

**LONDON SQUARE (FULHAM) LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019
REGISTERED NUMBER: 07788521**

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COMPANIES HOUSE

LONDON SQUARE (FULHAM) LIMITED

DIRECTORS

A P Lawrence
S D Brown
M S Evans

COMPANY SECRETARY

A P Lawrence

INDEPENDENT AUDITORS

Ernst & Young LLP
1 More London Place
London
SE1 2AF

BANKERS

The Royal Bank of Scotland
280 Bishopsgate
London
EC2M 4RB

REGISTERED OFFICE

One York Road,
Uxbridge
Middlesex
UB8 1RN

COMPANY REGISTRATION NUMBER

07788521

LONDON SQUARE (FULHAM) LIMITED

DIRECTORS' REPORT

The directors present their report and audited financial statements for London Square (Fulham) Limited (the "Company") for the year ended 31 March 2019.

BUSINESS REVIEW

The Company previously was a holding company with an investment in Fulham Developments (Jersey) Limited. In 2014 the Company sold its investment. As detailed further in Note 6 the Company maintains an indemnity provision relating to this sale, which remains unchanged in the current year.

The Company's results for the year and financial position as at year end are reported in the Profit and Loss Account on page 4 and the Balance Sheet on page 6 respectively.

The directors do not monitor any Company key performance indicators.

DIVIDENDS

No dividends were recommended, approved or paid during the year (2018: £nil).

GOING CONCERN

The Company receives financial support from its parent undertakings. On the basis of this continued support these financial statement have been prepared on the going concern basis.

DIRECTORS

The directors who served during the year and up to the date of signing the financial statements are:

A P Lawrence

B A Betsy (resigned 4 May 2018)

S D Brown

M S Evans (appointed 16 January 2019)

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

As permitted by the Companies Act 2006, the Company carries appropriate insurance cover in respect of possible legal action being taken against its directors and senior employees. Such qualifying third party indemnity provision was in place throughout the year and remains in force as at the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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.

LONDON SQUARE (FULHAM) LIMITED

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

In preparing the financial statements, the directors are required to:

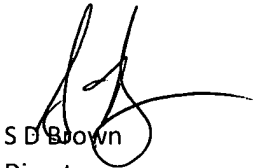
- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

SMALL COMPANY EXEMPTIONS

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

On behalf of the board



S D Brown
Director

15 November 2019

LONDON SQUARE (FULHAM) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

	<u>Note</u>	<u>2019</u> <u>£</u>	<u>2018</u> <u>£</u>
Provision for indemnity	6	-	(5,825,000)
Result / (Loss) before taxation		-	(5,825,000)
Tax on result / loss	3	-	-
Result / (Loss) for the financial year		-	(5,825,000)

All amounts relate to continuing operations.

The Company had no other comprehensive income other than the result for the year reported above.

LONDON SQUARE (FULHAM) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

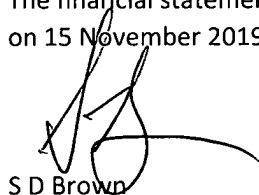
	<u>Called up share capital</u> £	<u>Retained earnings</u> £	<u>Total equity</u> £
At 1 April 2017	2	23,254,561	23,254,563
Loss for the financial year	-	(5,825,000)	(5,825,000)
At 31 March 2018	2	17,429,561	17,429,563
Result for the financial year	-	-	-
At 31 March 2019	2	17,429,561	17,429,563

LONDON SQUARE (FULHAM) LIMITED
REGISTERED NUMBER: 07788521
BALANCE SHEET AS AT 31 MARCH 2019

	<u>Note</u>	<u>2019</u>	<u>2018</u>
		£	£
Current assets			
Debtors	4	29,057,561	29,057,561
		<hr/>	<hr/>
		29,057,561	29,057,561
Creditors: amounts falling due within one year	5	(5,802,998)	(5,802,998)
		<hr/>	<hr/>
Net current assets		23,254,563	23,254,563
		<hr/>	<hr/>
Total assets less current liabilities		23,254,563	23,254,563
Provisions for liabilities	6	(5,825,000)	(5,825,000)
		<hr/>	<hr/>
Net assets		17,429,563	17,429,563
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	2	2
Retained earnings		17,429,561	17,429,561
		<hr/>	<hr/>
Total equity		17,429,563	17,429,563
		<hr/>	<hr/>

For the year ending 31 March 2019 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies. The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 4 to 12 were approved and authorised for issue by the board of directors on 15 November 2019.



S D Brown
Director
15 November 2019

LONDON SQUARE (FULHAM) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

General information

The Company is a private company limited by shares incorporated and domiciled in England and Wales. The Company's financial statements are presented in pounds sterling.

