Company Registration No. 06704309 (England and Wales)

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

COMPANY INFORMATION

Directors	Mr R J Livingstone Mr R N Luck
Company number	06704309
Registered office	Quadrant House, Floor 6 4 Thomas More Square London E1W 1YW
Independent Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

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LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors present the strategic report for the year ended 30 September 2017.

Principal activities, fair review of the business and future developments

The company acts as a holding company. The company made a profit of £12.2m for the year ended 30 September 2017 due largely to a profit on the sale of subsidiaries (2016: £1.2m). Net assets increased to £68.1m at the year end (2016: £55.9m). The directors consider the financial position and future prospects at 30 September 2017 to be satisfactory.

Principal risks and uncertainties

The key business risks and uncertainties affecting the company are considered to relate to the fact that the company operates within a highly competitive market place. The directors of the group have reviewed the groups exposure to credit risk, liquidity risk and cashflow risk. These risks and uncertainties are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Financial risk management

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. Further discussion of the financial risk management objectives and policies, in the context of the group as a whole, are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Key performance indicators

London & Regional Group Trading No.3 Limited is managed by the directors in accordance with the strategies of its ultimate parent company, Loopsign Limited. For this reason, the directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. These strategies and key performance indicators are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of London and Regional Group Holdings Limited. For this reason, the directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. These strategies and key performance indicators are discussed in the company's ultimate parent's group annual report which does not form part of this report.

By order of the board

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Mr R N Luck

~~Secretary~~ DIRECTOR

25 May 2018

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors present their annual report and audited financial statements for the year ended 30 September 2017.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R J Livingstone
Mr R N Luck

Results and dividends
The results for the year are set out on page 7.

The business review, financial risk management and going concern are included in the strategic report.

No ordinary dividends were paid (2016: £nil). The directors do not recommend payment of a final dividend (2016: £nil).

Qualifying third party indemnity provisions
The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Independent Auditors
The Independent Auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to Independent Auditors
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's Independent Auditors are unaware. Additionally, the directors individually 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 Independent Auditors are aware of that information.

By order of the board

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Mr R N Luck
~~Secretary~~ DIRECTOR
25 May 2018

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors are responsible for preparing the annual 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.

By order of the board

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Mr R N Luck

~~Secretary~~ DIRECTOR

25 May 2018

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, London & Regional Group Trading No.3 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 September 2017, the statement of comprehensive income, and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Reporting on other information (continued)

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 September 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Suzanne Woolfson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 May 2018

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 £	2016 £
Administrative expenses		(6)	(363)
Exchange (loss)/gain on foreign currency loans		(29,697)	927,447
Profit on sale of investments		6,454,992	-
Operating profit	**3**	6,425,289	927,084
Interest receivable and similar income	**5**	6,245,768	264,604
Interest payable and similar expenses	**6**	(490,408)	(10,219)
Profit on ordinary activities before taxation		12,180,649	1,181,469
Tax on profit on ordinary activities	**7**	-	-
Profit for the financial year		12,180,649	1,181,469
Other comprehensive income		-	-
Total comprehensive income for the year		12,180,649	1,181,469

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Investments	**8**		88,874,669		41,365,762
Current assets					
Debtors	**9**	188,164,638		122,351,084	
Creditors: amounts falling due within one year	**10**	(208,923,450)		(107,781,638)	
Net current (liabilities)/assets			(20,758,812)		14,569,446
Total assets less current liabilities			68,115,857		55,935,208
Net assets			68,115,857		55,935,208
Capital and reserves					
Called up share capital	**11**		125		125
Retained earnings			68,115,732		55,935,083
Total equity			68,115,857		55,935,208

The financial statements were approved by the board of directors and authorised for issue on 25 May 2018 and are signed on its behalf by:

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Mr R N Luck

Director

Company Registration No. 06704309

LONDON & REGIONAL GROUP TRADING NO.3 LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Called up share capital	Retained earnings	Total
	£	£	£
Balance at 1 October 2015	125	54,753,614	54,753,739
Profit and total comprehensive income for the financial year	-	1,181,469	1,181,469
Balance at 30 September 2016	125	55,935,083	55,935,208
Profit and total comprehensive income for the financial year	-	12,180,649	12,180,649
Balance at 30 September 2017	125	68,115,732	68,115,857

1 Accounting policies

General information

London & Regional Group Trading No.3 Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW.

