

## Longbell Limited

Report and Financial Statements

Year Ended

31 March 2013

Company Number 3268638

WEDNESDAY



LD4 \*L2HN5918\* #117  
25/09/2013  
COMPANIES HOUSE

**BDO**

# **Longbell Limited**

## **Report and financial statements for the year ended 31 March 2013**

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### **Directors**

P Gubbay  
L Khalastchi

### **Secretary and registered office**

P Gubbay, 7 Praed Street, London, W2 1NJ

### **Company number**

3268638

### **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# **Longbell Limited**

## **Report of the directors for the year ended 31 March 2013**

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The directors present their report together with the audited financial statements for the year ended 31 March 2013

### **Results**

The profit and loss account is set out on page 5 and shows the profit for the year

### **Principal activities**

The principal activity of the company is that of property investment. Investments are held as a direct shareholding in property investment companies.

### **Directors**

The directors during the year were

R Gubbay – Resigned 26 February 2013

E Gubbay – Resigned 26 February 2013

L Khalastchi

P Gubbay – Appointed 26 February 2013

### **Directors' responsibilities**

The directors are responsible for preparing the directors' 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,
- 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.

# Longbell Limited

## Report of the directors for the year ended 31 March 2013 (*Continued*)

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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this report the directors have taken advantage of the small companies' exemption.

### By order of the Board



P Gubbay  
Director

Date 23-09-2013

# Longbell Limited

## Report of the independent auditors

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONGBELL LIMITED

We have audited the financial statements of Longbell Limited for the year ended 31 March 2013 which comprise the profit and loss account, statement of total recognised gains and losses, the balance sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### *Respective responsibilities of directors and auditors*

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### *Scope of the audit of the financial statements*

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### *Opinion on financial statements*

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### *Opinion on other matters prescribed by the Companies Act 2006*

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Longbell Limited

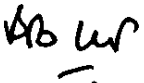
## Report of the independent auditors (*Continued*)

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### *Matters on which we are required to report by exception*

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime



*Michael Goldstein (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom*

Date *27th September 2013*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Longbell Limited

## Profit and loss account for the year ended 31 March 2013

	Note	2013 £	2012 £
Property expenses		-	(11,459)
Administrative expenses		(263,490)	(275,621)
<b>Operating loss</b>	3	(263,490)	(287,080)
Profit on disposal of fixed asset investments		369,961	337,626
<b>Profit before interest and other income</b>		106,471	50,546
Gain/(loss) on exchange difference		126,593	(23,103)
Income from fixed asset investments		658,171	210,200
Provision for impairment of fixed asset investments		(35,400)	(132,000)
Loss on impairment of fixed asset investments		(69,122)	-
Income/(loss) from current asset investments		37,332	(241,473)
Interest receivable		150,987	123,896
Interest payable and similar charges		(195)	(1,423)
<b>Profit/(loss) on ordinary activities before taxation</b>		974,837	(13,357)
Taxation credit/(charge) on loss from ordinary activities	4	63,814	(72,292)
<b>Profit/(loss) on ordinary activities after taxation</b>	11	1,038,651	(85,649)

All amounts relate to continuing activities

The notes on pages 8 to 13 form part of these financial statements

# Longbell Limited

## Statement of total recognised gains and losses and note of historical cost profits and losses for the year ended 31 March 2013

	2013 £	2012 £
<b>Statement of total recognised gains and losses</b>		
Profit/(loss) for the year	1,038,651	(85,649)
	<hr/>	<hr/>
Total recognised gains and losses for the financial year	1,038,651	(85,649)
	<hr/>	<hr/>
<b>Note of historical cost profits and losses</b>		
Profit/(loss) for the year before taxation	974,837	(13,357)
	<hr/>	<hr/>
Historical cost profit/(loss) before taxation	974,837	(13,357)
	<hr/>	<hr/>
Historical cost profit/(loss) for the year after taxation	1,038,651	(85,649)
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The notes on pages 8 to 13 form part of these financial statements



