

Company Registration No. 05212458 (England and Wales)

[ **STATUTORY COPY**

**REVCAP PROPERTIES 12 LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2012**

THURSDAY



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COMPANIES HOUSE

# **REVCAP PROPERTIES 12 LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

A J Pettit  
W J Killick  
N A West

### **Secretary**

R B Mitchell

### **Company number**

05212458

### **Registered office**

20 Balderton Street  
London  
W1K 6TL

### **Auditors**

UHY Hacker Young  
Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

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# **REVCAP PROPERTIES 12 LIMITED**

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# **REVCAP PROPERTIES 12 LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 30 APRIL 2012**

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The directors present their report and financial statements for the year ended 30 April 2012

#### **Principal activities and review of the business**

The principal activity of the company during the year continued to be that of property investment

The Eurozone remains in a difficult predicament as a result of its sovereign debt crisis, structural rigidity and its ongoing governance and leadership debacle. Central banks have generally exhausted conventional monetary policies and are now relying on creative tools to assist governments to tackle the growing imbalances. The UK is trying to address its economic issues independently. UK banks are better capitalised than before the credit crunch and are stronger than their European counterparts, however both wholesale funding costs and provisioning levels remain elevated demonstrating that they are not yet out of the woods. Simultaneous with the undersupply of credit, many equity investors seem keen to retain security of the physical real estate with unleveraged deals becoming more prevalent and prices in the prime space are close to 2007 levels on a capital value basis. Despite relatively low levels of demand, specific sector or location requirements can create pockets of opportunity that support pricing while the trending vacancy rate falls. This may trigger rental growth earlier than commentators forecast and if the Eurozone situation stabilises, occupier demand could improve as a result of economic growth. In this scenario, the lack of new completions will result in a squeeze on quality space, prices and rents which will circuitously lead to higher income and capital values. The combination of the above means the property market continues to be very difficult and we expect this to continue during the next financial year. Whilst remaining vigilant for opportunities that may arise as a result of market dislocation, the directors are prudently approaching the protection and realisation of value in each of the company's assets and working with lenders to realise underlying asset values.

Our financial risk management objectives are to protect the company from rising interest rates. This is achieved by entering into interest rate swaps on a Group basis. Other than this, the use of financial instruments is not material for the assessment of the assets, liabilities, financial position and profit of the company.

The company's fixed asset investments at the year end was €4,607,186 (2011: €4,607,186). The results for the year and the financial position at the year end were considered satisfactory by the directors. No events have occurred since the balance sheet date which significantly affect the company.

#### **Results and dividends**

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

#### **Directors**

The following directors have held office since 1 May 2011:

A J Pettit  
W J Killick  
N A West

# REVCAP PROPERTIES 12 LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2012

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#### Directors' interests

The directors' interests in the shares of the company were as stated below

	Ordinary shares of £1 each	
	30 April 2012	1 May 2011
A J Pettit	-	-
W J Killick	-	-
N A West	-	-

A J Pettit and W J Killick are designated members of and N A West is a member of Real Estate Venture Capital Partners LLP, the ultimate parent company

#### Auditors

The auditors, UHY Hacker Young, are deemed to be reappointed under section 487(2) of the Companies Act 2006

#### Statement of directors' responsibilities

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 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.

**REVCAP PROPERTIES 12 LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2012**

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**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



R B Mitchell

**Secretary**

16 January 2013

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF REVCAP PROPERTIES 12 LIMITED**

We have audited the financial statements of Revcap Properties 12 Limited for the year ended 30 April 2012 set out on pages 6 to 13. 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 set out on pages 1 - 3, 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**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **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 30 April 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.