1.1 Statement of compliance

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") and the requirements of the Companies Act 2006.

1.2 Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis and under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemption if certain conditions have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The company is a qualifying entity as its results are consolidated into the financial statements of Loopsign Limited which are publicly available.

As a qualifying entity, the company has taken advantage of the following exemptions:

- from the requirement to prepare a statement of cash flows as required by paragraph 3.17 (d) of FRS 102; and
- from the requirement to present financial instruments disclosures, as required by FRS 102 paragraphs 11.39 to 11.48A, paragraph 12.26 and 12.29.

1.4 Exemption from consolidation

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

London & Regional Group Trading No.3 Limited is a wholly owned subsidiary of London & Regional Group Holdings Limited, a company incorporated in England and Wales, and the results of London & Regional Group Trading No.3 Limited are included in the consolidated financial statements of London & Regional Group Holdings Limited which are available from Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW.

1.5 Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of London and Regional Group Holdings Limited. For this reason, the directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. These strategies and key performance indicators are discussed in the company's ultimate parent's group annual report which does not form part of this report.

1 Accounting policies **(Continued)**

1.6 Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

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 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, 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.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Recoverability of amounts due from fellow group undertakings

The company makes an estimate of the recoverable value of amounts due from fellow group undertakings. When carrying out the assessment directors consider factors including the aging profile of the amounts due, historic experience and performance of debtors' business.

Impairment of investments

The company makes an estimate of the recoverable value of its investments. Where an indication of impairment is identified the estimation of the recoverable value is made by reference to the estimated future cash flows from the investment and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

3 Operating profit

Operating profit for the year is stated after charging/(crediting):	2017 £	2016 £
Exchange loss/(gain) on foreign currency loans	29,697	(927,447)
Profit on sale of investments	(6,454,992)	-
Fees payable to the company's auditors for the audit of the company's financial statements	-	-

Auditors' remuneration has been borne by London and Regional Properties Limited.

4 Directors' remuneration

The directors did not receive any emoluments in respect of their services to the company (2016: £nil). The company has no employees (2016: none) other than the directors.

The emoluments of the directors' are paid by a fellow subsidiary company which makes no recharge to the company. Mr Livingstone and Mr Luck are directors of the ultimate parent company and a number of fellow subsidiary companies. The total emoluments of Mr Livingstone and Mr Luck are included in the aggregate of directors' emoluments included in the financial statements of the ultimate parent company.

5 Interest receivable and similar income

	2017 £	2016 £
Interest receivable		
Interest receivable from group companies	825,339	155,945
Other interest receivable	204,663	108,659
Total interest receivable	1,030,002	264,604
Income from shares in group undertakings	5,215,766	-
Total	6,245,768	264,604

6 Interest payable and similar expenses

	2017 £	2016 £
Interest payable to group undertakings	-	9,999
Other interest	490,408	220
	490,408	10,219

7 *Tax on profit on ordinary activities*

No tax has been provided for in the current year due to the availability of losses through group relief (2016: £nil).

Factors affecting tax result for the year

From 1 April 2017 the rate of corporation tax has reduced from 20% to 19%, giving a blended average rate for the current year of 19.5%.

7 Tax on profit on ordinary activities (Continued)

The result for the year can be reconciled to the profit per the statement of comprehensive income as follows:

	2017 £	2016 £
Profit on ordinary activities before taxation	12,180,649	1,181,469
Expected tax charge based on the blended/standard rate of corporation tax in the UK of 19.50% (2016: 20.00%)	2,375,227	236,294
Tax effect of income not taxable in determining taxable profit	(2,275,798)	-
Utilisation of tax losses	(99,429)	(236,294)
Tax result for the year	-	-

The corporation tax result for the year has been reduced by £99,429 (2016: £236,294) because of losses surrendered by fellow subsidiary undertakings. No payment for this surrender is to be made by the company.