# Longbell Limited

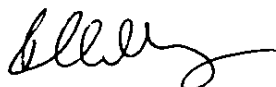
## Balance sheet at 31 March 2013

Company Number: 3268638

	Note	2013 £	2013 £	2012 £	2012 £
<b>Fixed assets</b>					
Investments	5		18,245,435		11,819,907
<b>Current assets</b>					
Debtors due within one year	6	450,183		538,590	
Debtors due after one year	6	5,200,000		3,315,000	
Investments	7	2,348,874		2,455,463	
Cash at bank and in hand		1,254,630		973,857	
		9,253,687		7,282,910	
<b>Creditors: amounts falling due within one year</b>	8	70,790		157,301	
<b>Net current assets</b>			9,182,897		7,125,609
<b>Total assets less current liabilities</b>			27,428,332		18,945,516
<b>Creditors: amounts falling due after more than one year</b>	9		(16,151,227)		(8,707,062)
<b>Net assets</b>			11,277,105		10,238,454
<b>Capital and reserves</b>					
Called up share capital	10		100		100
Profit and loss account	11		11,277,005		10,238,354
<b>Shareholders' funds</b>	12		11,277,105		10,238,454

These 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 and authorised for issue on 23-09-2013



P Gubbay  
Director

The notes on pages 8 to 13 form part of these financial statements

# Longbell Limited

## Notes forming part of the financial statements for the year ended 31 March 2013

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings. The following principal accounting policies have been applied:

#### *Group financial statements*

The financial statements contain information about Longbell Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by Companies Act 2006 not to produce consolidated financial statements because it is itself a wholly owned subsidiary of its parent undertaking, Prime Commercial Properties Plc. Prime Commercial Properties Plc prepares and files consolidated accounts which incorporate the activities of the company and its subsidiary undertakings.

#### *Rental income*

Rental income excludes VAT and comprises rent receivable. Service charges are credited against the relevant expenditure.

#### *Investments*

Fixed asset investments and investments in associates are stated at cost, less any provision for impairment.

Current asset investments are held at the lower of cost and net realisable value.

#### *Foreign currency translation*

Transactions denominated in a foreign currency are translated into the functional currency at the rate of exchange ruling on the date the transactions occurred. Monetary assets and liabilities denominated in a foreign currency are translated using the rate of exchange ruling on the balance sheet date.

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief, and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Finance costs*

Finance costs associated with the issue of debt are deducted from the proceeds of the issue and charged to profit over the term of the debt so that the amount charged is at a constant rate on the carrying amount.

#### *Dividends*

Equity dividends are recognised when they become legally payable. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

# Longbell Limited

## Notes forming part of the financial statements for the year ended 31 March 2013

### 2 Employees and directors

	2013 £	2012 £
Staff costs consist of		
Wages and salaries	210,000	210,000
Social security costs	26,913	27,028
	<u>236,913</u>	<u>237,028</u>

The company did not have any employees apart from the directors during the year under review (2012 - Nil)  
The directors received aggregate emoluments of £210,000 during the year (2012 - £210,000) The emoluments of the highest paid director were £150,000 (2012 - £150,000)

### 3 Operating loss

	2013 £	2012 £
This has been arrived at after charging		
Auditors' remuneration	7,264	10,855
	<u>7,264</u>	<u>10,855</u>

### 4 Taxation on profit from ordinary activities

	2013 £	2012 £
(i) Analysis of tax charge in year		
<i>Current tax</i>		
UK corporation tax	8,478	72,292
Adjustment in respect of prior years	(72,292)	-
	<u>(63,814)</u>	<u>72,292</u>
Total current tax	(63,814)	72,292
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
Total tax charge/(credit)	<u>(63,814)</u>	<u>72,292</u>
(ii) Factors affecting the tax charge/(credit) for the year		
Profit/(loss) on ordinary activities multiplied by		
Standard rate of UK corporation tax of 24% (2012 - 26%)	233,961	(3,473)
Expenses not deductible for tax purposes	25,086	75,765
Non-taxable income	(233,125)	-
Chargeable gains	(4,104)	-
Tax losses	(13,340)	-
Adjustments in respect of prior years	(72,292)	-
	<u>(63,814)</u>	<u>72,292</u>
Current tax (credit)/charge for year	<u>(63,814)</u>	<u>72,292</u>

