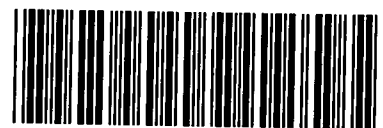


Registered number
04502542

Tortuga Property Limited
Annual report and financial statements
for the year ended
31 December 2013

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Tortuga Property Limited

Annual report and financial statements for the year ended 31 December 2013

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Tortuga Property Limited
Company information for the year ended 31 December 2013

Directors

Mr I M Livingstone

Mr R N Luck

Company secretary

Mr R N Luck

Independent auditors

Hazlems Fenton LLP

Chartered Accountants and Statutory Auditors

Palladium House

1-4 Argyll Street

London W1F 7LD

Registered office

Quadrant House, Floor 6

4 Thomas More Square

London

E1W 1YW

Registered number

04502542

Tortuga Property Limited
Strategic report for the year end 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

Review of the business

The company was inactive in the year having sold its sole property in the previous year. The company made a loss of £14,643 for the year to 31 December 2013 after impairing a loan to group undertakings. Net assets were £nil at the year end, as a result of loan impairment and a capital reduction being performed during the year. The directors consider the financial position at 31 December 2013 to be satisfactory.

Principal risks and uncertainties

As the company was inactive in the year and net assets were reduced to £nil, the directors believe that the company has no significant principal risks or uncertainties.

Financial risk management

The company's operations expose it to very few financial risks. Nevertheless, the company has in place a risk management programme that attempts to limit the adverse effects on the financial performance of the company by monitoring levels of intercompany debt finance and the related finance costs.

Key performance indicators

The directors of Strategic Real Estate Portfolios Plc (SREP) manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company. The development, performance and position of SREP, which includes the company, is discussed on the group's annual report which does not form part of this report.

By order of the board



Mr R N Luck
Company Secretary

15/9 2014

Tortuga Property Limited

Directors' report for the year ended 31 December 2013

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2013.

Principal activities and events during the year

The principal activity of the company in the prior year was that of owning hotels, which were let to hotel operators, until 23 August 2012 when the company sold its remaining hotel and became inactive. The directors consider the financial position at 31 December 2013 to be satisfactory.

Results and dividends

The results for the financial year are set out in the profit and loss account on page 6. The directors do not recommend the payment of a dividend (2012: £nil).

Directors

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

Mr I M Livingstone
Mr R N Luck (appointed 29 October 2013)
Mr T Berrigan (resigned 29 October 2013)

Qualifying third party indemnity provisions

The company maintains liability insurance for its directors and officers. 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 2006.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 auditor is aware of that information.

Independent auditors

In the absence of a notice proposing that their appointment be terminated, Hazlems Fenton LLP are deemed to have been re-appointed as auditors under section 487(2) of the Companies Act 2006.

By order of the board



Mr R N Luck
Company secretary

15/9

2014

Tortuga Property Limited

Statement of directors' responsibilities for the year ended 31 December 2013

The directors are responsible for preparing the directors' report and 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;
- 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.

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.

By order of the board



Mr R N Luck
Company secretary

15/9

2014

TORTUGA PROPERTY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TORTUGA PROPERTY LIMITED

We have audited the financial statements of Tortuga Property Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 that we are required to state to them in the 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 statement of directors' responsibilities, 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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 December 2013 and of its loss 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.

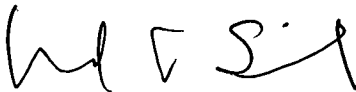
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report and strategic 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.



Leonard Siskind (Senior Statutory Auditor)
For and on behalf of Hazlems Fenton LLP
Chartered Accountants and Statutory Auditor
Palladium House
1-4 Argyll Street
London W1F 7LD

15/9

2014

Tortuga Property Limited
Profit and loss account
for the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	2	-	1,820,368
Administrative expenses		-	(172,515)
Operating profit	3	-	1,647,853
Exceptional items:	4		
profit on sale of tangible fixed assets		-	3,500,000
loss on the impairment of loan to group undertaking		(14,643)	(3,696,774)
loss on the impairment of loan to former parent		-	(26,315,503)
		<u>(14,643)</u>	<u>(26,512,277)</u>
		(14,643)	(24,864,424)
Interest payable and similar charges	5	-	(1,371,599)
Loss on ordinary activities before taxation		<u>(14,643)</u>	<u>(26,236,023)</u>
Tax on loss on ordinary activities	7	-	-
Loss for the financial year	11	<u>(14,643)</u>	<u>(26,236,023)</u>

All amounts relate to discontinued operations.

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.

