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**LONDON TOWN ESTATES LIMITED**

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**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

WEDNESDAY



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24/10/2012  
COMPANIES HOUSE

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## LONDON TOWN ESTATES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO LONDON TOWN ESTATES LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

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We have examined the abbreviated accounts set out on pages 2 to 8, together with the financial statements of London Town Estates Limited for the year ended 31 December 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 2 to 8 have been properly prepared in accordance with the regulations made under that section.

Nigel Bostock

Nigel Bostock (Senior statutory auditor)

for and on behalf of  
**Crowe Clark Whitehill LLP**

Statutory Auditor

St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH  
Date

24 October 2012

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**LONDON TOWN ESTATES LIMITED**

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**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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	<b>2011</b>	<b>2010</b>
<b>LOSS FOR THE FINANCIAL YEAR</b>	<b>(94,330)</b>	<b>(105,048)</b>
Unrealised surplus on revaluation of tangible fixed assets	-	2,035,180
Transfer to profit and loss account	<b>34,599</b>	<b>37,558</b>
Transfer from revaluation reserve	<b>(34,599)</b>	<b>(37,558)</b>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>(94,330)</b>	<b>1,930,132</b>

The notes on pages 4 to 8 form part of these financial statements

**LONDON TOWN ESTATES LIMITED**  
**REGISTERED NUMBER: 04369500**

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2011**

	Note	2011	2010
<b>FIXED ASSETS</b>			
Tangible assets	3	7,340,822	7,405,000
<b>CURRENT ASSETS</b>			
Debtors	4	727,867	741,668
Cash at bank		37,544	35,611
		<u>765,411</u>	<u>777,279</u>
<b>CREDITORS:</b> amounts falling due within one year		<u>(451,823)</u>	<u>(431,684)</u>
<b>NET CURRENT ASSETS</b>		<u>313,588</u>	<u>345,595</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>7,654,410</u>	<u>7,750,595</u>
<b>CREDITORS:</b> amounts falling due after more than one year	5	<u>(3,999,733)</u>	<u>(4,001,588)</u>
<b>NET ASSETS</b>		<u><u>3,654,677</u></u>	<u><u>3,749,007</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	100	100
Revaluation reserve	7	4,014,040	4,048,639
Profit and loss account	7	(359,463)	(299,732)
<b>SHAREHOLDERS' FUNDS</b>		<u><u>3,654,677</u></u>	<u><u>3,749,007</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 24/01/12



Koolesh D Shah  
Director

The notes on pages 4 to 8 form part of these financial statements

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## LONDON TOWN ESTATES LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of freehold and long term leasehold property and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

##### 1.2 Going concern

The director has considered the financial position of the company and the financial statements have been prepared assuming that the company will continue as a going concern

In making this assumption, they have considered the future trading of the company, and the continued support of other group companies

##### 1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

##### 1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

##### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2% on cost/valuation
Long term leasehold property	-	2% on cost/valuation

Freehold and leasehold properties are revalued at intervals no greater than five years. Interim revaluations are carried out when a material change in value has occurred. Long term leasehold property includes property where the company has a right to lease the property for 50 years or greater

Depreciation is not provided on land. 60% of the valuation of the property is taken as the value of land

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

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LONDON TOWN ESTATES LIMITED

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NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2011

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1. ACCOUNTING POLICIES (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

2. TAXATION

	2011	2010
UK corporation tax charge on loss for the year	-	-

The tax assessed for the year is the same as (2010 - the same as) the standard rate of corporation tax in the UK of 26.49% (2010 - 28%) as set out below

	2011	2010
Loss on ordinary activities before tax	(94,330)	(105,048)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.49% (2010 - 28%)	(24,988)	(29,413)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	17,001	23,832
Brought forward loss offset	(5,172)	(5,709)
Group relief	13,159	11,290
Current tax charge for the year (see note above)	-	-

Factors that may affect future tax charges

The company has not recognised a potential deferred tax asset of approximately £Nil (2010 - £5,000) as it is considered more likely than not that suitable taxable profits will not be available in the foreseeable future to offset the losses carried forward. In accordance with FRS 19, the director will continue to assess in the future whether deferred tax assets should be recognised in respect of this item

# LONDON TOWN ESTATES LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 3. TANGIBLE FIXED ASSETS

#### Cost or valuation

At 1 January 2011 and 31  
December 2011

8,022,228

#### Depreciation

At 1 January 2011  
Charge for the year

617,228

64,178

At 31 December 2011

681,406

#### Net book value

At 31 December 2011

7,340,822

At 31 December 2010

7,405,000

The freehold and leasehold properties were professionally valued by Ellis and Co as at December 2010 at an open market value of £7,405,000. Ellis and Co is a member of NAEA.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2011	2010
Cost	1,662,407	1,662,407
Accumulated depreciation	(117,190)	(104,211)
Net book value	1,545,217	1,558,196

If the long term leasehold had not been included at valuation they would have been included under the historical cost convention as follows

	2011	2010
Cost	2,074,935	2,074,935
Accumulated depreciation	(407,945)	(391,346)
Net book value	1,666,990	1,683,589

### 4. DEBTORS

Debtors include £727,000 (2010 - £727,000) falling due after more than one year

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**LONDON TOWN ESTATES LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**5. CREDITORS:**

**Amounts falling due after more than one year**

Creditors include amounts not wholly repayable within 5 years as follows

	2011	2010
Repayable other than by instalments	<u>3,827,322</u>	<u>3,827,322</u>

The bank loans and overdrafts are secured by a fixed and floating charge over the company's assets, and by the freehold and leasehold properties

Included within creditors falling due after more than one year is an amount of £3,827,322 (2010 - £3,827,322) in respect of liabilities which fall due for payment after more than five years from the balance sheet date

Amount payable to group companies of £166,086 (2010 - £161,426) has no fixed repayment terms and no interest is paid on these amounts

**6 SHARE CAPITAL**

	2011	2010
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**7. RESERVES**

	Revaluation reserve	Profit and loss account
At 1 January 2011	4,048,639	(299,732)
Loss for the year		(94,330)
Transfer between Revaluation reserve and P/L account	(34,599)	34,599
At 31 December 2011	<u>4,014,040</u>	<u>(359,463)</u>

**8. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption from reporting related party transactions with other group undertakings in accordance with the provisions of Financial Reporting Standard No 8



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**LONDON TOWN ESTATES LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**9. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company's immediate parent undertaking is London Town Group of Companies Limited, a company incorporated in England. The accounts can be obtained from the registered office at 8-14 Talbot Square, London W2 1TS.

In the director's opinion the company's ultimate parent company is Auro Trading and Investments Establishment, an Anstalt registered in Liechtenstein. The ultimate controlling party is Auro Trust, a trust outside the UK.