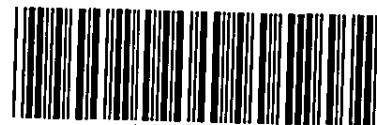


KESSLERS PROPERTIES NORTH LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2012

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COMPANIES HOUSE

KESSLERS PROPERTIES NORTH LIMITED

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KESSLERS PROPERTIES NORTH LIMITED

COMPANY INFORMATION

Directors

W Kessler
C J Kessler
G B Kessler CBE
W A Cochrane
R Glatter

Company secretary

W A Cochrane

Company number

5193463

Registered office

International Business Park
11 Rick Roberts Way
London
E15 2NF

Auditor

Blick Rothenberg LLP
Chartered Accountants & Statutory Auditor
16 Great Queen Street
Covent Garden
London
WC2B 5AH

KESSLERS PROPERTIES NORTH LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Principal activity

The principal activity of the company during the year was property investment

Directors

The directors who served during the year were

W Kessler
C J Kessler
G B Kessler CBE
W A Cochrane
R Glatter

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf



W A Cochrane
Director

Date 16.09.13

KESSLERS PROPERTIES NORTH LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors are responsible for preparing the directors' report and 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). 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 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 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.

KESSLERS PROPERTIES NORTH LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KESSLERS
PROPERTIES NORTH LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2012

We have audited the financial statements of Kesslers Properties North Limited for the year ended 31 December 2012, set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

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 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 directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

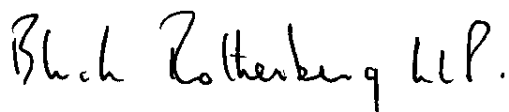
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

KESSLERS PROPERTIES NORTH LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KESSLERS
PROPERTIES NORTH LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2012

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



Christopher Shepherd (Senior statutory auditor)

for and on behalf of
Blick Rothenberg LLP

Chartered Accountants
Statutory Auditor

16 Great Queen Street
Covent Garden
London
WC2B 5AH

16 September 2013

KESSLERS PROPERTIES NORTH LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
Turnover		643,634	635,020
Administrative expenses		<u>(153,523)</u>	<u>(140,789)</u>
Operating profit	2	490,111	494,231
Interest receivable and similar income		17	-
Interest payable and similar charges		<u>-</u>	<u>(145)</u>
Profit on ordinary activities before taxation		490,128	494,086
Tax on profit on ordinary activities	3	<u>(104,808)</u>	<u>(108,063)</u>
Profit for the financial year	12	<u>385,320</u>	<u>386,023</u>

The notes on pages 8 to 12 form part of these financial statements

KESSLERS PROPERTIES NORTH LIMITED

REGISTERED NUMBER 5193463

**BALANCE SHEET
AS AT 31 DECEMBER 2012**

	Note	£	2012 £	2011 £
Fixed assets				
Investment property	5		7,690,000	7,690,000
Current assets				
Debtors	6	630	-	
Cash at bank		30,314	218,652	
		<u>30,944</u>	<u>218,652</u>	
Creditors amounts falling due within one year	7	(608,789)	(391,936)	
Net current liabilities			<u>(577,845)</u>	<u>(173,284)</u>
Total assets less current liabilities			7,112,155	7,516,716
Creditors amounts falling due after more than one year	8		(400,150)	(1,055,053)
Net assets			<u>6,712,005</u>	<u>6,461,663</u>
Capital and reserves				
Called up share capital	11		899,850	899,850
Share premium account	12		4,365,138	4,365,138
Revaluation reserve	12		(1,185,000)	(1,185,000)
Profit and loss account	12		<u>2,632,017</u>	<u>2,381,675</u>
Shareholders' funds			<u>6,712,005</u>	<u>6,461,663</u>

The financial statements 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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



W A Cochrane
Director

Date 16.09.13

The notes on pages 8 to 12 form part of these financial statements

KESSLERS PROPERTIES NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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 certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover comprises rental income and other recoveries from the tenant of the company's investment property, net of value added tax. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

1.4 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

The surplus or deficit arising from the annual revaluation is transferred to the revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

1.5 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.

KESSLERS PROPERTIES NORTH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies (continued)

1.6 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

2 Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Auditor's remuneration	2,850	2,850
Directors' emoluments	51,375	55,071
Staff pensions contributions	1,084	1,051
	<u> </u>	<u> </u>

3. Taxation

	2012 £	2011 £
UK corporation tax charge on profit for the year	104,808	108,063
	<u> </u>	<u> </u>

4 Dividends

	2012 £	2011 £
Dividends paid on equity capital	134,978	134,978
	<u> </u>	<u> </u>

5 Investment property

	Freehold investment property £
Valuation	
At 1 January 2012 and 31 December 2012	7,690,000
	<u> </u>

The freehold investment property was valued at 1 January 2013 on the basis of open market valuation for existing use by external valuers, Jones Lang LaSalle Limited, in accordance with the valuation standards issued by the Royal Institute of Chartered Surveyors.

KESSLERS PROPERTIES NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

6 Debtors

	2012 £	2011 £
Other debtors	630	-

7 Creditors: Amounts falling due within one year

	2012 £	2011 £
Corporation tax	54,695	50,963
Other taxation	30,500	47,805
Other creditors	523,594	293,168
	<u>608,789</u>	<u>391,936</u>

Other creditors include amounts due to a related company of £381,024 (2011 £150,000)

8 Creditors. Amounts falling due after more than one year

	2012 £	2011 £
Other creditors	400,000	1,054,903
Share capital treated as debt (Note 11)	150	150
	<u>400,150</u>	<u>1,055,053</u>

Other creditors represent amounts due to a related company which are unsecured, interest free and have no fixed repayment date

9. Contingencies

The company's investment property has been pledged as security over a loan taken out by Carpenter's Road Properties Limited, a company under common control

KESSLERS PROPERTIES NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

10. Related party transactions and controlling party

The controlling party is the Kessler family

Transactions with related parties are as follows

Name (relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2012 £	2011 £	2012 £	2011 £
Kesslers International Limited	Directors' fees	51,375	55,071	(781,024)	(1,204,903)
(common ownership)	Management charge	24,757	22,866	-	-

KESSLERS PROPERTIES NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

11 Share capital

	2012 £	2011 £
Shares classified as capital		
Allotted, called up and fully paid		
899,850 Ordinary shares of £1 each	<u>899,850</u>	<u>899,850</u>
Shares classified as debt		
Allotted, called up and fully paid		
150 Management shares of £1 each	<u>150</u>	<u>150</u>

Each ordinary share carries the right to one vote and to participate in all of the profits of the company, distributed or otherwise, and to all profits and surplus on a winding up

Each management share carries the right to 100,000 votes and the repayment of capital on a winding up, ranking pari passu with the ordinary shares. A management share does not carry any right to participate in profits of the company distributed by dividends or otherwise or to participate in any profits or surplus on a winding up. The management shares are classified as non-equity and are included within creditors due after more than one year.

12. Reserves

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 January 2012	4,365,138	(1,185,000)	2,381,675
Profit for the year			385,320
Dividends Equity capital			(134,978)
At 31 December 2012	<u>4,365,138</u>	<u>(1,185,000)</u>	<u>2,632,017</u>

13. Events subsequent to the year end

Subsequent to the year end, the company has paid a dividend in the sum of £134,978 (2011 £134,978)