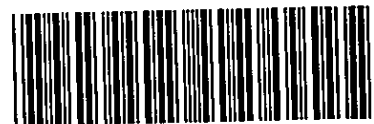


Company Registration No 05991736 (England and Wales)

INVESTREV LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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INVESTREV LIMITED

COMPANY INFORMATION

Directors	M Morris J Brereton R Harper
Company number	05991736
Registered office	Devonshire House 1 Devonshire Street London W1W 5DR
Auditors	Fisher, Sassoon & Marks 43-45 Dorset Street London W1U 7NA

INVESTREV LIMITED

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INVESTREV LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities

The company has been set up as a joint venture vehicle between LB UK RE Holdings Limited and Propshield Limited, established for the purpose of investing into commercial property in the UK and Europe

Directors

The following directors have held office since 1 January 2011

M Morris
J Brereton
R Harper

Auditors

The auditors, Fisher, Sassoon & Marks, 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 financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which 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 estimates that are reasonable and prudent,
- state whether applicable 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 proper accounting records that 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

INVESTREV LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

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.

Qualifying 3rd party indemnity provisions

Under the Companies (Audit, Investigations and Community Enterprise) Act 2004 (which amends the Companies Act 1985), companies are under an obligation to disclose any indemnities which are in force in favour of their directors.

Since June 2009, the company has granted an indemnity to each of the directors appointed to act on behalf of LB UK RE Holdings Limited pursuant to a Deed of Indemnity dated 25 June 2009.

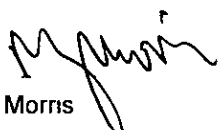
The indemnities granted constitute qualifying third party indemnity provisions.

Among other things and insofar as permitted by law, these directors shall be indemnified by the company against all costs, charges, expenses, losses or liabilities incurred in the execution and discharge of the directors' duties, power or office.

A copy of the Deed of Indemnity is available for inspection at the company's registered office.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board


M Morris
Director
25/09/12

INVESTREV LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INVESTREV LIMITED

We have audited the financial statements of Investrev Limited for the year ended 31 December 2011 set out on pages 5 to 11. 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 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 page 1, 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 2011 and of its loss 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.

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.1 to the financial statements concerning the company's ability to continue as a going concern. The company has received written confirmation from its shareholders that they have no intention to demand repayment of their loans in the next 12 months. However the shareholders have reserved their right to demand repayment of the loans if the Company's circumstances change. Such change could occur if the subsidiaries do not receive the continued support of their bankers to maintain and continue loan facilities and waive loan to value covenant breaches that have occurred since the balance sheet date. Although the directors believe that the loan facilities in the subsidiaries will remain in place and the bank has not presently enforced its rights or taken any action regarding the breach, the bank has reserved its rights under the loan facility agreement. These conditions indicate the existence of material uncertainties which may cast significant doubt about the company's ability to continue as a going concern.

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.

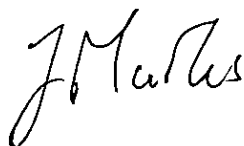
INVESTREV LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF INVESTREV LIMITED

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



Jonathan Marks (Senior Statutory Auditor)
for and on behalf of Fisher, Sassoon & Marks

25/09/2012

Chartered Accountants
Statutory Auditors

43-45 Dorset Street
London
W1U 7NA

INVESTREV LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Administrative expenses		(29,783)	(48,781)
Operating loss	2	(29,783)	(48,781)
Other interest receivable and similar income	3	453	119
Interest payable and similar charges	4	(264,804)	(253,701)
Loss on ordinary activities before taxation		(294,134)	(302,363)
Tax on loss on ordinary activities	5	-	-
Loss for the year	10	(294,134)	(302,363)

INVESTREV LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Investments	6		1		1
Current assets					
Debtors	7	64,185		120,121	
Cash at bank and in hand		56,034		18,803	
		<u>120,219</u>		<u>138,924</u>	
Creditors amounts falling due within one year	8	<u>(7,614,169)</u>		<u>(7,338,740)</u>	
Net current liabilities			<u>(7,493,950)</u>		<u>(7,199,816)</u>
Total assets less current liabilities			<u>(7,493,949)</u>		<u>(7,199,815)</u>
Capital and reserves					
Called up share capital	9		1,000		1,000
Profit and loss account	10		<u>(7,494,949)</u>		<u>(7,200,815)</u>
Shareholders' funds			<u>(7,493,949)</u>		<u>(7,199,815)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 25/09/12


M Morris
Director

Company Registration No 05991736

INVESTREV LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The Company's financial statements have been prepared on a going concern basis, notwithstanding the excess of liabilities over assets amounting to £7,493,949

The directors have prepared financial forecasts that indicate that the Company will be able to meet its liabilities as they fall due for a period of 12 months from the date of signing these financial statements provided that its shareholders are prepared to defer repayment of their loans to the Company

The Company has received written confirmation from its shareholders that they have no intention to demand repayment of their loans in the next 12 months. However, the shareholders have reserved their right to request repayment at any time should the Group's circumstances change. Such change could occur if the bank which has provided loan facilities to the Company's subsidiaries, takes action as a result of a breach of loan to value covenants that has occurred. Although the directors believe that the loan facilities in the subsidiaries will remain in place and the bank has not presently enforced its rights or taken any action regarding the breach, the bank has reserved its rights under the loan facility agreement.

