007
FOR
LIBERTY LIVING (SEVERN POINT) LIMITED**

WEDNESDAY



LL9AU0VE
LD6 25/06/2008 220
COMPANIES HOUSE

LIBERTY LIVING (SEVERN POINT) LIMITED

CONTENTS

	Page
Company information	1
Report of the directors	2
Independent auditors' report	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

LIBERTY LIVING (SEVERN POINT) LIMITED

COMPANY INFORMATION

DIRECTORS.

R M Boyland
J Holmes
J A Rose

SECRETARY

Brandeaux Administrators Limited
Brandeaux House
13 Upper Mount Street
Dublin 2
Ireland

REGISTERED OFFICE

Level 32
30 St Mary Axe
London
EC3A 8EP
United Kingdom

REGISTERED NUMBER

4313995

AUDITORS

Deloitte & Touche
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

BANKERS.

Bank of Scotland Plc
London Chief Office
PO Box 54873
London
SW1Y 5WX
United Kingdom

LIBERTY LIVING (SEVERN POINT) LIMITED

REPORT OF THE DIRECTORS

The directors of Liberty Living (Seven Point) Limited (the "company") present their report and the audited financial statements for the year ended 31 August 2007

PRINCIPAL ACTIVITIES

The principal activity of the company is the letting and management of property

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

A more detailed review of business is set out in the consolidated accounts of Liberty Living UK Limited

DIVIDENDS

The directors do not recommend the payment of a dividend for the year (2006 £138,000)

DIRECTORS

The directors who served during the year were

R M Boyland	(appointed 8 November 2007)
J Holmes	
J A Rose	(appointed 8 November 2007)
C L Curry	(resigned 8 November 2007)
C H Marshall	(resigned 8 November 2007)

The directors holding office at 31 August 2007 did not hold any beneficial interest in the issued share capital of the company at date of appointment or 31 August 2007

FINANCIAL INSTRUMENTS

Disclosures regarding risks associated with financial instruments are disclosed in the consolidated accounts of Liberty Living UK Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 year. In preparing these 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,
- follow applicable United Kingdom accounting standards, and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the 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.

LIBERTY LIVING (SEVERN POINT) LIMITED

REPORT OF THE DIRECTORS - continued

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

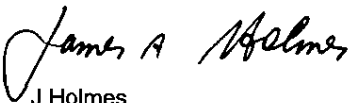
So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Deloitte & Touche, were reappointed during the year and have expressed their willingness to remain in office

APPROVAL

The report of the directors was approved by the Board on ~~31 JANUARY~~ 2008 and signed on its behalf by



J Holmes
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LIBERTY LIVING (SEVERN POINT) LIMITED

We have audited the financial statements of Liberty Living (Severn Point) Limited for the year ended 31 August 2007 on pages six to eleven. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 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 (United Kingdom and Ireland).

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 if, in our opinion, the report of the directors is not consistent with the financial statements, if 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 transactions with the company, is not disclosed.

We report to you whether in our opinion the information given in the report of the directors is consistent with the financial statements.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom 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 judgements 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.

/Continued on next page

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LIBERTY LIVING (SEVERN POINT) LIMITED

/Continued from previous page

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 31 August 2007 and of its profit 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 report of the directors is consistent with the financial statements

Deloitte & Touche

Deloitte & Touche

Chartered Accountants and Registered Auditors

Date *29/2/08*

Dublin

LIBERTY LIVING (SEVERN POINT) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2007**

	Notes	Year ended 31/08/2007 £ '000	Period ended 31/08/2006 £ '000
TURNOVER		761	601
Cost of sales		<u>(675)</u>	<u>(633)</u>
GROSS PROFIT/ (LOSS)		86	(32)
Administrative expenses		<u>(83)</u>	<u>(22)</u>
OPERATING PROFIT/ (LOSS)	3	3	(54)
Interest receivable and similar income		<u>69</u>	<u>14</u>
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		72	(40)
Tax (charge)/ credit on profit/ (loss) on ordinary activities	4	<u>(12)</u>	<u>12</u>
PROFIT/ (LOSS) FOR THE FINANCIAL YEAR/ PERIOD AFTER TAXATION		<u>60</u>	<u>(28)</u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and previous period

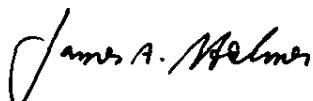
The notes form part of these financial statements

LIBERTY LIVING (SEVERN POINT) LIMITED

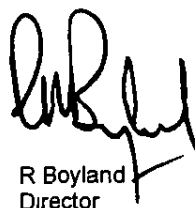
**BALANCE SHEET
AS AT 31 AUGUST 2007**

	Notes	As at 31/08/2007 £'000	As at 31/08/2006 £'000
CURRENT ASSETS			
Debtors	6	5,603	5,733
Cash at bank		<u>708</u>	<u>299</u>
		6,311	6,032
CREDITORS			
Amounts falling due within one year	7	<u>(6,256)</u>	<u>(6,037)</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>55</u>	<u>(5)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>55</u>	<u>(5)</u>
RESERVES			
Share capital	8	-	-
Profit and loss account	9	<u>55</u>	<u>(5)</u>
SHAREHOLDERS' FUNDS/ (DEFICIT)	13	<u>55</u>	<u>(5)</u>

The financial statements were approved by the Board of Directors on *31 JANUARY 2008* and were signed on its behalf by



J Holmes
Director



R Boyland
Director

The notes form part of these financial statements

LIBERTY LIVING (SEVERN POINT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2007**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Turnover

Turnover comprises gross rental income, excluding VAT

Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences in the treatment of certain items for taxation and accounting purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by FRS 19. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Cash flow statement

The company is exempt from publishing a cash flow statement because it is ultimately a wholly owned subsidiary of Liberty Living UK Limited which publishes a consolidated cash flow statement.

