

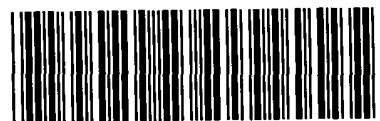
# Ranmia Limited

Registered number: 04735363

## Director's report and financial statements

For the year ended 31 May 2015

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# **RANMIA LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	R Tchenguiz
<b>Registered number</b>	04735363
<b>Registered office</b>	5th Floor, Leconfield House Curzon Street London W1J 5JA
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor Tower Bridge House St Katharine's Way London E1W 1DD
<b>Solicitors</b>	Osborne Clarke One London Wall London EC2Y 5EB

# **RANMIA LIMITED**

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# **RANMIA LIMITED**

## **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MAY 2015**

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The Director presents his report and the audited financial statements for the year ended 31 May 2015.

### **Director's responsibilities statement**

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has 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 Director must not approve the financial statements unless he is 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

### **Principal activities**

The company's principal activity is the letting of investment property. There were no additions or disposals of investment property during the year.

The investment property held at 31 May 2015 was valued as at that date by the Director at £49,145,000 (2014: £48,945,000). The increase in value during the year amounted to £200,000 as set out in note 6.

Rent receivable has increased during the year from £3,128,337 to £3,222,187. The lease is subject to monthly indexation of the passing rent at a rate equivalent to 3% per annum until March 2026 when rent remains constant for the remaining 6 year term.

There have been no changes in tenancy during the year.

In the opinion of the Director the result for the year and the financial position of the company at 31 May 2015 were satisfactory.

### **Director**

The Director who served during the year was:

R Tchenguiz

# **RANMIA LIMITED**

## **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MAY 2015**

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### **Disclosure of information to auditor**

The Director at the time when this Director's Report is approved has confirmed 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 ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 17 December 2015 and signed on its behalf.



**R Tchenguiz**  
Director

# **RANMIA LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RANMIA LIMITED**

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We have audited the financial statements of Ranmia Limited for the year ended 31 May 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, 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).

### **Respective responsibilities of director and auditor**

As explained more fully in the Director's Responsibilities Statement set out on page 1, the director is 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. 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 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 and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 May 2015 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 the other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **RANMIA LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RANMIA LIMITED**

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### **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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to take advantage of the small companies' exemption in preparing the Director's Report.



Samantha Russell (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

Date: 4 January 2016

# **RANMIA LIMITED**

## **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2015**

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	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Rent receivable</b>	<b>1</b>	3,222,187	3,128,337
Administrative expenses		(23,559)	(26,226)
		<hr/>	<hr/>
<b>Operating profit</b>	<b>2</b>	3,198,628	3,102,111
Interest payable and similar charges	<b>4</b>	(3,364,113)	(3,298,635)
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>		(165,485)	(196,524)
Tax on loss on ordinary activities	<b>5</b>	-	-
		<hr/>	<hr/>
<b>Loss for the financial year</b>	<b>11</b>	(165,485)	(196,524)
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

The notes on pages 8 to 14 form part of these financial statements.



## RANMIA LIMITED

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MAY 2015

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	Note	2015 £	2014 £
Loss for the financial year		(165,485)	(196,524)
Unrealised surplus on revaluation of investment properties	6	200,000	2,275,000
		<hr/>	<hr/>
<b>Total recognised gains and losses relating to the year</b>		<b>34,515</b>	<b>2,078,476</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 14 form part of these financial statements.

# RANMIA LIMITED

## BALANCE SHEET AS AT 31 MAY 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Investment property	6	49,145,000	48,945,000
<b>Creditors: amounts falling due within one year</b>	7	(1,007,624)	(868,545)
<b>Total assets less current liabilities</b>		48,137,376	48,076,455
<b>Creditors: amounts falling due after more than one year</b>	8	(47,631,796)	(47,605,390)
<b>Net assets</b>		<u>505,580</u>	<u>471,065</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Revaluation reserve	11	4,895,237	4,695,237
Profit and loss account	11	(4,389,757)	(4,224,272)
<b>Shareholders' funds</b>	12	<u>505,580</u>	<u>471,065</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
17 December 2015

  
R Tcherguiz  
Director

The notes on pages 8 to 14 form part of these financial statements.

