

**REGISTERED NUMBER: 08281137 (England and Wales)**

**LONDON SQUARE (RSG) LIMITED**  
**DIRECTORS' REPORT AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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# **LONDON SQUARE (RSG) LIMITED**

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**LONDON SQUARE (RSG) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2023**

**DIRECTORS:**

A P Lawrence  
S D Brown  
M S Evans

**SECRETARY:**

A P Lawrence

**REGISTERED OFFICE:**

One York Road  
Uxbridge  
Middlesex  
UB8 1RN

**REGISTERED NUMBER:**

08281137 (England and Wales)

**ACCOUNTANTS:**

Ernst and Young LLP  
London

## **LONDON SQUARE (RSG) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report with the financial statements of the Company for the year ended 31 March 2023.

#### **REVIEW OF BUSINESS**

During the year, the Company continued to be a holding company and is expected to continue as such for the foreseeable future.

The Company's results for the year and financial position as at year end are reported in the profit and loss account and the balance sheet on pages 8 and 9.

The directors do not monitor any Company key performance indicators.

#### **DIVIDENDS**

During the year the company paid no dividends (2022: Nil).

#### **EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

A P Lawrence  
S D Brown  
M S Evans

#### **GOING CONCERN**

The directors have conducted a rigorous assessment of the Company's ability to continue in operational existence for the period to 31 December 2024 (the going concern period). In making this assessment consideration has been given to the current financial position along with the uncertainty inherent in future financial forecasts and, where applicable, severe but plausible sensitivities have been applied to key factors affecting the expected financial position and liquidity of the Company.

The assessment has considered stress tests to assess the Company's resilience. In all stress tests the Company demonstrated that it could maintain good liquidity levels. The directors have also considered that should it be necessary there are a range of mitigating actions that can be taken in order to ensure continued liquidity.

Accordingly, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the going concern period and so continue to prepare these financial statements on the going concern basis.

#### **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.

**LONDON SQUARE (RSG) LIMITED**

**ON BEHALF OF THE BOARD:**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**



.....  
S D Brown - Director

Date: 30 November 2023

**LONDON SQUARE (RSG) LIMITED**

**PROFIT AND LOSS  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
REVENUE		-	-
OPERATING PROFIT and PROFIT BEFORE TAXATION		-	-
Tax on profit	5	-	-
PROFIT FOR THE FINANCIAL YEAR		-	-
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-	-

The notes form part of these financial statements

**LONDON SQUARE (RSG) LIMITED (REGISTERED NUMBER: 08281137)**

**BALANCE SHEET  
31 MARCH 2023**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Investments	6	30	30
<b>CURRENT ASSETS</b>			
Debtors	7	1,134,113	1,134,113
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,134,143</u>	<u>1,134,143</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	2	2
Retained earnings		1,134,141	1,134,141
<b>SHAREHOLDERS' FUNDS</b>		<u>1,134,143</u>	<u>1,134,143</u>
		<u>1,134,143</u>	<u>1,134,143</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the Company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

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

The financial statements were approved by the Board of Directors and authorised for issue on 30 November 2023 and were signed on its behalf by:



.....  
S D Brown - Director

The notes form part of these financial statements

**LONDON SQUARE (RSG) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	2	1,134,141	1,134,143
Changes in equity			
Balance at 31 March 2022	<u>2</u>	<u>1,134,141</u>	<u>1,134,143</u>
Changes in equity			
Balance at 31 March 2023	<u><u>2</u></u>	<u><u>1,134,141</u></u>	<u><u>1,134,143</u></u>

The notes form part of these financial statements



## **LONDON SQUARE (RSG) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. GENERAL INFORMATION**

London Square (RSG) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1; and
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f) and 39(c) of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

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

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary of London Square Developments (Holdings) Limited.

The consolidated financial statements of London Square Developments (Ventures) Limited are available from One York Road, Uxbridge, Middlesex, UB8 1RN.

## **LONDON SQUARE (RSG) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023**

#### **2. ACCOUNTING POLICIES - continued**

##### **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.

##### **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.

##### **Debtors**

Debtors on normal terms do not carry any interest and are stated at amortised cost. The impairment requirements of IFRS 9 have required the Company to consider the expected credit losses for the financial assets held at the reporting date. The Directors have reviewed the Company's financial assets and assessed the credit risk and concluded that there is no material impact on the Company's financial statements.

