

REGISTERED NUMBER: 08645415 (England and Wales)

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 December 2018  
for  
E.O.G. Opco 3 Limited

WEDNESDAY



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for the Year Ended 31 December 2018

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E.O.G. Opco 3 Limited (Registered number: 08645415)

Company Information  
for the Year Ended 31 December 2018

|                                  |  |
|----------------------------------|--|
| <b>DIRECTORS:</b>                | W Starn<br>C O'Hara  |
| <b>SECRETARY:</b>                | W Starn  |
| <b>REGISTERED OFFICE:</b>        | 33 St. James's Square<br>London<br>SW1Y 4JS  |
| <b>REGISTERED NUMBER:</b>        | 08645415 (England and Wales)   |
| <b>SENIOR STATUTORY AUDITOR:</b> | Sonia Copeland   |
| <b>INDEPENDENT AUDITORS:</b>     | PricewaterhouseCoopers LLP<br>Chartered Accountants and Statutory Auditors<br>1 Embankment Place, London, WC2N 6RH |

E.O.G. Opco 3 Limited (Registered number: 08645415)

Strategic Report  
for the Year Ended 31 December 2018

The directors present their Strategic Report and Financial Statements for the year ended 31 December 2018.

**REVIEW OF BUSINESS**

E.O.G. Opco 3 Limited (the "Company") is a subsidiary of First Serviced Offices Holdings BV and is controlled by LBR Investments Limited and forms part of the LEO Group of Companies. The Company has a property investment business and is currently the holding Company of long leasehold interests in 2 properties, which it has sub-leased to London Executive Offices Ltd. The Company has the ability to invest in other properties in the future. The directors are satisfied with the results achieved for the financial year and in their opinion the Company was in a satisfactory financial position at 31 December 2018. The result for the financial year amounted to £nil (2017: £nil). The directors foresee no material changes to the nature of the Company's activities.

The Company, as part of the Group under Lincoln Midco Sarl (formerly Queensgate Investments I Midco 2 Sarl) was sold on 19 October 2018 to LEX Bidco Limited.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties that the Company faces have been identified as a reduction in demand for services at London Executive Offices Limited which could materialise because of falling occupation and rental levels which could impact the Company's revenue, finance related (for example a rise in interest rates or increased gearing) and corporate, social and environmental factors.

The Directors of the Company, as a part of the Group, have considered the nature and extent of risks and uncertainties arising from the likely exit of the UK from the European Union on 31 October 2019 and the impact on the future performance and position of the Company and the Group. The directors believe that after the assessment of the principal risks and uncertainties, that the impact of Brexit on the Group, and the Company, will not materially affect the future trading position.

**STRATEGY**

The Group (including the Company) aims to be the leading provider of high-quality serviced office accommodation, business meeting rooms and virtual office services in prime central London locations. The Company is part of the LEO Group of companies.

The Company and the other operating subsidiaries of the Group continue to have the following strategies:

- To grow organically by opening new sites in prestigious locations, boasting stunning architecture and superb interior ambience, and increasing revenues in existing centres;
- To offer flawless customer service, and to develop and improve the offering through developing additional value-added services provided to customers; and
- To improve profitability through cost control and the efficient use of an advanced and robust IT system.

**KEY PERFORMANCE INDICATORS**

The board uses a number of key performance indicators to assist in measuring the Company's and LEO Group's performance. These include occupancy levels, rental value per sq ft and Stabilised centre operating EBITDA. Key performance indicators are measured as a Group and assessed and reported as part of the consolidated financial statements under LEX Bidco Limited. Stabilised centre operating EBITDA for the Company for the year was £nil (2017: £nil).

**ON BEHALF OF THE BOARD:**



W Starn - Director

25 July 2019

E.O.G. Opco 3 Limited (Registered number: 08645415)

Report of the Directors  
for the Year Ended 31 December 2018

The directors present their Report of the Directors and audited Financial Statements for the year ended 31 December 2018 (the "year").

**PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS**

E.O.G. Opco 3 Limited (the "Company") is a subsidiary of First Serviced Offices Holdings BV which is controlled by LBR Investments Limited. The Company has a property investment business and is currently the property holding Company of 2 long leasehold interests in properties, which it has sub-leased to London Executive Offices Ltd. The Company has the ability to invest in other properties in the future. The directors foresee no material changes to the nature of the Company's activities.

**RESULTS AND DIVIDENDS**

The directors are satisfied with the results achieved for the financial year and in their opinion the Company was in a satisfactory financial position at 31 December 2018. The directors have presented their opinion on the result for the year in the Strategic Report. The result for the financial year amounted to £nil (2017: £nil). No dividends were paid during the year (2017: dividend of £nil). The directors do not recommend the payment of a final dividend.

