

IVG Developments (Broadway) Limited

Report and Financial Statements

Year Ended

31 December 2014

Company Number 02514463

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IVG Developments (Broadway) Limited

**Report and financial statements
for the year ended 31 December 2014**

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Director

D H Gibson

Secretary and registered office

St John's Square Secretaries Limited, Broughton House, 6-8 Sackville Street, London, United Kingdom,
W15 3DG

Company number

02514463

Auditor

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

IVG Developments (Broadway) Limited

Report of the director for the year ended 31 December 2014

The director presents his report together with the audited financial statements for the year ended 31 December 2014.

Results and dividends

The profit for the year after taxation amounted to £966,627 (2013: loss of £15,019). No dividend was paid during the year (2013 - £Nil).

Principal activities and review of the business

The principal activity of the company is property development. During the year the company sold its remaining property for £5,750,000. Following final cessation of activities in the company after the year end, the directors intend to wind up the company and have it dissolved.

Director

The following director served during the year:

D H Gibson

Director's responsibilities

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

IVG Developments (Broadway) Limited

Report of the director for the year ended 31 December 2014 (*continued*)

Statement of information provided to auditor

The director has confirmed that:

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

The report of the director has been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

On behalf of the Board



D H Gibson
Director

7 August 2015

IVG Developments (Broadway) Limited

Independent auditor's report

TO THE MEMBERS OF IVG DEVELOPMENTS (BROADWAY) LIMITED

We have audited the financial statements of IVG Developments (Broadway) Limited for the year ended 31 December 2014 which comprise the profit and loss account, 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 director and auditors

As explained more fully in the statement of director's responsibilities, the director is 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 Financial Reporting Council's (FRC'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 FRC's website at 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 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.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the basis on which the financial statements have been prepared. As it is the directors' intention to dissolve the company in due course, the financial statements have not been prepared on a going concern basis.

Opinion on other matters prescribed by the Companies Act 2006

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

IVG Developments (Broadway) Limited

Independent auditor's report (*continued*)

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 director was not entitled to take advantage of small companies' exemption in preparing the director's report and to the exemption from the requirement to prepare a strategic report.

BDO LLP

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

Date 11 August 2015

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

IVG Developments (Broadway) Limited

Profit and loss account for the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	2	5,750,000	-
Operating costs		(4,679,208)	-
Other income		6,912	10,875
Administrative expenses		(17,953)	(15,484)
Operating profit/(loss)	3	1,059,751	(4,609)
Interest receivable and similar income	4	195	6,754
Interest payable and similar charges	5	(93,319)	(17,164)
Profit/(loss) on ordinary activities before taxation		966,627	(15,019)
Taxation on profit/(loss) from ordinary activities	6	-	-
Profit/(loss) for the year	12	966,627	(15,019)

All amounts relate to continuing activities.

The company has no recognised gains or losses other than the profit for the year.

The notes on pages 7 to 12 form part of these financial statements.

IVG Developments (Broadway) Limited

Balance sheet
at 31 December 2014

Company number 2514463	Note	2014 £	2013 £
Current assets			
Work in progress	7	-	4,618,296
Debtors	8	12,800	12,750
Cash at bank and in hand		5,551,817	11,138
		<u>5,564,617</u>	<u>4,642,184</u>
Creditors: amounts falling due within one year	9	(1,194,065)	(754,141)
		<u>4,370,552</u>	<u>3,888,043</u>
Net current assets			
Provisions for liabilities			
Other provisions	10	(295,710)	(779,828)
		<u>4,074,842</u>	<u>3,108,215</u>
Net assets			
Capital and reserves			
Called up share capital	11	2,000,000	2,000,000
Profit and loss account	12	2,074,842	1,108,215
		<u>4,074,842</u>	<u>3,108,215</u>
Shareholder's funds	13		
		<u>4,074,842</u>	<u>3,108,215</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

7 August 2015.



D H Gibson
Director

The notes on pages 7 to 12 form part of these financial statements.

IVG Developments (Broadway) Limited

Notes forming part of the financial statements for the year ended 31 December 2014

1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with relevant accounting standards.

Following final cessation of activities in the company after the year end, the directors intend to wind up the company and have it dissolved.

The following principal accounting policies have been applied:

Taxation

Corporation tax payable is provided on taxable profits at the current rate. Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

Turnover

Turnover represents income generated from the sale of development property, net of value added tax. All turnover is generated from within the United Kingdom.

Other operating income

Other operating income represents rents receivable from tenants, net of value added tax.

Work in progress - development property

All costs associated with the acquisition and development of property, net of incidental receipts and including interest payable on loans taken out to finance the project, are included in work in progress. Work in progress is carried at the lower of cost and net realisable value. Interest is only capitalised during periods of active development.