Factors that may affect future tax charges
With effect from 1 April 2020, the UK corporation tax rate will be reduced to 17%. This change which was announced in the March 2015 budget and affirmed in the March 2016 budget, will have no significant impact on these financial statements.

8 Investments

	Note	2017 £	2016 £
Investments in subsidiaries	12	81,507,136	40,823,746
Investments in joint ventures	12	7,367,533	542,016
		88,874,669	41,365,762

8 Investments **(Continued)**

The directors believe that the carrying value of the investments is supported by their underlying net assets.

On 26th October 2016, 100% of the shares issued by London & Regional (Trafalgar Square Hotel) Limited were transferred from a fellow subsidiary undertaking.

On 15th November 2016, the company subscribed for 100% of the shares issued by Atlas (Portsmouth) Limited.

On 15th December 2016, the company subscribed for 100% of the shares issued by Iconic Luxury Hotels Limited.

On 20th December 2016, the company subscribed for 100% of the shares issued by 11CG Hotel Operations Limited.

On 10th February 2017, the company sold 100% of the issued share capital of Belfcard Limited.

On 13th February 2017, the company subscribed for 50% of the shares issued by Devenetco Limited.

On 21st April 2017, the company subscribed for 50% of the shares issued by Grayshott Hotel Limited.

On 21st April 2017, the company subscribed for 50% of the shares issued by Grayshott Hotel Property Limited.

On 14th June 2017 the company subscribed for 100% of the shares issued by Atlas (Exeter Town Centre) Limited.

On 29th June 2017 the company subscribed for 100% of the shares issued by Landa Hotel and Touristic SA.

On 30th June 2017 the company subscribed for 70% of the shares issued by Renasala SLU.

On 1st August 2017 the company subscribed for 95% of the shares issued by Michel Ventures 2.

During the prior year the company subscribed for 100% of the shares issued by LR (Lygon) Limited, the owner and operator of the Lygon Arms Hotel.

During the prior year the company subscribed for 100% of the shares issued by LR Cuba (Hotel Operations) Limited, a hotel operator.

During the prior year the company subscribed for 95% of the shares issued by Michels Venture 1 Limited, a hotel owner and operator.

During the prior year the company subscribed for 100% of the shares issued by Titan Financing Holdco Limited, a holding company.

During the prior year the company subscribed for 100% of the shares issued by L&R White Sands Holding Limited, a holding company.

During the prior year, the company subscribed for 100% of the shares issued by LR (Green Park Hotel Trading) Limited (subsequently renamed LR Venice Lido Limited).

During the prior year the company completed the sale of 100% of the issued share capital of LR (Cambridge) Limited, the owner of a hotel in Cambridge.

8 Investments **(Continued)**

Movements in investments

	Shares in group undertakings and participating interests £
Cost or valuation	
At 1 October 2016	41,365,762
Additions	50,441,220
Disposals	(2,932,313)
At 30 September 2017	88,874,669

9 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amounts due from fellow group undertakings	110,516,837	110,516,837
Amounts due from joint ventures	2,648,030	2,437,817
Prepayments and accrued income	671,244	-
	113,836,111	112,954,654
Amounts falling due after more than one year:		
Amounts due from fellow group undertakings	68,119,183	9,396,430
Amounts due from joint ventures	6,209,344	-
	74,328,527	9,396,430
Total debtors	188,164,638	122,351,084

9 Debtors **(Continued)**

Amounts due from fellow group undertakings are interest free, repayable on demand, and unsecured apart from:

- a loan of £8.2m (2016: £8.3m) which is unsecured, repayable in full by 6 October 2020 and bears interest at a rate of 3.0% p.a.
-a loan of EUR 58.4m (2016: nil) which is unsecured, repayable in annual instalments of EUR 2.9m with a final maturity date of 30 June 2037. This loan bears interest at a rate of 5.0% p.a.
-a loan of £9.5m (2016: £nil) which is unsecured, repayable in full by 1 August 2022. £3.6m of the loan bears interest at 3.5% p.a. over base rate and the balance is interest free.

