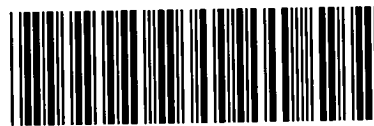


Company Registration No: 05792106

LITTONACE (NO.12) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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COMPANIES HOUSE

LITTONACE (NO.12) LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

W K Procter
C C McGill

SECRETARY

P A Hallam

REGISTERED OFFICE

Berkeley House
304 Regents Park Road
London
N3 2JX

AUDITOR

RSM UK Audit LLP
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

LITTONACE (NO.12) LIMITED

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 31 December 2018.

Principal Activities

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

Business review and future developments

The directors are satisfied with the financial position of the company at the year end. The results for the year are shown in the statement of comprehensive income on page 6.

On 18 October 2018 the company sold its investment properties for £1,731,275 making a loss on disposal of £114,725. The company ceased trading on 31 October 2018.

Investment properties

The investment properties were disposed of prior to the accounting reference date and so there is £Nil value (2017: £1,846,000). There was £Nil resultant fair value gain in the year (2017: £46,000).

Results and dividends

The loss for the year amounted to £18,198 (2017: £108,548 profit). The directors do not recommend the payment of a dividend (2017: £nil).

Directors

The following directors have held office since 1 January 2018 and up until the point of signing the financial statements:

W K Procter
C C McGill

Insurance of Officers

The company has maintained insurance throughout the year for its directors and officers against the consequences of actions which may be brought against them in relation to their duties for the company.

LITTONACE (NO.12) LIMITED

DIRECTORS' REPORT (continued)

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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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.

Statement as to disclosure of information to auditor

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. The directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

The auditor, RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The directors have also taken the available exemption from the requirement to prepare a strategic report.

By order of the Board:


W K Procter
Director
10/04/2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LITTONACE (NO.12) LIMITED

Opinion

We have audited the financial statements of Littonace (No.12) Limited (the 'Company') for the year ended 31 December 2018 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Non-going concern basis of accounting

We draw attention to note 1 of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 1, the company ceased trading on 31 October 2018 and the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS LITTONACE (NO.12) LIMITED (continued)

We have nothing to report in respect of the following matters in relation to which 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 from the requirement to prepare a strategic report or in preparing the directors' report.

Statement of Directors' Responsibilities

As explained more fully in the Directors' Responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

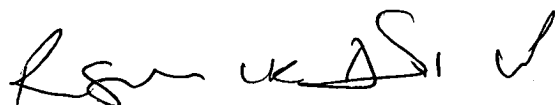
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Colin Roberts FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

12 APRIL 2019

LITTONACE (NO.12) LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
Turnover	2	144,470	109,941
Administrative expenses		(7,567)	(6,571)
Operating profit		<u>136,903</u>	<u>103,370</u>
Loss on disposal of investment property		(114,725)	-
Fair value gain on investment property	7	-	46,000
Interest payable and similar expenses	3	(40,376)	(40,822)
(Loss)/profit before taxation	4	<u>(18,198)</u>	<u>108,548</u>
Taxation	6	-	-
(Loss)/profit after taxation		<u>(18,198)</u>	<u>108,548</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>(18,198)</u></u>	<u><u>108,548</u></u>

LITTONACE (NO.12) LIMITED**STATEMENT OF FINANCIAL POSITION (Company Registration Number: 05792106)****AT 31 DECEMBER 2018**

	Notes	2018 £	2017 £
Fixed assets			
Investment properties	7	-	1,846,000
Current assets			
Debtors	8	-	99
Creditors: amounts falling due within one year	9	(1,219,264)	(3,047,165)
Net current liabilities		<u>(1,219,264)</u>	<u>(3,047,165)</u>
Net liabilities		<u>(1,219,264)</u>	<u>(1,201,066)</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account		(1,219,265)	(1,201,067)
Total equity		<u>(1,219,264)</u>	<u>(1,201,066)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 6 to 15 were approved by the board of directors and authorised for issue on 10/04/2019 and are signed on its behalf by:



W K Procter
Director

LITTONACE (NO.12) LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share capital £	Profit and loss account £	Total £
Balance at 1 January 2017	1	(1,309,615)	(1,309,614)
Profit and total comprehensive income for the year	-	108,548	108,548
Balance at 31 December 2017	<u>1</u>	<u>(1,201,067)</u>	<u>(1,201,066)</u>
Loss and total comprehensive income for the year	-	(18,198)	(18,198)
Balance at 31 December 2018	<u>1</u>	<u>(1,219,265)</u>	<u>(1,219,264)</u>

LITTONACE (NO.12) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

Company information

Littonace (No.12) Limited ("the Company") is company limited by shares domiciled and incorporated in England. The address of the Company's registered office and principal place of business is Berkeley House, 304 Regents Park Road, London, N3 2JX. The principal activity of the company during the year was that of property investment.

1.1 Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small company's regime, and under the historical cost convention, modified to include the revaluation of investment properties. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

1.2 Going concern

On 31 October 2018 the company ceased trading, following the sale of its investment property. As such, the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

1.3 Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the company.