**DIRECTORS**

The directors of the company, who were in office during the year and up to the date of signing the financial statements were:

W Starn – appointed 23 October 2018  
C O'Hara – appointed 22 October 2018

Other changes in directors holding office are as follows:

J Leek – resigned 28 June 2019  
J Thiessen – resigned 19 October 2018  
GCM Kow – resigned 19 October 2018  
A Ryder – resigned 19 October 2018

**FINANCIAL RISK MANAGEMENT**

The Company is a member of a Group of companies. The Group's financial instruments comprise third-party loans with variable interest rates, interest caps, some cash and liquid resources and various items, such as trade debtors and trade creditors, which arise directly from its operations.

The Group is exposed to two principal areas of risk. The first is a general economic downturn in the UK which could adversely affect its revenues. The Group seeks to mitigate this risk by constantly monitoring its customer profile to ensure that there is no undue reliance on a particular customer or particular commercial activity. The second is its exposure to movements in the UK property market. The Group's lease contains market rent review clauses. If reviews, resulting in increased rents, cannot be immediately passed on to customers, there is a possibility that there could be a short-term reduction in profitability, although the directors are of the opinion that this situation would correct itself before the next review became due.

**POLITICAL DONATIONS AND EXPENDITURE**

The Company made no political contributions during the year (2017: £nil).

**INDEMNITY PROVISION**

The directors who held office at the date of approval of this Report of the Directors confirm that, there was a qualifying indemnity provision made by the Company in force for the benefit of one or more directors at any time during the financial year.

**GOING CONCERN**

The Directors have reviewed the current and future trading position of the Company in order to assess whether the going concern basis is appropriate. The Directors have concluded that the Company has adequate resources to continue its operations for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

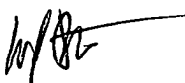
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



W Starn - Director  
25 July 2019

E.O.G. Opco 3 Limited (Registered number: 08645415)

Directors' Responsibilities Statement  
for the Year Ended 31 December 2018

The directors are responsible for preparing the Strategic Report, Report of the Directors and 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 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 102, 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 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.

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.

A handwritten signature in black ink, appearing to be 'H. A.', located below the text of the Directors' Responsibilities Statement.

# **Independent auditors' report to the members of E.O.G. Opco 3 Limited**

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, E.O.G. Opco 3 Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result 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 Strategic Report, Report of the Directors and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows 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**

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.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Company's trade, customers, suppliers and the wider economy.

### **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.

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.

Independent auditors' report to the members of  
E.O.G. Opco 3 Limited

With respect to the Strategic Report and Report of the Directors, 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 Report of the Directors***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 31 December 2018 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 Report of the Directors.

**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 4, 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](http://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.

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**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.



Sonia Copeland (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

25 July 2019



E.O.G. Opco 3 Limited (Registered number: 08645415)

Statement of Comprehensive Income  
for the Year Ended 31 December 2018

|  | Note | Year Ended<br>31.12.18<br>£ | Year Ended<br>31.12.17<br>£ |
|--|------|-----------------------------|-----------------------------|
| <b>TURNOVER</b>  | 3    | 3,125,000                   | 3,125,000                   |
| Cost of sales  |      | <u>(3,125,000)</u>          | <u>(3,125,000)</u>          |
| <b>GROSS RESULT</b>                                    |      | -                           | -                           |
| <b>OPERATING RESULT and<br/>RESULT BEFORE TAXATION</b> | 5    | -                           | -                           |
| Tax on result  | 6    | <u>-</u>                    | <u>-</u>                    |
| <b>RESULT FOR THE FINANCIAL YEAR</b>                   |      | -                           | -                           |
| <b>OTHER COMPREHENSIVE INCOME</b>                      |      | <u>-</u>                    | <u>-</u>                    |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE<br/>YEAR</b>     |      | <u><u>-</u></u>             | <u><u>-</u></u>             |

All activities are classified as continuing.

The notes on pages 12 to 14 are an integral part of these financial statements.

