

**Old Broad Street Properties Limited**

Company Registration Number 03008914

**Annual Report and Financial Statements**

**Year Ended 31 December 2014**

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## **Old Broad Street Properties Limited**

### **Directors' Report**

The directors present their annual report together with the audited financial statements of the company for the year ended 31 December 2014.

#### **Principal Activities and Business Review**

The principal activity of the company during the year was property investment in Central London offices via its interest in the Grosvenor London Office Fund, a limited partnership. The directors do not anticipate any significant change in the activity of the company and its profitability.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

The directors have taken advantage of the special provisions available to small companies provided by s.415A of the Companies Act 2006 in respect of preparing the directors' report and strategic report.

The Registered Office of Old Broad Street Properties Limited is 70 Grosvenor Street, London, W1K 3JP.

#### **Results and Dividends**

The results of the company for the year are shown in the Profit and Loss Account. Profit on ordinary activities before taxation was £25,650,422 (2013 - £4,339,631).

The balance sheet shows that the company's net assets increased from £10,051,611 to £33,087,713 during the year.

The following dividends have been paid:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Dividends paid on ordinary shares	<u>-</u>	<u>3,500,000</u>

#### **Directors of the Company**

The directors who served the company throughout the year, except as noted, were as follows:

T L Budden  
S J Moore  
M R Preston  
N R Scarles  
C J Taite  
C J Jukes

Appointed 1 April 2014

## **Old Broad Street Properties Limited**

### **Directors' Report**

#### **Directors' Responsibilities Statement**

The directors are responsible for preparing the annual 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 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 by law to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Each of the persons who is a director at the date of approval of this report confirms that:


- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all reasonable steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

This information is given and should be interpreted in accordance with s.418 of the Companies Act 2006.

#### **Auditors**

Deloitte LLP has indicated its willingness to be reappointed for another term and is deemed to be reappointed accordingly.

Signed by order of the Board



J P Ball

Company Secretary

12 June 2015

**Independent Auditor's Report to the Members of**  
**Old Broad Street Properties Limited**  
**For the Year Ended 31 December 2014**

We have audited the financial statements of Old Broad Street Properties Limited for the year ended 31 December 2014 which comprise the profit and loss account, balance sheet and the related notes 1 to 13. 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 Auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 Ethical Standards for Auditors.

**Scope of the Audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 December 2014 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**

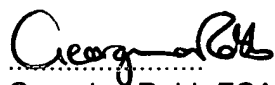
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of**  
**Old Broad Street Properties Limited**  
**For the Year Ended 31 December 2014**

**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.
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report or in preparing the directors' report.



Georgina Robb FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

12 June 2015

**Old Broad Street Properties Limited**

**Profit and Loss Account for the Year Ended 31 December 2014**

	Note	2014 £	2013 £
Turnover	2	2,966,244	4,431,599
Gross profit		<u>2,966,244</u>	<u>4,431,599</u>
Operating profit	3	<u>2,966,244</u>	<u>4,431,599</u>
Profit on disposal of investment	6	23,206,079	-
Interest payable and similar charges		(521,901)	(91,968)
Profit on ordinary activities before taxation		<u>25,650,422</u>	<u>4,339,631</u>
Tax on profit on ordinary activities	5	(2,614,320)	223,641
Profit for the financial year	11	<u><u>23,036,102</u></u>	<u><u>4,563,272</u></u>

All results are derived from continuing operations.

The company has no recognised gains or losses in the current or preceding year other than the results as set out above therefore no separate statement of total recognised gains or losses is presented.

**Old Broad Street Properties Limited**

**Balance Sheet as at 31 December 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Investments	6	<u>23,057,276</u>	<u>54,895,081</u>
		<u>23,057,276</u>	<u>54,895,081</u>
<b>Current assets</b>			
Debtors	7	<u>13,079,864</u>	<u>931,600</u>
		<u>13,079,864</u>	<u>931,600</u>
Creditors: amounts falling due within one year	8	<u>(3,049,427)</u>	<u>(78,851)</u>
<b>Net current assets</b>		<u>10,030,437</u>	<u>852,749</u>
<b>Total assets less current liabilities</b>		<b>33,087,713</b>	<b>55,747,830</b>
Creditors: amounts falling due after one year	9	-	(45,696,219)
<b>Net assets</b>		<u><u>33,087,713</u></u>	<u><u>10,051,611</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account	11	<u>33,087,613</u>	<u>10,051,511</u>
<b>Shareholders' funds</b>	11	<u><u>33,087,713</u></u>	<u><u>10,051,611</u></u>

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

These financial statements were approved by the Board and authorised for issue on 12 June 2015 and are signed on its behalf by:

  
.....  
T L Budden

  
.....  
C J Jukes

Company registration number 03008914

## **Old Broad Street Properties Limited**

### **Notes to the Financial Statements**

#### **1. Accounting Policies**

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The accounting policies have been applied consistently throughout the current and preceding year.

The company is a wholly owned subsidiary of Grosvenor Group Limited, its ultimate parent undertaking, which is incorporated in the UK and registered in England and Wales and prepares consolidated financial statements. Consequently the company is not required to prepare consolidated financial statements.

The directors' report describes the going concern basis of preparation of the financial statements.

##### **Turnover**

The turnover shown in the profit and loss account represents income from fixed asset investments in the year, excluding VAT from the Grosvenor London Office Fund.