Should the bank that has lent to the Company's subsidiaries take action as a result of the breach of financial covenants the continued support of the shareholders is uncertain. This indicates a material uncertainty which may cast significant doubt over the ability of the Company to continue as a going concern. The financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern.

1.3 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.

1.4 Investments

Fixed asset investments comprise of investments in shares and long terms loans to subsidiaries, and are stated at cost less provision for impairments.

1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. 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 and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

1.7 Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing difference between the treatment of certain items for taxation and accounting purposes.

INVESTREV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

2	Operating loss	2011	2010
		£	£
	Operating loss is stated after charging		
	Auditors' remuneration	8,730	7,728
		<u> </u>	<u> </u>

The directors received no remuneration during the year

3	Investment income	2011	2010
		£	£
	Bank interest	453	119
		<u> </u>	<u> </u>
		453	119
		<u> </u>	<u> </u>

4	Interest payable	2011	2010
		£	£
	Included in interest payable is the following amount		
	On amounts payable to group companies	264,804	253,701
		<u> </u>	<u> </u>

5 Taxation

The company has estimated losses of £1,623,000 (2010 - £1,329,000) available for carry forward against future trading profits

There was no charge to corporation tax for the year due to losses incurred

INVESTREV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

6 Fixed asset investments

	Shares in group undertakings and participating interests £	Loans to group undertakings and participating interests £	Total £
Cost			
At 1 January 2011 & at 31 December 2011	3,767,745	2,108,124	5,875,869
Provisions for diminution in value			
At 1 January 2011 & at 31 December 2011	3,767,745	2,108,123	5,875,868
Net book value			
At 31 December 2011	-	1	1
At 31 December 2010	-	1	1

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
KL Lax Holding GmbH	Austria	Ordinary	100 00
R I Immobilien Klagenfurt Ebentalerstrasse 140 GmbH	Austria	Ordinary	99 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2011 £	Profit/(loss) for the year 2011 £
	Principal activity		
KL Lax Holding GmbH	Holding Company	1,826,446	(3,466,738)
R I Immobilien Klagenfurt Ebentalerstrasse 140 GmbH	Property Investment Company	2,301,513	23,497

The directors have reviewed the underlying values of the investment properties held by the company's subsidiaries and have concluded, given economic and market conditions, that there are still strong indicators that the company's investment remains impaired

Accordingly, they have concluded that it is appropriate to retain a full impairment provision against the cost of the company's investment in these undertakings

INVESTREV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

7 Debtors	2011 £	2010 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>64,185</u>	<u>120,121</u>

8 Creditors amounts falling due within one year	2011 £	2010 £
Trade creditors	14,975	-
Amounts owed to group undertakings and undertakings in which the company has a participating interest	7,581,374	7,316,570
Other creditors	<u>17,820</u>	<u>22,170</u>
	<u>7,614,169</u>	<u>7,338,740</u>

9 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
500 Ordinary class A shares of £1 each	500	500
500 Ordinary class B shares of £1 each	<u>500</u>	<u>500</u>
	<u>1,000</u>	<u>1,000</u>

10 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 January 2011	(7,200,815)
Loss for the year	<u>(294,134)</u>
Balance at 31 December 2011	<u>(7,494,949)</u>

11 Control

As at 31 December 2011 there was no overall controlling party

INVESTREV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

12 Related party relationships and transactions

a) As at the 31 December 2011 the company owed the following amounts in respect of shareholder loans and interest accrued thereon

(i) £6,823,147 owed to LB UK RE Holding Limited (2010 £6,584,823), including interest accrued but not paid amounting to £1,402,650 (2010 £1,164,326)

(ii) £758,127 owed to Propshield Limited (2010 £731,647), including interest accrued but not paid amounting to £155,850 (2010 £129,370)

b) As at 31 December 31 the company was owed £64,185 (2010 owed £42,680) by R I Immobilien Klagenfurt Ebentalerstrasse 140 GmbH, a subsidiary undertaking. The company disposed of its investment in R I Immobilien Laxenburg Ebentalerstrasse 140 GmbH on 28 November 2011. At this date the company owed R I Immobilien Laxenburg Ebentalerstrasse 140 GmbH £14,975 (2010 £77,441 due from R I Immobilien Laxenburg Ebentalerstrasse 140 GmbH)