

Registered number: 5083024

ING RED UK (HAYLE HARBOUR) LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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ING RED UK (HAYLE HARBOUR) LTD

COMPANY INFORMATION

DIRECTORS	H Brand ING Real Estate BV
COMPANY SECRETARY	St John's Square Secretaries Limited
REGISTERED NUMBER	5083024
REGISTERED OFFICE	55 Baker Street London W1U 7EU
INDEPENDENT AUDITORS	Ernst & Young LLP 1 More London Place London SE1 2AF
BANKERS	ING Bank NV 60 London Wall London EC2M 5TQ
SOLICITORS	Fladgate LLP 16 Great Queen Street London WC2B 5DG

ING RED UK (HAYLE HARBOUR) LTD

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ING RED UK (HAYLE HARBOUR) LTD

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their report and the audited financial statements for the year ended 31 December 2014

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company during the year was that of property management and development.

The development site at Hayle Harbour, Cornwall was sold post year end, and the company has now ceased commercial trading activity. The directors intend to liquidate the company within twelve months of the date of this report and have not, therefore, prepared the financial statements on a going concern basis. The impact is explained in note 1.1 to the financial statements.

DIVIDENDS

The directors are unable to recommend the payment of a dividend (2013 - *£NIL*).

DIRECTORS

The directors who served during the year and up to the date of this report were:

R Coetzee (resigned 7 November 2014)
H Brand (appointed 20 November 2014)
D Alker (resigned 20 November 2014)
ING Real Estate BV.

ING RED UK (HAYLE HARBOUR) LTD

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the year, ING Real Estate Development UK Limited (a fellow group company) maintained liability insurance on behalf of the company's directors as permitted by Section 236 of the Companies Act 2006

STRATEGIC REPORT

The company has taken advantage of the small companies' exemption from the requirement to prepare a strategic report.

POST BALANCE SHEET EVENTS

On 1 May 2015, the company's owners reached agreement with a third party for the transfer of the trade and principal assets of the company. Details of the disposal, which was agreed on 1 May 2015, with the relevant proceeds being received on 27 November 2015, are given in note 12 to the financial statements

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

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

This report was approved by the board and signed on its behalf



For and on behalf of ING Real Estate BV

Director *Ron Gerden*

Date *23-12-2015*

ING RED UK (HAYLE HARBOUR) LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ING RED UK (HAYLE HARBOUR) LTD

We have audited the financial statements of ING RED UK (Hayle Harbour) Ltd for the year ended 31 December 2014 which comprise the Profit and Loss Account, the 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). The financial statements have been prepared on other than a going concern basis as set out in note 1.1 to the financial statements.

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement, set out on page 1, 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 the applicable law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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 Directors' report and Financial Statements 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 MATTER 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.

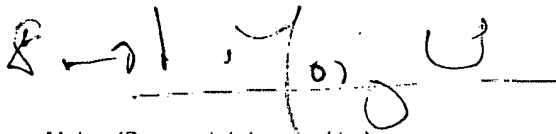
ING RED UK (HAYLE HARBOUR) LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ING RED UK (HAYLE HARBOUR)
LTD

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Adrian Mulea (Senior statutory auditor)

for and on behalf of

Ernst & Young LLP

Statutory Auditor

1 More London Place

London

SE1 2AF

Date **23 DECEMBER 2015**

ING RED UK (HAYLE HARBOUR) LTD

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
TURNOVER	1	113,907	278,085
Cost of sales		<u>1,634,814</u>	<u>(590,951)</u>
GROSS PROFIT/(LOSS)		1,748,721	(312,866)
Administrative expenses		<u>(926)</u>	<u>(7,162)</u>
OPERATING PROFIT/(LOSS)	2	1,747,795	(320,028)
Interest receivable and similar income	3	-	1,856
Interest payable and similar charges	4	<u>(8,217)</u>	<u>(32,460)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1,739,578	(350,632)
Tax on profit/(loss) on ordinary activities	5	<u>(360,297)</u>	<u>82,790</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	10	<u>1,379,281</u>	<u>(267,842)</u>

All amounts relate to discontinued operations, given the directors' intention to liquidate the company within twelve months of the date of approval of these financial statements

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account

The notes on pages 7 to 11 form part of these financial statements

ING RED UK (HAYLE HARBOUR) LTD
REGISTERED NUMBER: 5083024

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	2014 £	2013 £
CURRENT ASSETS			
Stocks	6	6,300,000	4,398,418
Debtors	7	13,923	349,414
Cash at bank		15,716	29,713
		<u>6,329,639</u>	<u>4,777,545</u>
CREDITORS: amounts falling due within one year	8	<u>(4,581,907)</u>	<u>(4,409,094)</u>
NET CURRENT ASSETS		<u>1,747,732</u>	<u>368,451</u>
NET ASSETS		<u>1,747,732</u>	<u>368,451</u>
CAPITAL AND RESERVES			
Called up share capital	9	10,366,008	10,366,008
Profit and loss account	10	<u>(8,618,276)</u>	<u>(9,997,557)</u>
EQUITY SHAREHOLDERS' FUNDS	11	<u>1,747,732</u>	<u>368,451</u>

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



For and on behalf of ING Real Estate BV
Director *Rm Gurner*

Date 23-12-2014

The notes on pages 7 to 11 form part of these financial statements

ING RED UK (HAYLE HARBOUR) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared on other than a going concern basis as the directors intend that the company be liquidated within twelve months of the date of approval of the financial statements. The directors have reviewed the carrying values of assets and liabilities and made adjustments where appropriate to reflect the basis of preparation.