##### **Investments**

Investments held as fixed assets, including subsidiaries, joint ventures and associates are stated at cost less provision for impairment.

##### **Taxation**

All current and deferred tax charges or credits (after the application of group relief, to the extent relevant) are recognised in the company's profit and loss account.

Current UK corporation tax is recognised at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full in respect of timing differences between the recognition of income and expenditure for accounting and taxation purposes. Deferred taxation is not provided in respect of unrealised revaluation surpluses where there is no commitment to sell the asset. Deferred tax credits are recognised to the extent that it is regarded as more likely than not that the related assets will be recovered. Deferred tax assets and liabilities are not discounted. As described above, whilst the deferred tax charge or credit is recognised in the profit and loss account of the company, the related deferred tax assets and liabilities are recorded in the balance sheet of Grosvenor International Investments Limited.



## **Old Broad Street Properties Limited**

### **Notes to the Financial Statements**

#### **2. Turnover**

Turnover and profit before tax are attributable to the one principal activity of the company and arise entirely in the United Kingdom.

#### **3. Operating Profit**

Auditors' remuneration for the audit of the financial statements of the company for 2014 is £5,300 (2013 - £5,300) and has been borne by Grosvenor Estate Management Limited, a fellow subsidiary undertaking.

#### **4. Particulars of Employees**

No fees or other emoluments were paid to the directors of the company during either the current or the preceding year in respect of their services to the company. The directors are paid by Grosvenor Estate Management Limited.

There were no employees of the company for the current or preceding year.

#### **5. Taxation on profit on Ordinary Activities**

##### **Taxation**

	2014 £	2013 £
Current tax:		
UK Corporation tax	2,066,558	-
Adjustments in respect of prior years	547,762	-
Total current tax	2,614,320	-
Deferred tax:		
Origination and reversal of timing differences	-	(223,641)
Total deferred tax	-	(223,641)
Tax on profit on ordinary activities	2,614,320	(223,641)

##### **Tax reconciliation:**

	2014 £	2013 £
Profit on ordinary activities before taxation	25,650,421	4,339,631
Tax on profit on ordinary activities at the standard UK corporation rate of 21.5% (2013 - 23.25%)	5,514,841	1,008,964
Revaluations realised on disposal of property	(3,502,629)	-
Group relief received for nil consideration	-	(785,323)
Adjustment in respect of prior years	547,762	-
Other tax adjustments	54,346	(223,641)
Total current tax	2,614,320	-

## **Old Broad Street Properties Limited**

### **Notes to the Financial Statements**

#### **6. Investments**

	<b>£</b>
<b>Cost:</b>	
At 1 January 2014	54,895,081
Disposals	<u>(31,837,805)</u>
At 31 December 2014	<u>23,057,276</u>
<b>Net book value:</b>	
<b>At 31 December 2014</b>	<u><b>23,057,276</b></u>
At 31 December 2013	<u>54,895,081</u>

The company has an investment in the following entity:

Name of entity	Percentage interest held	Type of investment
Grosvenor London Office Fund	12.673%	Property Investment

This entity is registered in Great Britain.

During the period, the company disposed of part of its investment in Grosvenor London Office Fund.

#### **7. Debtors: amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	<u><b>13,079,864</b></u>	<u>931,600</u>
	<u><b>13,079,864</b></u>	<u>931,600</u>

#### **8. Creditors: amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	<u><b>1,157,559</b></u>	<u>78,851</u>
Corporation tax	<u><b>1,891,868</b></u>	<u>-</u>
	<u><b>3,049,427</b></u>	<u>78,851</u>

#### **9. Creditors: amounts falling due after one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other loans	<u>-</u>	<u>45,696,219</u>
	<u>-</u>	<u>45,696,219</u>

#### **10. Called up Share Capital**

**Allotted, called up and fully paid:**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
100 Ordinary shares of £1 each	<u><b>100</b></u>	<u>100</u>

## **Old Broad Street Properties Limited**

### **Notes to the Financial Statements**

#### **11. Reserves and Reconciliation of Movement in Shareholder's Funds**

	Called up Share capital £	Profit and loss account £	Total £
1 January 2014	100	10,051,511	<b>10,051,611</b>
Profit for the financial year	-	23,036,102	<b>23,036,102</b>
31 December 2014	<u>100</u>	<u>33,087,613</u>	<b><u>33,087,613</u></b>

#### **12. Related Party Transactions**

The company has applied the exemption granted by FRS8 'Related party disclosures' not to disclose transactions with Grosvenor Group Limited or wholly owned fellow subsidiaries of Grosvenor Group Limited, which would otherwise qualify as related parties.

Accordingly, during the year under review there were no transactions or balances with related parties which require disclosure in these financial statements.

#### **13. Ultimate Parent Company and Controlling Party**

The company's ultimate parent undertaking is Grosvenor Group Limited, a company incorporated in the UK and registered in England and Wales, which is wholly owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster.

The ultimate parent undertaking heads the largest group of undertakings of which the company is a member and for which group accounts are prepared. Grosvenor International Investments Limited is the immediate holding company.

Copies of the consolidated financial statements of Grosvenor Group Limited can be obtained from Companies House, 3 Crown Way, Maindy, Cardiff, CF14 3UZ.