Basis of preparation

These financial statements were prepared on the going concern basis, under the historical cost convention, in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101), the Companies Act 2006 and applicable accounting standards.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 *Financial Instruments: Disclosures* ;
- (b) the requirement of paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1 *Presentation of Financial Statements* ; and
 - (ii) paragraph 73(e) of IAS 16 *Property, Plant and Equipment* .
- (c) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements* ;
- (d) the requirements of IAS 7 *Statement of Cash Flows* ;
- (e) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* ;
- (f) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures* ; and
- (g) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

The Company's parent undertaking, London Square Developments (Ventures) Limited, was notified and did not object to the use of the disclosure exemptions.

Going concern

The Company receives financial support from its parent undertakings. On the basis of this continued support these financial statement have been prepared on the going concern basis.

New and amended standards and interpretations

The Company has not adopted any accounting standards for the first time in the year that have had a material impact on the Company's performance or position, nor has the Company adopted any standards or interpretations early in either the current or the preceding year. At the date of approving these financial statements there are no new or revised interpretations or standards in existence but not yet effective that are expected to have a material effect to the Company's financial position or performance.

LONDON SQUARE (FULHAM) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities which are not readily apparent from other sources. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis.

Significant accounting policies

The principal accounting policies adopted, which have been applied consistently throughout the year, are set out below.

Investments

Investments are carried at cost, less provision for impairment.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit and loss account. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

1 ACCOUNTING POLICIES (CONTINUED)

Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

LONDON SQUARE (FULHAM) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2 DIRECTORS' REMUNERATION

The directors did not receive any remuneration in respect of their services to the Company (2018: £nil).

3 TAX ON RESULT / LOSS

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Current taxation:		
Current tax on loss for the year	-	-
	<hr/>	<hr/>
Tax on result / loss	-	-
	<hr/> <hr/>	<hr/> <hr/>

The tax assessed for the year is different from the rate of corporation tax in the UK of 19% (2018: 19%). The difference is explained below:

Result / (Loss) before taxation	-	-
	<hr/>	<hr/>
Tax at the UK standard rate of tax of 19% (2018: 19%)	-	-
Effects of:		
Expenses not deductible for tax purposes	-	-
Permanent differences	441,837	441,837
Group relief not paid for	(441,837)	(441,837)
	<hr/>	<hr/>
Total tax for the year	-	-
	<hr/> <hr/>	<hr/> <hr/>

Corporation tax rate changes

Legislation has been enacted reducing the main UK corporation tax rate from 1 April 2020 to 17%.

LONDON SQUARE (FULHAM) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

4 DEBTORS

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Amounts owed by group undertakings	29,057,561	29,057,561
	<u>29,057,561</u>	<u>29,057,561</u>

Amounts owed by group undertakings are unsecured, interest-free and are repayable on demand.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Amounts owed to group undertakings	5,802,998	5,802,998
	<u>5,802,998</u>	<u>5,802,998</u>

Amounts owed to group undertakings are unsecured, interest-free and are repayable on demand.

6 PROVISIONS FOR LIABILITIES

	<u>£</u>
At 1 April 2018	5,825,000
Utilised in the year	-
Created in the year	-
	<u>5,825,000</u>
At 31 March 2019	<u>5,825,000</u>
At 1 April 2017	-
Utilised in the year	-
Created in the year	5,825,000
	<u>5,825,000</u>
At 31 March 2018	<u>5,825,000</u>

This indemnity provision relates to the Company's 2014 sale of its investment in Fulham Developments (Jersey) Limited, a special purpose residential property development joint venture company. The joint venture company was sold for a variable consideration dependent upon the return the purchaser made from that company. The Company provided an indemnity to the purchaser whereby should that return decrease the Company would repay a proportion of the consideration received. Events arose during the previous year that may give rise to significant costs to the purchaser and accordingly the Company recognised a provision for the amount of consideration that would be repayable to the purchaser. The circumstances remain substantially unchanged and accordingly the provision has been maintained at the same level.

LONDON SQUARE (FULHAM) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7 CALLED UP SHARE CAPITAL

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
<i>Authorised, allotted, called up and fully paid:</i>		
2 (2018: 2) ordinary shares of £1 each	2	2
	<hr/>	<hr/>

Both types of ordinary shares have the same economic and voting rights.

8 IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS

The Company's immediate parent undertaking is London Square Developments (Ventures) Limited and the ultimate controlling parties are funds managed by affiliates of Ares Management LLC. The smallest and largest group financial statements in which the Company is included are prepared by London Square Developments (Ventures) Limited and London Square Developments (Holdings) Limited respectively.

Financial statements for companies in the London Square Developments (Holdings) Limited group are available from the Company Secretary, One York Road, Uxbridge, Middlesex, UB8 1RN.