

**BMW (UK) Investments Limited**

**Directors' report and financial statements**

**Registered number 1663911**

**For the year ended 31 December 2019**

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## **Directors' report**

The directors present the Directors' Report of BMW (UK) Investments Limited (the "company"), together with the financial statements for the year ended 31 December 2019.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006, which also provides an exemption from the preparation of a Strategic Report under section 414B.

### **Directors**

The directors who held office throughout the year were as follows:

N C Wharton  
W E Johnson

### **Financial**

The profit and loss account for the year is shown on page 8.

### **Dividends**

The directors recommend that no dividend should be paid for the year ended 31 December 2019 (2018: £Nil).

### **Political and charitable donations**

The Company made no political donations in either year. The Company made no charitable donations in 2019 (2018: £nil).

### **Auditors**

KPMG LLP were the external Auditors of the Company since it was established in 1998 and for over 30 years for Bayerische Motoren Werke Aktiengesellschaft ("BMW Group"), its Ultimate Parent Company. In line with the provisions of Article 41 (2) of the EU Audit Regulation, KPMG LLP resigned as external auditors following the signing of the year ended 31 December 2018 statutory financial statements.

PricewaterhouseCoopers LLP ("PwC") were elected as the external auditors for BMW (UK) Investments Limited along with the rest of the BMW Group as a result of successfully winning the group wide tender process in 2018. The first engagement letter being signed on 13 December 2019.

### **Review of activities**

In previous years the company operated as a property investment company. This activity has come to an end and the only activities remaining within this company relate to funds on deposit.

### **Financial instruments and risks**

The company has a financial receivable with BMW International Investment B.V.

### **Covid-19**

On 30 January 2020, the World Health Organisation (WHO) declared an international health emergency due to the outbreak of coronavirus. Since 11 March 2020, the WHO now classifies the spread of coronavirus as a pandemic.

The continuing spread of the coronavirus and the impact on the business development of the company is being continually monitored. Based on current developments, the company expects that the increasing spread of the coronavirus and the necessary containment measures will have a negative impact on the trading of the wider BMW AG Group. In light of this, the company, as part of the wider BMW Group, has reviewed its cash and liquidity position and has confirmed that the company's access to liquidity is sufficient for the company to remain solvent. Given the non-trading nature of the entity, and the wider going concern assessment performed by the BMW AG Group, the Directors have assessed there is no significant impact on the entity and on its going concern basis of preparation.

**BMW (UK) Investments Limited**  
**Directors' report and financial statements**  
**For the year ended 31 December 2019**

These financial statements were approved by the board of directors on 2<sup>nd</sup> September 2020 and were signed on its behalf by:

On behalf of the Board



**NC Wharton**

*Director*

### ***Statement of directors' responsibilities in respect of the financial statements***

The directors are responsible for preparing the Directors' Report and the 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 101 "Reduced Disclosure Framework", 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 101, 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.

### **Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## **Independent auditor's report to the members of BMW (UK) Investments Limited**

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

#### **Opinion**

In our opinion, BMW (UK) Investments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 Directors' report and financial statements (the "Annual Report"), which comprise: the Balance sheet at 31 December 2019; the Statement of Profit and Loss Account, and the Statement of Changes in Equity 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**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- 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.

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.

#### **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.

With respect to the Directors' Report, 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.

#### ***Directors' Report***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 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 Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### ***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, 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.

#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

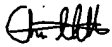
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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.

**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Christopher Hibbs (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham  
8 September 2020



**Statement of Profit and Loss Account**  
*for the year ended 31 December 2019*

	<i>Note</i>	<b>2019</b> <b>£000</b>	<b>2018</b> <b>£000</b>
Administrative expenses	2	(13)	(103)
Interest expense		-	(3)
<b>Operating loss</b>		<b>(13)</b>	<b>(106)</b>
Net receivable and similar income		-	-
<b>Loss before taxation</b>		<b>(13)</b>	<b>(106)</b>
Tax on profit		-	-
<b>Loss for financial year being total comprehensive expense for the year</b>		<b>(13)</b>	<b>(106)</b>

Notes on pages 11 to 13 are an integral part of these financial statements.

The company has no other comprehensive income other than the result above and as such no separate other comprehensive income statement has been provided.