Interest rate swap

An obligation under a swap agreement has crystallised as the loan to which the swap agreement relates has been repaid. The swap is revalued to market value at each year end and provision is made for any change in the liability arising as a charge or credit to the profit and loss account.

Related party transactions

The company has taken advantage of the exemptions in FRS 8 'Related Party Disclosures' not to disclose transactions or balances with other wholly owned group undertakings.

IVG Developments (Broadway) Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating profit

	2014 £	2013 £
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The operating profit is stated after charging:

Auditor's remuneration	6,000	5,000
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The company had no employees other than its director during the year. The director did not receive any remuneration in respect of services to the company during the year.

4 Interest receivable and similar income

	2014 £	2013 £
Bank interest	195	28
Other interest	-	3,643
Net movement in swap provision less interest received (see note 9)	-	3,083
	<u>195</u>	<u>6,754</u>

5 Interest payable and similar charges

	2014 £	2013 £
Bank interest	84	-
Group interest	24,394	17,164
Net movement swap provision less interest received (see note 10)	68,841	-
	<u>93,319</u>	<u>17,164</u>

IVG Developments (Broadway) Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)

6 Taxation on loss from ordinary activities

a) Analysis of tax charge for year

	2014 £	2013 £
Current tax (note 6(b))	-	-
Deferred taxation	-	-
	<hr/>	<hr/>
Tax on profit / (loss) on ordinary activities	-	-
	<hr/>	<hr/>

b) Reconciliation of current year tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2014 £	2013 £
Profit / (Loss) on ordinary activities before tax	966,627	(15,019)
	<hr/>	<hr/>
Profit / (Loss) on ordinary activities at standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%)	207,728	(3,492)
Effect of:		
Movement in swap provision	(104,037)	(130,979)
Losses arising in the period not utilised	-	134,471
Tax losses brought forward and utilised	(103,649)	-
Group relief claimed	(42)	-
	<hr/>	<hr/>
Current tax charge for the year (note 6(a))	-	-
	<hr/>	<hr/>

The company has tax losses carried forward for the amount of £5,203,325 (2014 - £5,685,638) and a potential deferred tax asset of £1,040,665 (2013 - £1,137,128) which has not been recognised in respect of trading losses carried forward available for offset against future trading profits.

IVG Developments (Broadway) Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)

7	Work in progress	2014	2013
		£	£
	At 31 December	-	4,618,296
		<hr/>	<hr/>
8	Debtors	2014	2013
		£	£
	Amounts falling due within one year:		
	Other debtors	-	12,750
	VAT recoverable	12,800	-
		<hr/>	<hr/>
		12,800	12,750
		<hr/>	<hr/>
9	Creditors: amounts falling due within one year	2014	2013
		£	£
	Accruals and deferred income	9,400	6,246
	Amounts owed to group undertakings	1,184,665	747,895
		<hr/>	<hr/>
		1,194,065	754,141
		<hr/>	<hr/>
10	Other provisions	2014	2013
		£	£
	At 1 January	779,828	1,343,180
	Decrease in provision	(484,118)	(563,352)
		<hr/>	<hr/>
	At 31 December	295,710	779,828
		<hr/>	<hr/>

The above provision relates to interest payable under swap agreements terminating in June 2015. The obligation has crystallised as the loan to which the swap agreement relates was repaid in 2003.

IVG Developments (Broadway) Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)

11 Called up share capital

	2014 Number	Allotted, issued and fully paid 2013 Number	2014 £	2013 £
Ordinary shares of £1 each	2,000,000	2,000,000	2,000,000	2,000,000

12 Profit and loss account

	2014 £	2013 £
At 1 January	1,108,215	1,123,234
Profit/(Loss) for the year	966,627	(15,019)
At 31 December	2,074,842	1,108,215

No dividend was paid during the year (2013 - £Nil).

13 Reconciliation of movements in shareholder's funds

	2014 £	2013 £
At 1 January	3,108,215	3,123,234
Profit/(Loss) for the year	966,627	(15,019)
At 31 December	4,074,842	3,108,215

IVG Developments (Broadway) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)**

14 Ultimate parent company and controlling party

The company's immediate parent company is IVG Development (UK) Limited, a company registered in England and Wales. IVG Immobilien AG, a company incorporated in Germany, is regarded by the directors as the ultimate parent company and controlling party, and is the parent undertaking of the largest and smallest group, for which group accounts are prepared. Group accounts of IVG Immobilien AG are available to the public from Zanderstr. 5, D-53177 Bonn, Germany.