# Longbell Limited

## Notes forming part of the financial statements for the year ended 31 March 2013 (Continued)

### 5 Fixed asset investments

	Associates £	Loans £	Shares £	Total £
<i>Net book value</i>				
At 1 April 2012	3,339,531	8,254,737	225,639	11,819,907
Advances/additions	1,566,410	5,643,420	40	7,209,870
Repayments/disposals	(232,000)	(622,425)	(20,307)	(874,732)
Foreign currency retranslation	-	194,912	-	194,912
Reclassification	88,582	-	(88,582)	-
Impairment	(69,122)	-	-	(69,122)
Impairment provision	-	-	(35,400)	(35,400)
At 31 March 2013	4,693,401	13,470,644	81,390	18,245,435

Investments include loans and shares of £11,057,087 (2012 £7,141,921) to group undertakings and £7,188,348 (2012 £4,677,986) to other investments

The principal trading subsidiary and associates undertakings at the balance sheet date were

Company	Country of registration	Nature of business	Shares held Class	%
<b>Subsidiary undertakings:</b>				
<i>Directly held</i>				
Peakshare Limited	England	Investment company	Ordinary	79.82
Joanbridge Limited	England	Investment company	Ordinary	79.82
Moontrace Limited	England	Property investment	Ordinary	100.00
Crestform (EU) Limited	England	Property investment	Ordinary	100.00
<i>Indirectly held</i>				
PCP New London Holdings LLC	USA	Investment company	LLC Contribution	72.5
PCP New London LLC	USA	Property investment	LLC Contribution	72.5
PCP San Souci Holdings LLC	USA	Investment company	LLC Contribution	72.5
PCP San Souci LLC	USA	Property investment	LLC Contribution	72.5
<b>Associates undertakings.</b>				
<i>Directly held</i>				
Khalsmith (Portfolio) Limited	England	Property investment	Ordinary	50.00
Tedbell Limited	England	Property investment	Ordinary	33.33
Prista Holding SA	BVI	Investment company	Ordinary	25.00
Edro Properties Limited	England	Property investment	Ordinary	50.00
Khalsmith Developments Limited	England	Property investment	Ordinary	50.00
Habag Investment Corp	BVI	Investment company	Ordinary	50.00
St Vincent Estates Limited	England	Property investment	Ordinary	33.33
<i>Indirectly held</i>				
St Vincent Estates Limited	England	Property investment	Ordinary	11.11

# Longbell Limited

Notes forming part of the financial statements  
for the year ended 31 March 2013 (Continued)

## 5 Fixed asset investments (continued)

	Aggregate share capital & reserves		Profit/(loss) for the year ended 31 March	
	2013	2012	2013	2012
	£	£	£	£
Moontrace Limited	399,027	108,153	290,874	90,832
Crestform (EU) Limited	69,473	-	69,453	-
The reporting currency for these subsidiaries is US dollar				
	\$	\$	\$	\$
Peakshare Limited	(257,669)	(172,981)	(84,691)	(42,985)
Joanbridge Limited	(36,908)	(28,415)	(8,493)	(14,851)
PCP New London Holdings LLC	5,732,206	6,620,259	(9,734)	4,391
PCP New London LLC	5,139,340	6,012,567	(46,717)	(50,433)
PCP San Souci Holdings LLC	3,419,953	3,535,640	(10,501)	18,783
PCP San Souci LLC	2,969,859	3,152,095	(41,626)	(43,294)