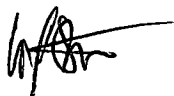
E.O.G. Opco 3 Limited (Registered number: 08645415)

Balance Sheet

As at 31 December 2018

|                                  | Note | 31.12.18<br>£    | 31.12.17<br>£ |
|----------------------------------|------|------------------|---------------|
| <b>CURRENT ASSETS</b>            |      |                  |               |
| Debtors                          | 7    | <u>937,501</u>   | <u>1</u>      |
| <b>CREDITORS</b>                 | 8    | <u>(937,500)</u> | <u>-</u>      |
| <b>NET CURRENT ASSETS</b>        |      | <u>1</u>         | <u>1</u>      |
| <b>NET ASSETS</b>                |      | <u>1</u>         | <u>1</u>      |
| <b>CAPITAL AND RESERVES</b>      |      |                  |               |
| Called up share capital          | 9    | <u>1</u>         | <u>1</u>      |
| <b>TOTAL SHAREHOLDERS' FUNDS</b> |      | <u>1</u>         | <u>1</u>      |

The financial statements on pages 7 to 14 were approved by the Board of Directors on ~~25~~ July 2019 and were signed on its behalf by:



W Starn - Director

Statement of Changes in Equity  
for the Year Ended 31 December 2018

|                                    | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>shareholders'<br>funds<br>£ |
|------------------------------------|------------------------------------|---------------------------|--------------------------------------|
| <b>Balance at 1 January 2017</b>   | 1                                  | -                         | 1                                    |
| <b>Changes in equity</b>           |                                    |                           |                                      |
| Result for the financial year      | -                                  | -                         | -                                    |
| <b>Balance at 31 December 2017</b> | 1                                  | -                         | 1                                    |
| <b>Changes in equity</b>           |                                    |                           |                                      |
| Result for the financial year      | -                                  | -                         | -                                    |
| <b>Balance at 31 December 2018</b> | 1                                  | -                         | 1                                    |

**Statement of Cash Flows**  
for the Year Ended 31 December 2018

|   | Note | year ended<br>31.12.18<br>£ | year ended<br>31.12.17<br>£ |
|---|------|-----------------------------|-----------------------------|
| <b>Cash flows from operating activities</b>     |      |                             |                             |
| Net cash from operating activities              | C1   | -                           | -                           |
| Tax paid  |      | -                           | -                           |
| Net cash generated from operating activities    |      | -                           | -                           |
| <b>Cash flows from investing activities</b>     |      |                             |                             |
| Interest received                               |      | -                           | -                           |
| Net cash result in investing activities         |      | -                           | -                           |
| <b>Cash flows from financing activities</b>     |      |                             |                             |
| Interest paid                                   |      | -                           | -                           |
| Net cash result from financing activities       |      | -                           | -                           |
| <b>Increase in cash and cash equivalents</b>    |      | -                           | -                           |
| Cash and cash equivalents at beginning of year  | C2   | -                           | -                           |
| <b>Cash and cash equivalents at end of year</b> | C2   | -                           | -                           |

Notes to the Statement of Cash Flows  
for the Year Ended 31 December 2018

**C1. RECONCILIATION OF (LOSS)/PROFIT TO CASH FLOW FROM OPERATING ACTIVITIES**

|                                       | year ended<br>31.12.18<br>£ | year ended<br>31.12.17<br>£ |
|---------------------------------------|-----------------------------|-----------------------------|
| (Loss)/profit for the financial year  | -                           | -                           |
| Adjustments for:                      |                             |                             |
| Tax on (loss)/profit                  | -                           | -                           |
| Net interest expense                  | -                           | -                           |
|                                       | <hr/>                       | <hr/>                       |
| Operating profit                      | -                           | -                           |
| Amortisation of intangible assets     | -                           | -                           |
| Depreciation of tangible assets       | -                           | -                           |
| Working capital movements:            |                             |                             |
| Increase in trade and other debtors   | (937,500)                   | -                           |
| Increase in trade and other creditors | 937,500                     | -                           |
|                                       | <hr/>                       | <hr/>                       |
| <b>Cash generated from operations</b> | <hr/> <hr/>                 | <hr/> <hr/>                 |

**C2. CASH AND CASH EQUIVALENTS**

The amounts disclosed in the Consolidated Cash Flow Statement in respect of cash and cash equivalents at end of year are in respect of these Balance Sheet amounts:

**Year ended 31 December 2018**

|                           | 31.12.18<br>£ | 1.1.18<br>£ |
|---------------------------|---------------|-------------|
| Cash and cash equivalents | -             | -           |
|                           | <hr/> <hr/>   | <hr/> <hr/> |

**Year ended 31 December 2017**

|                           | 31.12.17<br>£ | 1.1.17<br>£ |
|---------------------------|---------------|-------------|
| Cash and cash equivalents | -             | -           |
|                           | <hr/> <hr/>   | <hr/> <hr/> |

Notes to the Financial Statements  
for the Year Ended 31 December 2018

**1. GENERAL INFORMATION**

i. E.O.G. Opco 3 Limited (the "Company") is owned by First Serviced Offices Holdings BV and controlled by LBR Investments Limited. The Company has a property investment business and is currently the property holding Company of long leasehold interests in properties, which it has sub-leased to London Executive Offices Limited.