Tortuga Property Limited
Balance sheet
as at 31 December 2013

Registered number
04502542

	Note	2013 £	2012 £
Current assets			
Cash at bank and in hand		-	17,643
		-	17,643
Creditors: amounts falling due within one year	8	-	(3,000)
Net current assets		-	14,643
Net assets		-	14,643
Capital and reserves			
Called up share capital	9	1	20,000,002
Share premium	10	-	25,005,710
Profit and loss account	11	(1)	(44,991,069)
Total shareholder's funds	12	-	14,643

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

2014

Mr R N Luck
Director

15/9

2014

Tortuga Property Limited
Notes to the financial statements
for the year ended 31 December 2013

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention. The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

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 the Financial Reporting Standard No 1 (Revised 1996) 'Cash flow statements' from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned subsidiary and its ultimate parent publishes a consolidated cash flow statement.

2 Turnover

Turnover represents rental income, net of value added tax. Rental income is recognised over the term of the lease on a straight-line basis. The total turnover of the company for the year has been derived from its principal activity, wholly undertaken in the UK.

3 Operating profit

2013	2012
£	£

This is stated after charging:

Auditors' remuneration for audit services

-	-
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Auditors' remuneration of £1,500 (2013: £2,500) has been borne by a fellow subsidiary.

4 Exceptional items

2013	2012
£	£

Profit on disposal of land and buildings

-	3,500,000
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Loss on impairment of loan to group undertaking

(14,643)	(3,696,774)
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Loss on impairment of loan to former parent

-	(26,315,503)
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<u>(14,643)</u>	<u>(26,512,277)</u>
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Tortuga Property Limited
Notes to the financial statements
for the year ended 31 December 2013

5 Interest payable and similar charges	2013	2012
	£	£
Interest payable to group undertakings	<u>-</u>	<u>1,371,599</u>

6 Directors' emoluments

The directors who served throughout 2013 did not receive any emoluments in respect of their services to the company (2012 : £nil). The company had no employees (2012: none) other than the directors.

7 Tax on profit on ordinary activities

On the basis of these financial statements no provision has been made for corporation tax.

Factors affecting tax charge for period

From 1st April 2013 the rate of corporation tax has reduced from 24% to 23%, giving a blended average rate for the year of 23.25%.

The tax assessed for the year is different (2012: different) than the blended rate of corporation tax in the UK of 23.25% (2012: blended rate of 24.5%). The differences are explained below:

	2013	2012
	£	£
Loss on ordinary activities before tax	<u>(14,643)</u>	<u>(26,236,023)</u>
Blended rate of corporation tax in the UK	23.25%	24.50%
	£	£
Profit/(loss) on ordinary activities multiplied by the blended rate of corporation tax	(3,404)	(6,427,826)
Effects of:		
Income not taxable	-	(857,500)
Expenses not deductible for tax purposes	3,404	7,353,124
Utilisation of tax losses	-	(67,798)
Current tax charge for period	<u>-</u>	<u>-</u>

The company has the benefit of estimated tax losses carried forward of £1,537,227 (2012: £1,537,227) but no deferred tax asset is recognised due to uncertainty as to whether the losses can be utilised.

Factors that may affect future tax charges

Reductions to the UK Corporation tax rate were announced in the March 2013 budget. The changes, which were enacted on 17 July 2013 reduce the UK corporation tax rate to 21% with effect from 1 April 2014 and to 20% from 1 April 2015. These changes have no impact on these financial statements.

Tortuga Property Limited
Notes to the financial statements
for the year ended 31 December 2013

8 Creditors: amounts falling due within one year	2013 £	2012 £
Accruals and deferred income	<u>-</u>	<u>3,000</u>

9 Called up share capital

	2013 Number	2012 Number	2013 £	2012 £
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>1</u>	<u>20,000,002</u>	<u>1</u>	<u>20,000,002</u>

On 31 October 2013, the company performed a capital reduction and passed a special resolution to reduce the share capital of the company by cancelling 20,000,001 issued ordinary shares of £1 each.

10 Share premium	2013 £
At 1 January 2013	25,005,710
Reduction of share premium	(25,005,710)
	<u>-</u>
At 31 December 2013	<u>-</u>

On 31 October 2013, the company performed a capital reduction and passed a special resolution to reduce the share premium account from £25,005,710 to £nil.

11 Profit and loss reserve	2013 £
At 1 January 2013	(44,991,069)
Loss for the financial year	(14,643)
Cancellation of shares	20,000,001
Reduction of share premium	25,005,710
	<u>(1)</u>
At 31 December 2013	<u>(1)</u>

12 Reconciliation of movement in shareholder's funds	2013 £	2012 £
At 1 January	14,643	1,244,954
Loss for the financial year	(14,643)	(26,236,023)
Shares issued	-	25,005,712
	<u>-</u>	<u>14,643</u>
At 31 December	<u>-</u>	<u>14,643</u>

13 Related party transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with Strategic Real Estate Portfolios plc or any wholly owned subsidiary undertaking of the group.

Tortuga Property Limited
Notes to the financial statements
for the year ended 31 December 2013

14 Parent undertaking

The immediate parent undertaking is SRE Hotels Holdings Sarl, a company incorporated in Luxembourg.

The ultimate parent undertaking is Strategic Real Estate Portfolios plc, a company incorporated in Ireland.