#### **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.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE MEMBERS OF REVCAP PROPERTIES 12 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 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



**Marc Waterman (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

16 January 2013

**Chartered Accountants**  
**Statutory Auditor**



**REVCAP PROPERTIES 12 LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 APRIL 2012**

	Notes	2012 €	2011 €
Administrative expenses		(101,943)	(306,147)
<b>Operating loss</b>	<b>2</b>	(101,943)	(306,147)
Investment income	<b>3</b>	9,196,500	-
Interest payable and similar charges	<b>4</b>	(95,244)	(341,117)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>8,999,313</b>	<b>(647,264)</b>
Tax on profit/(loss) on ordinary activities	<b>5</b>	-	-
<b>Profit/(loss) for the year</b>	<b>11</b>	<b>8,999,313</b>	<b>(647,264)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

**REVCAP PROPERTIES 12 LIMITED****BALANCE SHEET****AS AT 30 APRIL 2012**

	Notes	2012 €	€	2011 €	€
<b>Fixed assets</b>					
Investments	6	4,607,186		4,607,186	
<b>Current assets</b>					
Debtors	7	5,862,192		5,941,034	
<b>Creditors: amounts falling due within one year</b>	8	<u>(2,140,984)</u>		<u>(11,832,665)</u>	
<b>Net current assets/(liabilities)</b>		3,721,208		(5,891,631)	
<b>Total assets less current liabilities</b>		8,328,394		(1,284,445)	
<b>Creditors: amounts falling due after more than one year</b>	9	<u>(613,526)</u>		-	
		<u>7,714,868</u>		<u>(1,284,445)</u>	
<b>Capital and reserves</b>					
Called up share capital	10	1		1	
Profit and loss account	11	<u>7,714,867</u>		<u>(1,284,446)</u>	
<b>Shareholders' funds</b>	12	<u>7,714,868</u>		<u>(1,284,445)</u>	

Approved by the Board and authorised for issue on 16 January 2013

A J Pettit  
Director

Company Registration No. 05212458

# **REVCAP PROPERTIES 12 LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2012**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

The financial statements have been prepared on a going concern basis as in the directors' opinion the predicted future cash flows from the group's joint venture investments and funds available under the group banking facilities will be sufficient to meet the company's liabilities as they fall due

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

#### **1.2 Compliance with accounting standards**

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)

#### **1.3 Investments**

Fixed asset investments are stated at cost less provision for diminution in value

#### **1.4 Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

#### **1.5 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into euros at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at an average rate for the year. All differences are taken to profit and loss account

#### **1.6 Group accounts**

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Real Estate Venture Capital Partners LLP, a limited liability partnership incorporated in England and Wales, and is included in the consolidated accounts of that limited liability partnership

#### **1.7 Interest rate swaps**

The Group uses interest rate swaps to manage the exposure to interest rate movements arising from the business activities of the Group and the financing of those activities. Interest is charged to the profit and loss account during the year for the net income or expense for the company's allocation of the Group interest rate swap entered into. The Companies Act 2006 permits but does not require companies to adopt "fair value accounting" in respect of financial instruments that they are party to. As the company has chosen not to adopt fair value accounting, no entry is made for the fair value of, nor for the notional amount of the interest rate swap in the balance sheet

**REVCAP PROPERTIES 12 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2012**

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<b>2</b>	<b>Operating loss</b>	<b>2012</b>	<b>2011</b>
		<b>€</b>	<b>€</b>
	Operating loss is stated after charging		
	Loss on foreign exchange transactions	49,191	-
	Fees payable to the company's auditor for the audit of the company's annual accounts	3,679	3,385
	and after crediting		
	Profit on foreign exchange transactions	-	(56)
		<u>          </u>	<u>          </u>
<b>3</b>	<b>Investment income</b>	<b>2012</b>	<b>2011</b>
		<b>€</b>	<b>€</b>
	Dividends from subsidiary undertakings	9,196,500	-
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable</b>	<b>2012</b>	<b>2011</b>
		<b>€</b>	<b>€</b>
	On bank loans and overdrafts	2,832	29,147
	On interest rate swaps	4,401	-
	Other interest	88,011	311,970
		<u>          </u>	<u>          </u>
		95,244	341,117
		<u>          </u>	<u>          </u>

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**REVCAP PROPERTIES 12 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2012**