Leases

Rentals payable under operating leases are charged to the profit and loss account on an accruals basis over the term of the lease. The initial advance payment made in relation to the operating lease is treated as part of the rentals payable and accordingly these costs are also charged to the profit and loss account on a straight line basis over the lease term and are classified within prepayments.

2 STAFF COSTS

	Year ended 31/08/2007 £'000	Period ended 31/08/2006 £'000
Salaries and wages	118	95
Social security costs	12	9
	<u>130</u>	<u>104</u>
 Average number of employees	 <u>6</u>	 <u>9</u>

3 OPERATING PROFIT/ (LOSS)

The operating profit/ (loss) is stated after charging

	Year ended 31/08/2007 £'000	Period ended 31/08/2006 £'000
Audit fees	4	-
Rent payable	<u>67</u>	<u>177</u>

The amounts payable under the operating lease will fluctuate according to the income receivable over the term of the lease.

Operating profit is stated after charging audit fees of £3,500. In 2006 these fees were borne by the parent company.

None of the directors were remunerated for their services to the company in the year (2006: £Nil).

LIBERTY LIVING (SEVERN POINT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2007**

4 TAXATION

Analysis of the tax charge/ (credit)

The tax charge/ (credit) on profit/ (loss) on ordinary activities for the year/ period was as follows

	Year ended 31/08/2007 £'000	Period ended 31/08/2006 £'000
Deferred tax	<u>12</u>	<u>(12)</u>
Tax credit/ (charge)	<u><u>12</u></u>	<u><u>(12)</u></u>

Factors affecting the tax charge/ (credit)

	Year ended 31/08/2007 £'000	Period ended 31/08/2006 £'000
Profit / (loss) on ordinary activities before tax	<u>72</u>	<u>(40)</u>
Profit/ (loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	22	(12)
Effects of Group relief	<u>(10)</u>	<u>-</u>
Current tax charge/ (credit)	<u><u>12</u></u>	<u><u>(12)</u></u>

5 DIVIDENDS

	Year ended 31/08/2007 £'000	Period ended 31/08/2006 £'000
Ordinary shares of £1 each - interim dividend paid	<u>-</u>	<u>138</u>

6 DEBTORS

	2007 £'000	2006 £'000
Amounts falling due within one year		
Trade debtors	14	-
Deferred tax	-	12
Other debtors	123	-
Prepayments	<u>-</u>	<u>137</u>
	<u><u>137</u></u>	<u><u>149</u></u>
Amounts falling due after more than one year		
Prepayments and accrued income	<u><u>5,466</u></u>	<u><u>5,584</u></u>
Aggregate amounts	<u><u>5,603</u></u>	<u><u>5,733</u></u>

LIBERTY LIVING (SEVERN POINT) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2007

7 CREDITORS' AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£'000	£'000
Trade creditors	51	20
Amounts owed to group undertakings	6,048	5,813
Other creditors	97	127
Accruals and deferred income	<u>60</u>	<u>77</u>
	<u>6,256</u>	<u>6,037</u>

8 SHARE CAPITAL

Authorised Number	Class	Nominal value	2007	2006
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid Number	Class	Nominal value	2007	2006
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

9 RESERVES

	Profit and loss account £'000
At 1 September 2006	(5)
Profit for the year	<u>60</u>
At 31 August 2007	<u>55</u>

10 ULTIMATE CONTROLLING PARTIES

The company's intermediate parent is Liberty Living Properties Limited ("LLPL"). The group comprises LLPL and its subsidiaries. LLPL is a company registered in the British Virgin Islands, whose ultimate ownership is as follows:

Company	Country of incorporation
Brandeaux Student Accommodation Fund Limited	British Virgin Islands
Student Success Limited	Isle of Man
Brandeaux Sterling Fund Limited	British Virgin Islands
Brandeaux US Dollar Fund Limited	British Virgin Islands
Brandeaux Euro Fund Limited	British Virgin Islands

11 OTHER FINANCIAL COMMITMENTS

The company is party to a guarantee for a bank loan facility of £200,000,000 made to LLPL. The company's assets including investment property are used as security for this facility. As at 31 August 2007 the facility was drawn by the group to the amount of £135,843,484.

LIBERTY LIVING (SEVERN POINT) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2007

12 RELATED PARTY DISCLOSURES

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose intercompany related party transactions on the grounds that it is ultimately a wholly owned subsidiary of a parent undertaking which prepares and publishes consolidated financial statements. Other related party transactions comprise an accrual of £Nil (2006 £4,990) for administrative management fees payable to Liberty Living Properties Limited.

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£'000	£'000
Profit/ (loss) for the financial year/ period	60	(28)
Dividends	<u>-</u>	<u>(138)</u>
Net addition to/ (reduction in) shareholders funds	60	(166)
Opening shareholders' (deficit)/ funds	<u>(5)</u>	<u>161</u>
Closing shareholders' funds/ (deficit)	<u>55</u>	<u>(5)</u>