# **RANMIA LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015**

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### **1. Accounting policies**

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

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment property and in accordance with applicable accounting standards.

#### **1.2 Going concern**

Following a valuation in the year, the company's balance sheet shows net assets of £505,580 (2014: £471,065). However, the company has net current liabilities of £1,007,624 (2014: £868,545). The company's property investment and funding have been set up to be principally self funding using the loan structure detailed in note 8. The lease agreement that the company has entered into with its tenant is subject to fixed, stepped increases each month over the term of the company's loan financing. The projected cash flows from these rentals exceed the anticipated cash outflows in respect of loan capital and interest payments.

The Director has assessed the company's loan and rental structure and has concluded that the company has sufficient working capital to enable it to meet its liabilities as they fall due for the foreseeable future. The Director therefore considers it appropriate to prepare the financial statements on the going concern basis.

The Director is aware that the Trustees of the company's ultimate controlling party, the Tchenguiz Discretionary Trust ('TDT'), are in litigation concerning the extent to which the TDT is liable in respect of loans due to certain overseas companies, now in liquidation, which were previously controlled by the TDT. In December 2013, the Lieutenant Bailiff of the Royal Court of Guernsey gave judgement that TDT was liable for the loans. In the view of the Director, the assets of the TDT may not be sufficient to enable the TDT to meet its obligations under these loans.

An application has been made for the judgement to be reviewed by the Privy Council, a response to which is expected shortly. In the interim period a Receiver has been appointed, in the jurisdiction where the TDT is situated, to stand in place of the Trustees of the TDT to maintain and, where appropriate, realise the assets of the TDT, including the TDT's shares in the company.

Although the Receiver could take control of the company, the Director considers that any sale of the group's property assets would require the approval of the creditor secured thereon. The Director is of the opinion that such approval would not be forthcoming at the current valuations in view of the company's loan and rental structure. The Director concludes that the result of the litigation will not impact the ability of the company to continue in operational existence for the foreseeable future, and consequently does not alter the Director's conclusion that the going concern basis of preparation of the financial statements is appropriate.

#### **1.3 Cash flow statement**

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.

# **RANMIA LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015**

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### **1. Accounting policies (continued)**

#### **1.4 Rent receivable**

Rental income from investment properties leased out under operating leases is recognised in the Profit and Loss Account on an accruals basis over the term of the lease. The effect of the rent reviews is only recognised when such reviews have been agreed with tenants. Where rents are subject to fixed indexation in lieu of rent reviews, the rents are recognised on a systematic basis as income in the periods in which they are earned.

Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earliest termination date.

#### **1.5 Investment properties**

In accordance with Statement of Standard Accounting Practice No.19, investment properties are revalued annually on an open market basis and are not depreciated. The aggregate surplus is transferred to the revaluation reserve. Downward revaluations considered to be temporary are transferred to the revaluation reserve and downward revaluations considered to be permanent are written off to the profit and loss account.

This treatment is a departure from the requirements of the Companies Act 2006 concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the Director considers that the systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **1.6 Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where the transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the exceptions of gains arising from the revaluation of investment properties. Provision is made for tax on gains arising from the revaluation of investment properties only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned.

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.

# RANMIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

### 2. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Auditor's remuneration	2,525	2,500

### 3. Staff costs

The company has no employees other than the Director, who did not receive any remuneration (2014 - £NIL).

### 4. Interest payable and similar charges

	2015 £	2014 £
Interest payable on loans from group undertakings	3,336,102	3,270,624
Amortisation of deferred loan issue costs	28,011	28,011
	3,364,113	3,298,635

### 5. Taxation

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	(165,485)	(196,524)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	(34,752)	(45,201)
<b>Effects of:</b>		
Non-deductible expenses	2,737	5,658
Carried forward tax losses	32,015	39,543
<b>Current tax charge for the year</b>	-	-

#### Factors that may affect future tax charges

The company has losses of approximately £3.9 million (2014: £3.8 million) available to carry forward against future trading profits. In accordance with the deferred taxation accounting policy, the deferred tax asset arising on the losses carried forward has not been recognised.

# RANMIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

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### 6. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 June 2014	48,945,000
Surplus on revaluation during the year	200,000
At 31 May 2015	<u>49,145,000</u>

The 2015 valuations were made by , on an open market value for existing use basis.

The property was valued as at 31 May 2015 by the Director at £49,145,000 (2014: £48,945,000) based on reports provided by Chartered Surveyors employed by a related party.

The original cost of the property was £44,249,763.

### 7. Creditors: Amounts falling due within one year

	2015 £	2014 £
Loans from group undertakings	776,469	636,661
Other taxation and social security	54,134	52,548
Other creditors	3,500	3,500
Accruals and deferred income	173,521	175,836
	<u>1,007,624</u>	<u>868,545</u>

# RANMIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

### 8. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Loans from group undertakings	47,631,796	47,605,390

### Loan maturity analysis

	2015 £	2014 £
In less than one year	804,481	664,672
In more than one year but not more than two years	955,302	804,481
In more than two years but not more than five years	3,899,088	3,368,849
In more than five years	43,225,586	43,908,252
	48,884,457	48,746,254
Less: finance charges allocated to future periods	(476,192)	(504,203)
	48,408,265	48,242,051

The loans due to group undertakings consist of three loans of £10,895,113, £30,747,455 and £7,241,889 (2014: £11,165,036, £31,084,258 and £6,496,960).

Loans 1 and 2 are repayable by instalments by 2029 and 2032 respectively. They are financed by loans from a third party to the lending group undertaking, which are secured on the company's investment property, and bear interest at 5.703% and 6.195% respectively. The loans are subject to cross-guarantees and cross-collateralisation of the underlying properties used as security for loans to other group undertakings. The total value of the group loans subject to this cross-collateralisation, including the company's loan, is £272,127,048 (2014: £276,091,905).

Loan 3 is unsecured, and also financed by a loan from a third party to the lending group undertaking. Interest is rolled up into the loan quarterly at 11.01% per annum. This loan, including the rolled up interest, will be repaid by lump sum in 2032.

### 9. Deferred taxation

No provision for deferred taxation has been made in respect of the property held as an investment which is included in these financial statements at a valuation of £49,145,000 (2014: £48,945,000). It is estimated that if this property were to be sold at that valuation the tax liability would amount to £nil (2014: £nil).

# RANMIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

### 10. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

### 11. Reserves

	Revaluation reserve £	Profit and loss account £
At 1 June 2014	4,695,237	(4,224,272)
Loss for the financial year	-	(165,485)
Surplus on revaluation of investment property	200,000	-
At 31 May 2015	4,895,237	(4,389,757)

### 12. Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds/(deficit)	471,065	(1,607,411)
Loss for the financial year	(165,485)	(196,524)
Other recognised gains and losses during the year	200,000	2,275,000
Closing shareholders' funds	505,580	471,065

### 13. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Laudico Limited.

The parent undertaking of the smallest and largest group for which group accounts are prepared and of which the company is the member is Laudico Limited, which is registered in England and Wales. Copies of these group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The Director considers the company's ultimate parent undertaking to be Oak Haven Properties Limited, a company incorporated in the British Virgin Islands.

The Director considers the ultimate controlling party to be the Tchenguiz Discretionary Trust.



## **RANMIA LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015**

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#### **14. Related party transactions**

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed any transactions entered into between two or more members of the Laudico group.

The company is related to Rotch Property Group Limited, by virtue of a common director. During the year, and included within administrative expenses, £2,000 (2014: £2,000) was charged as a management fee by Rotch Property Group Limited and £6,000 (2014: £6,000) was charged by Prime Estates Property Management Limited, a subsidiary of Rotch Property Group Limited. Included within accruals and deferred income is a balance of £2,000 (2014: £2,000) due to Rotch Property Group Limited.

The company is also related to other companies controlled by the Tchenguiz Discretionary Trust. At the balance sheet date £153,138 (2014: £140,104) was due from one such company, R20 Limited in relation to the settling of related party balances. Full provision has been made for this balance. The company is also related to other companies controlled by the Tchenguiz Discretionary A Trust. A balance of £3,500 (2014: £3,500) was due to one such company, Dellweald Limited. This balance is included within other creditors. No interest accrues on either balance.