##### **Creditors**

Creditors on normal terms are not interest bearing and are stated at amortised cost.

## **LONDON SQUARE (RSG) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023**

#### **2. ACCOUNTING POLICIES - continued**

##### **Taxation**

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.

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.

## **LONDON SQUARE (RSG) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023**

#### **2. ACCOUNTING POLICIES - continued**

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.

#### **Going concern**

The directors have conducted a rigorous assessment of the Company's ability to continue in operational existence for the period to 31 December 2024 (the going concern period). In making this assessment consideration has been given to the current financial position along with the uncertainty inherent in future financial forecasts and, where applicable, severe but plausible sensitivities have been applied to key factors affecting the expected financial position and liquidity of the Company.

The assessment has considered stress tests to assess the Company's resilience. In all stress tests the Company demonstrated that it could maintain good liquidity levels. The directors have also considered that should it be necessary there are a range of mitigating actions that can be taken in order to ensure continued liquidity.

Accordingly, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the going concern period and so continue to prepare these financial statements on the going concern basis.

#### **3. DIRECTORS' REMUNERATION**

The directors did not receive any remuneration in respect of their services to the Company (2022: £nil).

#### **4. AUDITORS' REMUNERATION**

The fee payable to the Company's auditors for the audit of the financial statements of £5,000 (2022: £4,000) was borne by London Square Developments Limited, a fellow subsidiary undertaking of London Square Developments (Holdings) Limited.

## LONDON SQUARE (RSG) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

#### 5. TAXATION

The tax assessed for the period is different from the rate of corporation tax in the UK of 19% (2022: 19%). The difference is explained below:

	2023 £	2022 £
Result before taxation	-	-
Tax at the UK standard rate of tax of 19% (2022: 19%)	-	-
Effects of:		
Permanent difference	21,548	21,548
Losses group relieved	(21,548)	(21,548)
Total tax for the period	-	-

#### Corporation tax rate changes

Legislation has been enacted changing the UK corporation tax rate from 1 April 2023, the current rate of 19% will cease to apply and will be replaced to 25%.

#### 6. INVESTMENTS

	Shares in group undertakin £
<b>COST</b>	
At 1 April 2022 and 31 March 2023	30
<b>NET BOOK VALUE</b>	
At 31 March 2023	30
At 31 March 2022 :	30

The Company owns 15% of the issued share capital of its joint venture, Richmond Hill Developments (Jersey) Limited ("RHDJ"), a land developer and housebuilder incorporated in Jersey with a registered office of 44 Esplanade, St Helier, Jersey JE5 9WG. During the year RHDJ made a distribution of capital to its joint venture partners, resulting in a decrease in the value of investment held by the Company. The directors believe the carrying value of the investment is supported by its underlying trade and net assets.

#### 7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Amounts owed by group undertakings	1,134,113	1,134,113

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

## **LONDON SQUARE (RSG) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023**

#### **8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2023	2022
Number:	Class:		£	£
2	Ordinary shares	£1	<u>2</u>	<u>2</u>

#### **9. SUBSEQUENT EVENTS**

London Square Developments (Holdings) Limited ("the Group") has secured credit approval for a £31m Bilateral loan for 3 years with Homes England. The Group and its lenders are in the process of documenting the final terms for execution. This is dependent upon the approval in change of control noted below.

The Group has secured a new equity sponsor. In a transaction between the ultimate shareholders of the Group, funds managed by affiliates of Ares Management LLC, and Aldar Properties PJSC (Aldar), Aldar have contracted to purchase all of the outstanding equity, preference capital and loan notes of the Group.

Completion of the purchase constitutes a change of control under the Group's debt agreements and provides the lenders with the opportunity to approve the new controlling party or require repayment of the bank loans and loan notes. On completion, the lenders will be requested to approve the change of control or refinance the loans on mutually agreeable terms but at the time of signing these financial statements this is yet to be agreed.

#### **10. IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS**

The Company's immediate parent undertaking is London Square Developments (Ventures) Limited and at the balance sheet date the ultimate controlling parties are funds managed by affiliates of Ares Management LLC. Subsequent to year end, the funds managed by affiliates of Ares Management LLC agreed to sell all interests in the London Square Developments (Holdings) Limited group to Aldar Properties PSJC, an entity listed on the Abu Dhabi Stock Exchange. 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.