

4313995

LIBERTY SEVERN POINT (CARDIFF) LIMITED
(formerly known as LIBERTY LIVING (SEVERN POINT) LIMITED)

Annual Report and Audited Financial Statements
For the year ended 31 August 2012



LIBERTY SEVERN POINT (CARDIFF) LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the year ended 31 August 2012

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LIBERTY SEVERN POINT (CARDIFF) LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS **For the year ended 31 August 2012**

DIRECTORY

Directors:

R Boyland
J Rose
R McNally

Registered Number

4313995 (England and Wales)

Registered Office:

32nd Floor
30 St Mary Axe
London EC3A 8BF
United Kingdom

Company Secretary:

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

Independent Auditor:

Deloitte & Touche
Chartered Accountants and Registered Auditors
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

Property Valuer:

Savills (L&P) Limited
Lansdowne House
57 Berkeley Square
London W1J 6ER
United Kingdom

Solicitors:

Olswang
90 High Holborn
London WC1V 6XX
United Kingdom

Property Asset Manager

Liberty Living plc
32nd Floor
30 St Mary Axe
London EC3A 8BF
United Kingdom

LIBERTY SEVERN POINT (CARDIFF) LIMITED

Registered Number: 4313995 (England and Wales)

DIRECTORS' REPORT

The Directors of Liberty Severn Point (Cardiff) Limited (the "Company") present their Annual Report and the audited Financial Statements for the year ended 31 August 2012

The Directors consider the following to be the principal risks and uncertainties which may affect the Company performance

- Continued availability of finance within the Group
- The supply of, and demand for Student Accommodation, and any associated reputation and compliance risks involved in the operation of the properties

NAME CHANGE

On 3 September 2012, the Board of Directors approved a resolution to change the company name from Liberty Living (Severn Point) Limited to Liberty Severn Point (Cardiff) Limited

PRINCIPAL ACTIVITY

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

RESULTS AND DIVIDENDS

The Company made a profit for the year of £24,442 (2011 profit of £28,578), which has been transferred to reserves

The Directors do not recommend the payment of a dividend (2011 £nil)

DIRECTORS

The Directors set out below held office from 1 September 2011 to the date of this report unless otherwise stated

R Boyland
J Rose
R McNally

At no time during the year or to date did any Director have any beneficial interest in the shares of the Company

SECRETARY

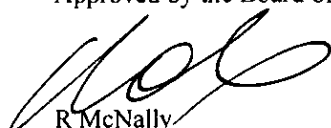
The Secretary of the Company during the year and to date is

Brandeaux Administrators Limited

INDEPENDENT AUDITOR

The independent auditors, Deloitte & Touche, Chartered Accountants and Registered Auditors, have signified their willingness to remain in office

Approved by the Board of Directors on 18 February 2013 and signed on its behalf by


R McNally
Director

LIBERTY SEVERN POINT (CARDIFF) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required to prepare Financial Statements for each financial year which 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 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, 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 books of account which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements are prepared in accordance with accounting standards generally accepted in the United Kingdom and comply with relevant legislation. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIBERTY SEVERN POINT (CARDIFF) LIMITED

We have audited the financial statements of Liberty Severn Point (Cardiff) Limited (the "Company") for the year ended 31 August 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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 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

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 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

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.

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 August 2012 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LIBERTY SEVERN POINT (CARDIFF) LIMITED**

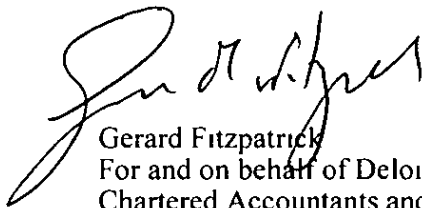
Opinion on other matter prescribed by the Companies Act 2006

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

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



Gerard Fitzpatrick
For and on behalf of Deloitte & Touche
Chartered Accountants and Registered Auditors
Dublin, Ireland

Date 18/2/2013

LIBERTY SEVERN POINT (CARDIFF) LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 August 2012

	Note	2012 £	2011 £
Turnover	1	1,250,065	1,182,066
Operating costs		(1,223,391)	(1,156,907)
Gross profit		<u>26,674</u>	<u>25,159</u>
Administrative expenses		(2,232)	(2,684)
Operating profit	3	<u>24,442</u>	<u>22,475</u>
Interest receivable and similar income		-	-
Profit on ordinary activities before tax		<u>24,442</u>	<u>22,475</u>
Tax on profit on ordinary activities	4	-	6,103
Profit on ordinary activities after tax transferred to reserves	8	<u><u>24,442</u></u>	<u><u>28,578</u></u>

All gains and losses arise from continuing activities

The accompanying notes form an integral part of these Financial Statements

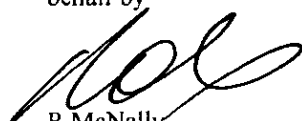
LIBERTY SEVERN POINT (CARDIFF) LIMITED

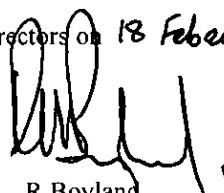
BALANCE SHEET As at 31 August 2012

	Note	2012 £	2011 £
Current assets			
Cash at bank		398,779	301,784
Debtors, prepayments and accrued income	5	7,431,621	7,366,323
		<u>7,830,400</u>	<u>7,668,107</u>
Creditors: amounts falling due within one year	6	(7,663,964)	(7,526,113)
		<u>164,436</u>	<u>141,994</u>
Net current assets			
		<u>164,436</u>	<u>141,994</u>
Net assets		<u>164,436</u>	<u>141,994</u>
Share capital and reserves			
Share capital	7	2	2
Reserves	8	166,434	141,992
		<u>164,436</u>	<u>141,994</u>
Equity Shareholder's funds	9	<u>164,436</u>	<u>141,994</u>