1.4 Turnover

Turnover comprises rent receivable and other income arising from investment properties.

Rental income is recognised in accordance with the terms of the lease.

Turnover is recognised at the fair value of the consideration received or receivable for rental income charged to external customers in the ordinary nature of the business.

1.5 Investment properties

The company's holdings of Long Leasehold Interests are classified as investment properties and are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Investment properties are revalued annually to fair value on market yield percentage with changes in fair value recognised in profit or loss (see note 7).

LITTONACE (NO.12) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1.6 Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the Company to consume substantially all of its economic benefits), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.7 Financial instruments (continued)

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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 Company after deducting all of its liabilities.

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

1.8 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of investment properties

The key accounting estimate in preparing these financial statements relates to the carrying value of the investment property which is stated at fair value, as valued by the directors, using a market yield basis (see note 7). However, the valuation of the company's investment property is inherently subjective, as it is made on the basis of market yield assumptions as at the present time provided by the directors with reference to the latest available market data, which may in future not prove to be accurate.

LITTONACE (NO.12) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2018****2. Turnover**

An analysis of the Company's turnover by class of business is as follows:

	2018 £	2017 £
Rent receivable	144,470	109,941
	<u> </u>	<u> </u>

The company's turnover for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3. Interest payable and similar expenses

	2018 £	2017 £
Interest on parent company loan	40,376	40,822
	<u> </u>	<u> </u>

4. (Loss)/profit before taxation

	2018 £	2017 £
The (loss)/profit before taxation is stated after charging:		
- Auditor's remuneration	5,000	4,920
	<u> </u>	<u> </u>

5. Employees and directors

There were no employees during the year other than the directors. The directors are remunerated by the related party Fairhold Services Limited.

6. Taxation

	2018 £	2017 £
Current tax		
UK corporation tax	-	-
Total current tax	<u> </u> -	<u> </u> -
Deferred tax:		
Movement on potential chargeable gain liability	-	-
Total deferred tax	<u> </u> -	<u> </u> -
Total tax on profit	<u> </u> -	<u> </u> -

LITTONACE (NO.12) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

6. Taxation (continued)

Factors affecting the tax charge for the year.

The tax assessed for the year is lower than the standard rate of corporation tax in the UK 19% (2017: effective rate 19.25%). The differences are explained below:

	2018 £	2017 £
(Loss)/profit before tax	(18,198)	108,548
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017: effective rate 19.25%).	(3,458)	20,895
Effects of:		
Fair value gain on investment property	-	(8,855)
Group relief received without charge	(18,340)	(12,040)
Group relief surrender of allowable losses	268,309	-
Adjustment due to impairments in prior periods	(246,511)	-
 Tax charge	 -	 -

7. Investment properties

	Long leasehold interests	
	2018 £	2017 £
Fair Value		
As at 1 January	1,846,000	1,800,000
Fair value gain	-	46,000
Disposals	(1,846,000)	-
 As at 31 December	 -	 1,846,000

On 18 October 2018 the investment properties held by the Company were sold for £1,731,275, generating a loss on sale of £114,725

The valuation of the long leasehold interest investment properties of £1,846,000 at 31 December 2017 was adopted by the directors for the purposes of these financial statements.

The investment properties were valued on the assumption of the annual rent producing a 6% yield. The directors believed this to be the most accurate valuation method to attain the fair value of the properties.

If investment properties were stated on an historical basis rather than a fair value basis, the amounts would have been included as follows:

	Long leasehold interests	
	2018 £	2017 £
Cost	-	3,133,141

LITTONACE (NO.12) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

8. Debtors

	2018	2017
	£	£
Prepayments and accrued income	-	99
	<u> </u>	<u> </u>

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals and deferred income	-	17,274
Amount owed to parent undertaking	1,219,264	3,029,891
	<u>1,219,264</u>	<u>3,047,165</u>
	<u> </u>	<u> </u>

There are no fixed terms of repayment of the parent company loan. During the year interest was charged at 3-month Libor +1%. Following the sale of the company's investment property and ceasing of trade on 31 October 2018, no interest was charged on the outstanding balance from this date. Despite the loan being repayable on demand it is not the intention for the loans to be repaid within one year.

10. Share capital and reserves

Share capital

	2018	2017
	£	£
Allotted, issued and fully paid:		
1 ordinary share of £1	1	1
	<u> </u>	<u> </u>

Ordinary share rights

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

Reserves

Reserves of the Company represent the following:

Retained earnings

Cumulative profit and loss net of distributions to owners

11. Immediate parent company, ultimate parent company and ultimate controlling party

The company's immediate parent company is Fairhold Homes Investment (No.14) Limited, which is domiciled and incorporated in England. Copies of the financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors regard the ultimate holding company to be Euro Investments Overseas Incorporated, a company incorporated in the British Virgin Islands.

The ultimate controlling party is the Tchenguiz Family Trust.

12. Related party transactions

The company has taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.