The Company is a private Company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is 33 St. James's Square, London, SW1Y 4JS. The Company, as part of the Group under Lincoln Midco Sarl (formerly Queensgate Investments I Midco 2 Sarl) was sold on 19 October 2018 to LEX Bidco Limited.

ii. Statement of compliance

The individual financial statements of E.O.G. Opco 3 Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

iii. Summary of significant accounting policies

The Company reported under FRS 102 for the year ended 31 December 2018 in these financial statements. The date of transition to FRS 102 was 1 January 2014. The principal accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

**2. ACCOUNTING POLICIES**

**A. Basis of preparing the financial statements**

These financial statements are prepared on a going concern basis, under the historical cost convention.

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 appendix G of these accounting policies.

**B. Going Concern**

The Directors have reviewed the current and future trading position of the Company in order to assess whether the going concern basis is appropriate. The Directors have concluded that the Company has adequate resources to continue its operations for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

**C. Financial reporting standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

The Company is exempt from disclosing key management personnel compensation in total.

The consolidated financial statements of LEX Topco Limited, within which this Company is included, can be obtained from the address given in note 11.

**D. Foreign currency**

The Company's functional and presentation currency is the pound sterling.

**E. Turnover**

Turnover represents amounts derived from the provision of sub-leases to London Executive Offices Limited from the long leasehold interests in properties held by the Company.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

2. **ACCOUNTING POLICIES – continued**

**F. Taxation**

The tax rate for the current year is 19% (2017: 19.25%). This rate will be applicable until the next forecasted rate change on 1 April 2020 when an expected reduction of 2% is expected to occur. Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 on 06 September 2016. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

**G. Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

3. **TURNOVER**

The turnover is attributable to the one principal activity of the Company. All turnover generated was from the sub-lease of long-lease hold interests to London Executive Offices Limited without mark-up.

4. **DIRECTORS' EMOLUMENTS AND STAFF COSTS**

The Company had no employees in either year. The remuneration of the directors, including pension costs, of £2,449,969 (2017: £1,633,496) was borne by a fellow Group Company and not recharged to the Company.

5. **OPERATING RESULT AND RESULT BEFORE TAXATION**

The operating result for the year to 31 December 2018 is £nil (2017: £nil)

The fee for the audit of the financial statements of the Company, was borne by a fellow Group Company and not recharged. The total Group audit fee for 2018 was £171,500 (2017: £125,000).

6. **TAX ON RESULT**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2018 nor for the year ended 31 December 2017.

7. **DEBTORS**

|               | 31.12.18       | 31.12.17 |
|---------------|----------------|----------|
|               | £              | £        |
| Trade debtors | 937,500        | -        |
| Other debtors | <u>1</u>       | <u>1</u> |
|               | <u>937,501</u> | <u>1</u> |

There was no provision for debtors in the year (2017: no provision for debtors).

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

8. **CREDITORS**

|          | 31.12.18       | 31.12.17 |
|----------|----------------|----------|
|          | £              | £        |
| VAT      | 156,250        | -        |
| Accruals | <u>781,250</u> | <u>-</u> |
|          | <u>937,500</u> | <u>-</u> |

9. **CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: |          |                | 31.12.18 | 31.12.17 |
|----------------------------------|----------|----------------|----------|----------|
| Number:                          | Class:   | Nominal value: | £        | £        |
| 1 (2017: 1)                      | Ordinary | £1             | <u>1</u> | <u>1</u> |

10. **CONTINGENT LIABILITIES**

Under the terms of the Group's third-party financing agreement, the lender has a floating charge over the assets of the LEX Topco owned Group of companies, of which this Company is a part, totalling £281,250,000 (2017: £160,000,000 floating charge over the Group of companies owned by Queensgate Investments I UK Topco 2 Limited).

11. **ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent undertaking is First Serviced Offices Holdings B.V.

Ultimate control is held by LBR Investments Limited.

LEX Topco Limited, registered in Jersey, is the only Group of undertakings to consolidate these financial statements at 31 December 2018. The consolidated financial statements of LEX Topco Limited are available from 33 St. James's Square, London, SW1Y 4JS.

12. **RELATED PARTY TRANSACTIONS**

All company transactions during the year were related party transactions with other entities wholly owned and controlled by LEX Topco Limited

13. **POST BALANCE SHEET EVENTS**

There have been no significant events at the date of signing this report that have affected the business of this Company or London Executive Offices Group of companies.