**Balance Sheet**  
**at 31 December 2019**

	<i>Note</i>	<b>2019</b> <b>£000</b>	<b>2018</b> <b>£000</b>
<b>Current assets</b>			
Debtors	4	815	828
<b>Creditors: amounts falling due within one year</b>		-	-
<b>Net current assets, being net assets</b>		<u>815</u>	<u>828</u>
<b>Capital and reserves</b>			
Called up share capital	5	1,000	1,000
Profit and Loss account		<u>(185)</u>	<u>(172)</u>
<b>Shareholders' funds</b>		<u>815</u>	<u>828</u>

Notes on pages 11 to 13 are an integral part of these financial statements.

These financial statements were approved by the board of directors on 2<sup>nd</sup> September 2020 and were signed on its behalf by:



**NC Wharton**  
 Director

Company registered number: 1663911

## Statement of Changes in Equity

	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total £000</b>
Balance at 1 January 2018	1,000	(66)	934
Loss for the Year	-	(106)	(106)
Balance at 31 December 2018	<u>1,000</u>	<u>(172)</u>	<u>828</u>
Balance at 1 January 2019	1,000	(172)	828
Loss for the Year	-	(13)	(13)
Balance at 31 December 2019	<u>1,000</u>	<u>(185)</u>	<u>815</u>

Details of share capital are disclosed in note 5. The Profit & loss account represents the total accumulated net gains and losses at the balance sheet date.

**Notes**  
*(forming part of the financial statements)*

**1 Accounting policies**

BMW (UK) Investments Limited (the company) is a company incorporated, domiciled and registered in England. The registered number is 1663911 and the registered address is Summit ONE, Summit Avenue, Farnborough, Hampshire GU14 0FB.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company's ultimate parent undertaking, Bayerische Motoren Werke Aktiengesellschaft, which is incorporated in Germany includes the company in its consolidated financial statements. The consolidated financial statements of Bayerische Motoren Werke Aktiengesellschaft are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Petuelring 130, D-80788 Munich, Germany.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned group subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

***Accounting estimates and judgements***

In preparing these financial statements, management has made estimates and judgements that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods prospectively.

The directors have considered the estimates and judgements made within the financial statements and note that none have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Consequently, no critical estimates have been identified.

***Change in Accounting Policy***

The company has adopted the following IFRSs in these financial statements:

- **IFRS 16: Leases.** The new leasing standard, IFRS 16, is effective for periods beginning on or after 1 January 2019. IFRS 16 eliminates the classification of leases over 12 months in length as either operating or finance leases and introduces a single lessee accounting model whereby all leases are accounted for on balance sheet, unless of low-value. The directors have identified that there are no contracts that require accounting for as lease liabilities or right of use assets. Consequently, there has been no material impact on the company as a result of the adoption of IFRS 16.

### **Measurement convention**

The financial statements are prepared on the historical cost basis and presented in pound sterling, rounded to the nearest thousand.

### **Going concern**

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the group can continue in operational existence for a period no shorter than 12 months from the date of approval of the financial statements. After making enquiries, the directors have a reasonable expectation that the company has access to adequate financial and other resources to continue in operational existence for the foreseeable future and at least 12 months from the date of approval of the financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

### **Taxation**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

## **2 Administrative expenses**

Auditors remuneration of £500 (2018: £500) is borne by another group company.

## **3 Directors' remuneration**

The directors receive no remuneration for their services to this company (2018: £Nil), and no payment (2018: £Nil) is made to group companies for their services.

## **4 Debtors**

	2019 £000	2018 £000
Amount owed by group undertakings	813	828
VAT recoverable	2	-
	<u>815</u>	<u>828</u>

Amounts owed to group undertakings are unsecured, non-interest bearing, and have no fixed date of repayment are repayable on demand

## **5 Called up share capital**

	2019 £000	2018 £000
<i>Allotted, called up and fully paid</i> 1,000,000 (2018: 1,000,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

## **6 Ultimate parent company and parent undertaking of a larger group of which the company is a member**

The company is a wholly owned subsidiary of BMW (UK) Holdings Limited which is registered in England and Wales.

The ultimate parent company is Bayerische Motoren Werke Aktiengesellschaft, which is incorporated in Germany.

The group in which the results of the company are consolidated is that headed by the ultimate parent company.

**BMW (UK) Investments Limited**  
**Directors' report and financial statements**  
**For the year ended 31 December 2019**

The only group in which the results of the Company are consolidated is that headed by Bayerische Motoren Werke Aktiengesellschaft. The consolidated financial statements of the group are available to the public and may be obtained from Petuelring 130, D-80788 Munich, Germany.