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<b>5 Taxation</b>	<b>2012</b>	<b>2011</b>
<b>Total current tax</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>
<b>Factors affecting the tax charge for the year</b>		
Profit/(loss) on ordinary activities before taxation	8,999,313	(647,264)
	<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2011 - 28.00%)	2,339,821	(181,234)
	<hr/>	<hr/>
Effects of		
Tax losses	51,269	181,234
Non taxable income	(2,391,090)	-
	<hr/>	<hr/>
	(2,339,821)	181,234
	<hr/>	<hr/>
<b>Current tax charge for the year</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>

# REVCAP PROPERTIES 12 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2012

#### 6 Fixed asset investments

	Shares in subsidiary undertakings €
<b>Cost</b>	
At 1 May 2011 & at 30 April 2012	4,607,186
<b>Net book value</b>	
At 30 April 2012	4,607,186
At 30 April 2011	4,607,186

The following company is a 100% owned subsidiary undertaking, incorporated in England & Wales, with a principal activity of property investment

Revken Limited

The following company, incorporated in Belgium with a principal activity of property investment, is a 93 1% owned subsidiary undertaking of Revken Limited

Trading Places Holding NV

The following company, incorporated in Belgium with a principal activity of property investment, is a 100% owned subsidiary undertaking of Trading Places Holding NV

Trading Places NV

The following company, incorporated in Belgium with a principal activity of property investment, is 99 9% owned by Trading Places NV and 0 1% owned by Trading Places Holding NV

Trading Places Grobbendonk NV

7 Debtors	2012 €	2011 €
Amounts owed by parent and fellow subsidiary undertakings	5,862,192	5,941,034

**REVCAP PROPERTIES 12 LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2012**

<b>8 Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
Trade creditors	657	-
Amounts owed to subsidiary undertakings	1,734,979	10,953,110
Accruals and deferred income	405,348	879,555
	<u>2,140,984</u>	<u>11,832,665</u>

<b>9 Creditors: amounts falling due after more than one year</b>	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
Bank loans	<u>613,526</u>	<u>-</u>

The bank loans and overdrafts are secured on the assets of the company, its parent and fellow subsidiary undertakings

<b>10 Share capital</b>	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
<b>Allotted, called up and fully paid</b>		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

**11 Statement of movements on profit and loss account**

	<b>Profit and loss account €</b>
Balance at 1 May 2011	(1,284,446)
Profit for the year	<u>8,999,313</u>
Balance at 30 April 2012	<u>7,714,867</u>

# REVCAP PROPERTIES 12 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2012

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12 Reconciliation of movements in shareholders' funds	2012 €	2011 €
Profit/(Loss) for the financial year	8,999,313	(647,264)
Opening shareholders' funds	(1,284,445)	(637,181)
Closing shareholders' funds	<u>7,714,868</u>	<u>(1,284,445)</u>

### 13 Contingent liabilities

The assets of the company are used as security in respect of bank loans and overdrafts for the company, its parent and fellow subsidiary undertakings

### 14 Employees

#### Number of employees

There were no employees during the year apart from the directors

### 15 Control

The ultimate parent is Real Estate Venture Capital Partners LLP This limited liability partnership is controlled by its members

### 16 Related party relationships and transactions

At the year end there was a balance of €5,862,192 (2011 €5,941,034) owed by Revcap UK Holdings Limited, the parent company of Revcap Properties 12 Limited

During the year a dividend of €9,196,500 (2011 €Nil) was received from Revken Limited, a subsidiary undertaking of Revcap Properties 12 Limited Revcap Properties received loans from Revken Limited and interest of €88,011 (2011 €311,970) was charged during the year At the year end there was a balance of €1,734,979 (2011 €10,953,110) owed to Revken Limited and interest of €399,981 (2011 €311,970) was accrued

During the year directors' fees of €36,786 (2011 €33,852), arrangement fees of €12,262 (2011 €54,165) and repayment fees of €Nil (2011 €54,503) were charged by Real Estate Venture Capital Management LLP, a fellow subsidiary undertaking of the ultimate parent company

During the year repayment fees of €Nil (2011 €146,167) were charged by Lumley Properties 1 LLP of which A J Pettit and W J Killick are designated members