Amounts due from joint ventures comprise:

- an unsecured, repayable on demand loan of EUR 3.0m (2016: EUR 2.8m) to S'Argamassa Hotelera S.A, a joint venture investment of the company. This loan bears interest at a rate of 6.0% p.a.
-an unsecured loan of £1.3m (2016: £nil) to Grayshott Hotel Limited, a joint venture investment of the company. This loan bears interest at 4% p.a. and is repayable at the earlier of 31 May 2022 or on the sale or refinancing of the underlying property.
-an unsecured loan of £4.2m (2016: £nil) to Grayshott Hotel Property Limited, a joint venture investment of the company. 65% of the loan bears interest at 4% p.a. the remainder is interest free and the loan is repayable at the earlier of 31 May 2022 or on the sale or refinancing of the underlying property.
-an unsecured loan of EUR 0.8m (2016 EUR nil) to Devenetco Limited, a joint venture investment of the company. This loan bears interest at 5.0% p.a. and is repayable on 7 September 2019.

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts due to group undertakings	160,698,776	107,781,635
Other creditors	47,949,205	3
Accruals and deferred income	275,469	-
	208,923,450	107,781,638

Amounts due to fellow group undertakings are interest free, unsecured, and repayable on demand.

Other creditors comprises of an unsecured loan of EUR 55.6m (2016: EUR nil) from a related company which bears interest at 4.0% p.a. and is repayable on demand.

11 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Authorised		
975 (2016: 975) ordinary shares of £1 each	975	975
25 (2016: 25) ordinary-B shares of £1 each	25	25
	1,000	1,000
Issued and fully paid		
100 (2016: 100) ordinary shares of £1 each	100	100
25 (2016: 25) ordinary-B shares of £1 each	25	25
	125	125

The ordinary shares and ordinary-B shares rank pari passu in all material respects.

12 Subsidiaries and joint ventures

These financial statements are separate company financial statements for London & Regional Group Trading No.3 Limited.

Details of the company's subsidiaries and joint ventures at 30 September 2017 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Registered Office Key	% Held	
				Direct	Indirect
London & Regional Homes Limited	England and Wales	Property trading	1	100	
LR (Cayman) Limited	England and Wales	Holding company	1	100	
London & Regional Investments Limited	England and Wales	Dormant	1	100	
LR (SPH) Holding No.2 Limited	England and Wales	Holding company	1	100	
Greenwich Wharf Limited	England and Wales	Property trading	1	100	
Greenwich Wharf No.2 Limited	England and Wales	Holding company	1	100	
London & Regional (HC Sites) Limited	England and Wales	Property trading	1	100	
Porters RPV Corporation	St Lucia	Holding company	2	100	
Strand Palace Hotel & Restaurants Limited	England and Wales	Hotel owner and operator	3		100
RP Hotels (Barbados) Incorporated	Barbados	Hotel owner and operator	4		100
LR (Cayman SPE) Limited	Cayman Islands	Holding company	5		100
LR (Cayman Hotel) Limited	Cayman Islands	Hotel owner and operator	5		100
Michels Venture 1 Limited	England and Wales	Hotel owner and operator	6	95	
LR (Lygon) Limited	England and Wales	Hotel owner and operator	1	100	
PL (Tower) Residential Development Limited	England and Wales	Property trading	1	100	
LR Cuba (Hotel Operations) Limited	England and Wales	Hotel operator	1	100	
L&R White Sands Holding Limited	Barbados	Holding company	1	100	
LR Venice Lido Limited	England and Wales	Hotel management	1	100	
Titan Financing Limited	England and Wales	Financing company	1		100
Titan Acquisition Holdco Limited	England and Wales	Holding company	1		100
Titan Acquisition Limited	England and Wales	Investment company	1		100
Atlas Bermuda Holdings 2 Limited	Bermuda	Holding company	7		100
Atlas Hamilton Limited	Bermuda	Hotel owner	7		100
Atlas Hotels Group Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels Limited	England and Wales	Hotel owner and operator	8		100

