

LR WAREHOUSE (VICTORIA DOCK) LIMITED

**Company Registration Number:
11625772 (England and Wales)**

Unaudited statutory accounts for the year ended 31 December 2022

Period of accounts

Start date: 1 January 2022

End date: 31 December 2022

LR WAREHOUSE (VICTORIA DOCK) LIMITED

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for the Period Ended 31 December 2022

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LR WAREHOUSE (VICTORIA DOCK) LIMITED

Directors' report period ended 31 December 2022

The directors present their report with the financial statements of the company for the period ended 31 December 2022

Principal activities of the company

The principal activity of the company is the ownership of the investment property, Warehouse Victoria Dock.

Directors

The directors shown below have held office during the period of
1 January 2022 to 20 January 2022

Ian M Livingston
Richard J Livingston

The directors shown below have held office during the period of
21 January 2022 to 31 December 2022

Tim A Knight
Martin G Cudlipp

Secretary JTC (Jersey) Limited

The above report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006

This report was approved by the board of directors on
29 June 2023

And signed on behalf of the board by:

Name: Martin G Cudlipp
Status: Director

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Profit And Loss Account for the Period Ended 31 December 2022

	2022	2021
	£	£
Turnover:	2,999,902	1,680,534
Gross profit(or loss):	2,999,902	1,680,534
Administrative expenses:	(651,498)	(699,549)
Other operating income:		2,452,093
Operating profit(or loss):	2,348,404	3,433,078
Interest payable and similar charges:	(372,314)	(641,794)
Profit(or loss) before tax:	1,976,090	2,791,284
Tax:	(1,072,410)	(524,736)
Profit(or loss) for the financial year:	903,680	2,266,548

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Balance sheet

As at 31 December 2022

	<i>Notes</i>	<i>2022</i>	<i>2021</i>
		£	£
Fixed assets			
Investments:	3	45,000,000	45,000,000
Total fixed assets:		<u>45,000,000</u>	<u>45,000,000</u>
Current assets			
Debtors:	4	4,026,783	806,384
Cash at bank and in hand:			1,026,812
Total current assets:		<u>4,026,783</u>	<u>1,833,196</u>
Creditors: amounts falling due within one year:	5	(1,964,851)	(8,116,482)
Net current assets (liabilities):		<u>2,061,932</u>	<u>(6,283,286)</u>
Total assets less current liabilities:		<u>47,061,932</u>	<u>38,716,714</u>
Creditors: amounts falling due after more than one year:	6	(2,903,813)	(27,706,898)
Total net assets (liabilities):		<u>44,158,119</u>	<u>11,009,816</u>
Capital and reserves			
Called up share capital:		1	1
Other reserves:		32,244,623	
Profit and loss account:		11,913,495	11,009,815
Total Shareholders' funds:		<u>44,158,119</u>	<u>11,009,816</u>

The notes form part of these financial statements

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Balance sheet statements

For the year ending 31 December 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**This report was approved by the board of directors on 29 June 2023
and signed on behalf of the board by:**

Name: Martin G Cudlipp
Status: Director

The notes form part of these financial statements

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Notes to the Financial Statements

for the Period Ended 31 December 2022

1. Accounting policies

Basis of measurement and preparation

These financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of Financial Reporting Standard 102

Turnover policy

Turnover represents rental income is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. Rental income is recognised over the term of the lease on a straight-line basis. The total turnover of the company for the period has been derived from its principal activity, wholly undertaken in the UK. Income from properties is allocated in the year to which it relates, with payments received in advance held as deferred income and recognised as turnover when earned.

Valuation information and policy

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. In addition to the day to day operations of the company, the directors have considered the impact of the current conflict in Ukraine and the effects on the company's business and the potential impact on the wider real estate industry and do not consider there to be any further key sources of estimation uncertainty which may cause a material adjustment to the carrying amount of assets and liabilities. The following judgements have had the most significant effect on amounts recognised in the financial statements. The fair value of investment property is determined by independent real estate valuation experts using recognised valuation techniques. The fair value has been primarily derived using comparable recent market transactions on an arm's length terms