The accompanying notes form an integral part of these Financial Statements

The Financial Statements were approved by the Board of Directors on 18 February 2013 and signed on its behalf by


R McNally
Director


R Boyland
Director

LIBERTY SEVERN POINT (CARDIFF) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2012

1. ACCOUNTING POLICIES

The Financial Statements are prepared in accordance with accounting standards applicable in the United Kingdom and are denominated in pounds sterling (£). The particular accounting policies adopted are described below.

Turnover

Turnover comprises rental income which is accounted for on an accruals basis.

Deferred Tax

The payment of tax is deferred or accelerated because of timing differences in the treatment of certain items for tax and accounting purposes. Full provision for deferred tax 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 FRS19. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

In accordance with FRS19 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 undertaking of Liberty Living UK Limited which publishes a consolidated cash flow statement.

Cash at Bank

Cash comprises current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Leases

Rentals payable under operating leases are charged to the profit and loss account on an accrual 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

	2012	2011
	£	£
Salaries and wages	107,660	85,471
Social security costs	7,189	6,714
Total salary and wage costs	114,849	92,185
Average number of staff	6	4

LIBERTY SEVERN POINT (CARDIFF) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2012

3. OPERATING PROFIT

The operating profit is stated after charging

	2012	2011
	£	£
Auditors' remuneration	2,232	2,684
Directors' remuneration	-	-
Rent payable	413,023	410,425
	<u>413,023</u>	<u>410,425</u>

4. TAX

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year and the tax affecting the charge are as follows

Factors affecting the tax charge

	2012	2011
	£	£
Profit on ordinary activities before tax	24,442	22,475
	<u>24,442</u>	<u>22,475</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2011 26%)	5,866	5,844
Effects of		
Expenditure not tax deductible	-	-
Group relief	(5,866)	(11,947)
Timing differences reflected in deferred tax	-	-
Current tax charge / (credit)	<u>-</u>	<u>(6,103)</u>

5 DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2012	2011
	£	£
Amounts falling due within one year		
Due from Group related parties	2,455,777	2,268,095
Other debtors, prepayments and accrued income	464	122,848
	<u>2,456,241</u>	<u>2,390,943</u>

	2012	2011
	£	£
Amounts falling due after one year		
Due from Group related parties	4,975,380	4,975,380
	<u>4,975,380</u>	<u>4,975,380</u>
Aggregate amount	<u>7,431,621</u>	<u>7,366,323</u>

LIBERTY SEVERN POINT (CARDIFF) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2012

6. CREDITORS amounts falling due within one year

	2012 £	2011 £
Due to Group related parties	7,425,586	7,342,003
Other creditors and accrued expenses	238,378	184,110
	<u>7,663,964</u>	<u>7,526,113</u>

7. SHARE CAPITAL

Authorised

	2012 £	2012 Number of shares	2011 £	2011 Number of shares
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Issued

	2012 £	2012 Number of shares	2011 £	2011 Number of shares
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

8. STATEMENT OF MOVEMENTS ON RESERVES

	Revenue reserve £
At 1 September 2011	141,992
Transfer from Profit and Loss Account	24,442
At 31 August 2012	<u>166,434</u>

9. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDER'S FUNDS

	2012 £	2011 £
Profit for the year	24,442	28,578
Net increase in equity Shareholder's funds	<u>24,442</u>	<u>28,578</u>
Opening equity Shareholder's funds	141,994	113,416
Closing equity Shareholder's funds	<u>166,436</u>	<u>141,994</u>

LIBERTY SEVERN POINT (CARDIFF) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2012

10. CONTROLLING PARTIES

The Company's intermediate parent is Liberty Living Properties Limited ("LLPL"), a Company incorporated in, and registered as a BVI Business Company in, the British Virgin Islands. The Group comprises LLPL and its Subsidiaries and is at the balance sheet date ultimately owned by Brandeaux Student Accommodation Fund (Sterling) Limited, a Company incorporated in the British Virgin Islands.

11. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption available under FRS 8 Related Party Disclosures from disclosure of transactions between Group companies. Balances with Group entities are disclosed in debtors and creditors as Group related parties.

R Boyland, a Director of the companies in note 10 above, has an interest in fees paid to the Company's Property Asset Manager, Liberty Living plc ("LLPLC"), which charged the Company rent collection fees of £114,810 (2011: £107,737). The Company owed LLPLC fees of £nil (2011: £nil) at the year end.

12. OTHER FINANCIAL COMMITMENTS

In November 2011, LLPL repaid its existing bank loan facility in full and entered into a new £200 million loan facility agreement with HSBC Bank plc and The Royal Bank of Scotland plc with a 5 year maturity date. In February 2012, LLPL accessed the US Private Placement market and launched US\$155 million (£100 million) of loan notes in two equal tranches with maturities of 10 and 12 years respectively.

LLPL is party to a guarantee for the loan facilities and loan notes and its assets, including investment property, are used as security for the facilities. LLPL is also an obligor under the loan facility agreement. The assets of the Company are pledged as security.