12 Subsidiaries and joint ventures **(Continued)**

Atlas Hotels (Borrowings) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Bath) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Bath) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Bristol North) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Chingford) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Derby) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Exeter) Limited	England and Wales	Hotel owner and operator	8		100
Atlas (Exeter Town Centre) Limited	England and Wales	Hotel owner and operator	8	100	
Atlas Hotels (Glasgow) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Greenwich) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Inverness) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Lincoln) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Liverpool) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Oldbury) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Salford Quays) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Stoke on Trent) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Taunton) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Warwick) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (York NT) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Cambridge 2) Limited	England and Wales	Hotel owner and operator	8		100
Atlas Hotels (Bedford) Limited	England and Wales	Hotel owner and operator	8		100
Atlas (Portsmouth) Limited	England and Wales	Hotel owner and operator	8	100	
Atlas Hotels (Dartford-Jersey) Limited	Jersey	Hotel owner and operator	9		100
Atlas Hotels (Leeds-Jersey) Limited	Jersey	Hotel owner and operator	9		100
Atlas Hotels (Newcastle-Jersey) Limited	Jersey	Hotel owner and operator	9		100
Atlas Hotels (Glasgow Airport-Jersey) Limited	Jersey	Hotel owner and operator	9		100

12 Subsidiaries and joint ventures **(Continued)**

Atlas Hotels (Poole-Jersey) Limited	England and Wales	Hotel owner and operator	**8**		100
Atlas Hotels (Luton Airport) Limited	Scotland	Hotel owner and operator	**10**		100
Atlas Hotels (Hemel Hempstead) Limited	Scotland	Hotel owner and operator	**10**		100
Atlas Hotels (Cambridge) Limited	Scotland	Hotel owner and operator	**10**		100
Atlas Hotels (Edinburgh Waterfront) Limited	Scotland	Hotel owner and operator	**10**		100
Atlas Hotels (Glasgow Airport) Limited	Scotland	Hotel owner and operator	**10**		100
Atlas Hotels (Stirling) Limited	Scotland	Hotel owner and operator	**10**		100
Atlas Hotels (Group 1) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Group 2) Limited	England and Wales	Property trading	**8**		100
Solid Foundations Limited	British Virgin Islands	Hotel operator	**11**		100
Atlas Hotels (Stevenage) Limited	England and Wales	Hotel owner and operator	**8**		100
Atlas Hotels (Borrowings 2) Limited	England and Wales	Financing company	**8**		100
Atlas Hotels (Stafford NT2) Limited	England and Wales	Dormant company	**8**		100
Atlas Hotels (Birmingham NT4) Limited	England and Wales	Dormant company	**8**		100
Atlas Hotels (Property and Trading) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Trading) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Property) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Group 3 Property) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Group 4 Property 1) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Bristol Property) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Group 4 Property 2) Limited	England and Wales	Property trading	**8**		100
Atlas Hotels (Wembley NT) Limited	England and Wales	Dormant company	**8**		100
Atlas Hotels (Birmingham NT 1) Limited	England and Wales	Dormant company	**8**		100
Atlas Hotels (Stafford NT 1) Limited	England and Wales	Dormant company	**8**		100
Atlas Hotels (Swindon NT) Limited	England and Wales	Dormant company	**8**		100
Atlas Hotels (Birmingham NT 3) Limited	England and Wales	Dormant company	**8**		100
Atlas Hotels (Birmingham NT 2) Limited	England and Wales	Dormant company	**8**		100
Greenwich Wharf Management Company Limited	England and Wales	Dormant company	**1**		100
11CG Hotel Operations Limited	England and Wales	Hotel management	**1**	100	