Other accounting policies

1. Accounting policies
General Information
1.1 Statement of compliance
1.2 Basis of preparation
1.4 Going concern
The directors have also considered the macro-economic factors that continue to surround the global economy as a result of higher inflation and interest rates predominantly caused by the wake of COVID-19 and the conflict in Ukraine. While the directors acknowledge the potential impact to property valuations, debt servicing and increased costs of third party service providers it does not consider this to materially impact the operations of the Company. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2. On 24 February 2022, Russia launched a military offensive against Ukraine, resulting in widespread sanctions on Russia and heightened security and cyber threats. Market disruptions associated with the geopolitical event have had a global impact, and uncertainty exists as to the implications. Such disruptions can adversely affect the valuation of assets and performance thereon, specifically those with direct or indirect exposure to Russia or Ukraine. The Directors are monitoring the current conflict in Ukraine and the effects on the Company's business and the potential impact on the wider real estate industry. There has been no adverse impact on the Company's performance from the conflict, the sanctions imposed on Russia or wider economic uncertainty and disruption. The directors do not expect that the conflict will significantly impact the liquidity of the Company over the next 12 months from date of approval of the financial statements. The Company's business activities, together with the factors likely to affect its growth, performance and position are set out in the Strategic report. Based on this, the Directors consider it appropriate to prepare the financial statements on a going concern basis. Additionally, the directors have received confirmation that The WK Unit Trust intends to support the company to ensure it meets its obligations as they fall due for at least 12 months after these financial statements are approved. LR Warehouse (Victoria Dock) Limited is a private company limited by shares incorporated in the United Kingdom and registered in England. The registered office is The Scapel, 18th Floor, 52 Lime Street, London, EC3M 7AF. The principal activity of the company is the ownership of the investment property, Warehouse Victoria Dock. 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. The company has chosen to apply FRS 102 section 1A, for which it qualifies by virtue of being a small entity. The company is exempt from producing a cash flow statement as permitted by FRS 102-1A. The financial statements are prepared in sterling, which is the functional currency of the company. The financial statements have been prepared on a going concern basis and under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties at fair value. The principal accounting policies adopted are set out below.
1. Accounting policies (continued)
1.5 Rental income
Deferred income
1.6 Investment property
1.7 Financial instruments
Basic financial assets
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. Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Trust, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Property acquisitions and disposals are accounted for on exchange unless the sales contract provides a reason for the Trustees to recognise this later or on completion of the contract when all conditions have been met. Transaction costs associated with failed investment property acquisitions and disposals are charged as

expenses to the statement of comprehensive income. Investment property is initially recognised at cost, including stamp duty land tax ('SDLT') and other transaction costs. Subsequently, investment property is carried at fair value determined annually by external valuers. All surpluses and deficits are reflected in the statement of comprehensive income. After initial recognition, investment property is carried at fair value. Fair value is based on active market prices adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Trust uses alternative valuation methods, such as recent prices on less active markets. Valuations are performed as at the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associates with the expenditure will flow to the Trust and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Gains or losses arising from changes in the fair values are included in the statement of comprehensive income in the period in which they arise. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected. 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. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Turnover represents rental income is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. Rental income is recognised over the term of the lease on a straight-line basis. The total turnover of the company for the period has been derived from its principal activity, wholly undertaken in the UK. Income from properties is allocated in the year to which it relates, with payments received in advance held as deferred income and recognised as turnover when earned.

1. Accounting policies (continued)

1.7 Financial instruments

(continued) Impairment of financial assets

Derecognition of financial assets

Classification of financial liabilities

Basic financial liabilities

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

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. 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. 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. 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. 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.

LR WAREHOUSE (VICTORIA DOCK) LIMITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021.

Accounting policies (continued)

1.8 Equity instruments

1.92 Critical accounting judgements and key sources of estimation uncertainty

Valuation of property

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. In addition to the day to day operations of the company, the directors have considered the impact of the current conflict in Ukraine and the effects on the company's business and the potential impact on the wider real estate industry and do not consider there to be any further key sources of estimation uncertainty which may cause a material adjustment to the carrying amount of assets and liabilities. The following judgements have had the most significant effect on amounts recognised in the financial statements. The fair value of investment property is determined by independent real estate valuation experts using recognised valuation techniques. The fair value has been primarily derived using comparable recent market transactions on arm's length terms. 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. Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

Deferred tax

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

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Notes to the Financial Statements for the Period Ended 31 December 2022

2. Employees

	<i>2022</i>	<i>2021</i>
Average number of employees during the period	0	0

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Notes to the Financial Statements

for the Period Ended 31 December 2022

3. Fixed assets investments note

7 Investment properties 2022 2021£ £Fair value at the beginning of the year 45,000,000 42,575,000Settlement of retention by LRP - (27,093)Net gain through fair value adjustments - 2,452,093Fair value at end of the year 45,000,000 45,000,00031 Dec 2022 31 Dec 2021£ £Within 1 year 2,422,959 2,506,809After 1 year, but not more than 5 years 8,770,296 9,198,445After 5 years 13,583,178 15,977,98724,776,433 27,683,241

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Notes to the Financial Statements

for the Period Ended 31 December 2022

4. Debtors

	2022	2021
	£	£
Trade debtors	0	434,528
Other debtors	4,026,783	371,856
Total	<u>4,026,783</u>	<u>806,384</u>

Stated net of provisions of £356,019 (2021: £414,995)The intercompany receivable balance are interest free and receivable on demand.

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Notes to the Financial Statements

for the Period Ended 31 December 2022

5. Creditors: amounts falling due within one year note

	2022	2021
	£	£
Taxation and social security	697,610	336,683
Accruals and deferred income	664,464	394,262
Other creditors	602,777	7,385,537
Total	<u>1,964,851</u>	<u>8,116,482</u>

Trade and other payables 2022 2021 £ £ Amounts owed to group undertakings 527,224 7,383,519 Corporation tax 375,496 149,833 VAT Payable 322,114 186,850 Other creditors 75,553 2,018 Accruals and deferred income 664,464 394,262 1,964,851 8,116,482 Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

LR WAREHOUSE (VICTORIA DOCK) LIMITED

Notes to the Financial Statements

for the Period Ended 31 December 2022

6. Creditors: amounts falling due after more than one year note

	<i>2022</i>	<i>2021</i>
	£	£
Bank loans and overdrafts		25,500,000
Other creditors	2,903,813	2,206,898
Total	<u>2,903,813</u>	<u>27,706,898</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.