## 6 Debtors

	2013	2012
	£	£
<b>Amounts due within one year:</b>		
Other debtors	311,761	521,761
Corporation tax recoverable	92,678	-
Prepayments and accrued income	45,744	16,829
	<u>450,183</u>	<u>538,590</u>
<b>Amounts due after more than one year:</b>		
Other debtors	5,200,000	3,315,000
	<u>5,650,183</u>	<u>3,853,590</u>

## 7 Current asset investments

	2013	2012
	£	£
Listed investments	2,348,874	2,455,463

The investments are listed on a recognised trading market and had a market value of £ 2,369,311 at the year end (2012 – £2,455,463)

# Longbell Limited

Notes forming part of the financial statements  
for the year ended 31 March 2013 (Continued)

## 8 Creditors: amounts falling due within one year

	2013 £	2012 £
Bank loan	-	83,431
Trade creditors	9,300	-
Other creditors	44,423	27
Accruals and deferred income	8,440	15,000
Corporation tax	-	50,292
Other taxes and social security	8,627	8,551
	<u>70,790</u>	<u>157,301</u>

## 9 Creditors: amounts falling due after one year

	2013 £	2012 £
Amounts due to parent undertaking	<u>16,151,228</u>	<u>8,707,062</u>

## 10 Share capital

	Authorised		Allotted, called up and fully paid	
	2013 £	2012 £	2013 £	2012 £
99 ordinary 'A' shares of £1 each	99	99	99	99
1 ordinary 'B' share of £1	1	1	1	1
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The ordinary 'B' share carries restricted voting rights, rights to dividends only in the event that the company's distributable profits in any one year exceed £100m, and entitles the holder to receive the amount paid up on such share in the event of liquidation of the company, but not otherwise to share in the surplus assets of the company

## 11 Reserves

	Profit and loss account £
At 1 April 2012	10,238,354
Profit for the year	<u>1,038,651</u>
At 31 March 2013	<u>11,277,005</u>

# Longbell Limited

## Notes forming part of the financial statements for the year ended 31 March 2013 (Continued)

### 12 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit/(loss) for the year	1,038,651	(85,649)
Net increase/(decrease) to shareholders' funds	1,038,651	(85,649)
Opening shareholders' funds	10,238,454	10,324,103
Closing shareholders' funds	11,277,105	10,238,454

### 13 Ultimate and intermediate parent companies

The company is controlled by Prime Commercial Properties Plc, its immediate parent company. The ultimate parent company is Prime Commercial Properties (Holdings) Limited, a company registered in England. Copies of the consolidated financial statements of Prime Commercial Properties (Holdings) Limited are available from Companies House.

### 14 Related party transactions

The company has used the exemption available under Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with wholly owned entities that are included in the consolidated financial statements of Prime Commercial Properties Plc and Prime Commercial Properties (Holdings) Limited.

Transactions with other related parties are summarised below:

	Amount due from related parties	
	2013 £	2012 £
Loan to Peakshare Limited, a subsidiary Unsecured, 0% shareholder loan repayable on or before 1 April 2015 at company's discretion	3,397,464	3,587,682
Loan to Joanbridge Limited, a subsidiary Unsecured, 0% shareholder loan repayable on or before 1 December 2016 at company's discretion	1,768,428	1,784,064
Loan to Moveglade Limited a company of which Mr R Gubbay is a director	2,563,000	1,700,000
Interest receivable on loan to Moveglade Limited	55,746	24,704
Loan to Ruthmere Properties Limited a company of which Mr R Gubbay and Mrs E Gubbay are directors	1,810,000	990,000
Interest receivable on loan to Ruthmere Properties Limited	33,402	15,267

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# **Longbell Limited**

**Notes forming part of the financial statements  
for the year ended 31 March 2013 *(Continued)***

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## **15 Cash flow statement**

The company has taken advantage of the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is included in the consolidated financial statements prepared by its ultimate parent company