12 Subsidiaries and joint ventures **(Continued)**

Iconic Luxury Hotels Limited	England and Wales	Hotel management	**1**	100	
Landa Hotel and Touristic SA	Greece	Hotel owner and operator	**12**	100	
Renasala SLU	Spain	Holding company	**13**	70	
Starmel Hotel OP, SLU	Spain	Hotel operator	**13**		70
Torremolinos Beach Property SLU	Spain	Hotel owner	**13**		70
Palmanova Beach Property SLU	Spain	Hotel owner	**13**		70
Puerto del Carmen Beach Property SLU	Spain	Hotel owner	**13**		70
San Antonio Beach Property SLU	Spain	Hotel owner	**13**		70
Audotel Limited	England and Wales	Software development	**1**	100	
Michels Venture 2 Limited	England and Wales	Holding company	**6**	95	
RSM Leisure Limited	England and Wales	Holding company	**6**		95
Lea Marston Hotel and Leisure Complex Limited	England and Wales	Hotel owner and operator	**6**		95
The Abbey Park Golf and Country Club Limited	England and Wales	Hotel owner and operator	**6**		95
Titan Financing Holdco Limited	England and Wales	Holding company	**1**	100	
London & Regional (Trafalgar Square Hotel) Limited	England and Wales	Hotel owner and operator	**1**	100	

All shareholdings are ordinary.

Registered Office Key	Address
1	Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW
2	Hewanorra House, Trou Garnier Financial Centre, Pointe Seraphine, Castries, Saint Lucia
3	Strand Palace Hotel, 372 Strand, London, WC2R 0JJ
4	Whitepark House, White Park Road, Bridgetown, Barbados
5	Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands
6	2nd Floor, 32-33 Gosfield Street, Fitzrovia, London, W1W 6HL
7	Citco (Bermuda) Limited, O'Hara House, 3 Bermudiana Road, Hamilton, HM08, Bermuda.
8	Bridgeway House, Bridgeway, Stratford-upon-Avon, Warwickshire, CV37 6YX
9	13 Castle Street, St Helier, JE4 5UT, Jersey
10	Brodies, 15 Atholl Crescent, Edinburgh, Midlothian, EH3 8HA
11	Citco B.V.I Limited, Flemming House, 5th Floor, Wickhams Cay, Road Town, Tortola, British Virgin Islands, VG1110
12	100 Iraklidon Ave, Rhodes, Municipality of Ialisos, Greece
13	Carrer Gremi de Boters, 24, 07009 Palma, Iles Balears, Spain

13 Joint ventures

Details of the company's joint ventures at 30 September 2017 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Class of shares held	% Held Direct	% Held Indirect
S'Argamassa Hotelera S.A.	Spain	Hotel operator	Ordinary	50.00	
Grayshott Hotel Limited	England and Wales	Hotel management	Ordinary	50.00	
Grayshott Hotel Property Limited	England and Wales	Hotel management	Ordinary		50.00
Devenetco Limited	Greece	Hotel owner and operator	Ordinary	50.00	

The registered address of S'Argamassa Hotelera S.A. is Urbanizacion S'Argamassa, 153, Santa Eulalia del Rio, Ibiza.

The registered address of Grayshott Hotel Limited and Grayshott Hotel Property Limited is Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW.

The registered address of Devenetco Limited is Kosta Ourani 5, 3085, Lemesos, Cyprus.

14 Related party transactions

As the company is a wholly owned subsidiary of Loopsign Limited, the company has taken advantage of the exemption under section 33.1A of FRS102 from disclosing transactions or balances with entities which form part of the group.

15 Controlling party

The immediate parent undertaking is London & Regional Group Trading No.2 Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is Loopsign Limited, a company incorporated in England and Wales.

London & Regional Group Holdings Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements as at 30 September 2017. Loopsign Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2017. The consolidated financial statements of Loopsign Limited can be obtained from the company secretary at Quadrant House, Floor 6, 4 Thomas More Square, London E1W 1YW.

The ultimate controlling parties are I M Livingstone and R J Livingstone through their joint ownership of Loopsign Limited.