1.2 Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements which includes the cash flows of the company are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1 (Revised).

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of rental agreements and property disposals during the year, and is stated exclusive of Value Added Tax and trade discounts.

1.4 Stock: Development work in progress

Work in progress is valued at the lower of cost and net realisable value and represents direct costs and attributable overheads of the project being undertaken. Work in progress includes acquisition and development fees associated with the project.

Interest incurred on loans specific to developments is capitalised. Interest is capitalised only during the development phase and ceases to be capitalised once the development is completed.

1.5 Related party transactions

As the company is a wholly owned subsidiary of ING Groep NV, the company has taken advantage of the exemption in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of ING Groep NV, within which this Company is included, can be obtained from the address given in note 13.

1.6 Taxation

The charge for taxation is based on the Profit/Loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is provided in accordance with FRS 19. Under FRS 19 full provision is made in respect of all timing differences that have originated but not reversed by the balance sheet date where an event has occurred that results in an obligation to pay more or less tax in future, except that deferred tax assets are recognised only to the extent that they are considered recoverable.

Deferred tax is measured on a non-discounted basis at the tax rates which apply at the balance sheet date.

ING RED UK (HAYLE HARBOUR) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.7 Financial Instruments

In accordance with FRS 4, redeemable ordinary shares issued by the company are classified as equity rather than debt as they rank par passu with the ordinary shares thus carrying the same voting rights, dividend rights and rights on winding up. Furthermore, redemption is at the option of the company therefore giving the company control over future cash flows and resources.

2. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging

	2014 £	2013 £
Auditors' remuneration - Audit of the Company's financial statements	-	5,000

During the year, no director received any emoluments (2013 - £NIL). The company has no employees

Auditors remuneration for the year of £12,500 was borne by ING Real Estate Development UK Limited, the immediate parent undertaking

3. INTEREST RECEIVABLE

	2014 £	2013 £
Interest receivable from group undertakings	-	649
Other interest receivable	-	1,207
	-	1,856

4. INTEREST PAYABLE

	2014 £	2013 £
On loans from group undertakings	8,217	32,460

ING RED UK (HAYLE HARBOUR) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

5. TAXATION

	2014 £	2013 £
Analysis of tax charge/(credit) in the year		
UK corporation tax charge/(credit) on profit/loss for the year	360,297	(80,087)
Adjustments in respect of prior periods	-	(2,703)
Tax charge/(credit) on profit/loss on ordinary activities	<u>360,297</u>	<u>(82,790)</u>

Factors affecting tax charge/(credit) for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%). The differences are explained below

	2014 £	2013 £
Profit/(loss) on ordinary activities before tax	1,739,578	(350,632)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%)	373,890	(81,522)
Effects of:		
Expenses not deductible for tax purposes	152	-
Capital allowances for year in (excess of)/advance of depreciation	(213)	(281)
Utilisation of tax losses	(17)	-
Adjustments to tax charge in respect of prior periods	-	(2,703)
Group relief	(13,515)	-
Current year permanent differences	-	1,716
Current tax charge/(credit) for the year (see note above)	<u>360,297</u>	<u>(82,790)</u>

Factors that may affect future tax charges

The UK corporation tax rate reduced to 21% from April 2014 and further reduced to 20% from April 2015. At the balance sheet date, both these future tax reductions had been enacted and hence in accordance with accounting standards, they have been reflected in the company's financial statements as at 31 December 2014. The rate changes may impact the amount of future tax payments to be made by the company

6. STOCKS

	2014 £	2013 £
Development work in progress	6,300,000	4,398,418

Development work in progress includes capitalised interest of £ 933,209 (2013 £933,209). The carrying value of stocks as at 31 December 2014 reflects the impact of the disposal, subsequent to the year end, of the development site. See note 12 for details

ING RED UK (HAYLE HARBOUR) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

7. DEBTORS

	2014 £	2013 £
Amounts owed by group undertakings	-	251,935
Other debtors	12,784	17,392
Prepayments and accrued income	1,139	-
Tax recoverable	-	80,087
	<u>13,923</u>	<u>349,414</u>

Tax recoverable relates to tax losses sold to a fellow group entity.

**8. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	1,231	-
Amounts owed to group undertakings	4,204,692	4,387,497
Corporation tax	360,297	-
Other creditors	3,546	-
Accruals and deferred income	12,141	21,597
	<u>4,581,907</u>	<u>4,409,094</u>

Amounts owed to group undertakings are interest bearing, calculated at various rates throughout the year.

9. SHARE CAPITAL

	2014 £	2013 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
499,999,000 Redeemable ordinary shares of £1 each	499,999,000	499,999,000
	<u>500,000,000</u>	<u>500,000,000</u>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
10,365,008 Redeemable ordinary shares of £1 each	10,365,008	10,365,008
	<u>10,366,008</u>	<u>10,366,008</u>

ING RED UK (HAYLE HARBOUR) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

10. RESERVES

	Profit and loss account £
At 1 January 2014	(9,997,557)
Profit for the financial year	1,379,281
	<u>(8,618,276)</u>
At 31 December 2014	<u>(8,618,276)</u>

11. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening equity shareholders' funds	368,451	636,293
Profit/(loss) for the financial year	1,379,281	(267,842)
	<u>1,747,732</u>	<u>368,451</u>
Closing equity shareholders' funds	<u>1,747,732</u>	<u>368,451</u>

12. POST BALANCE SHEET EVENTS

On 1 May 2015, the company's owners reached agreement with a third party for the transfer of the trade and principal net assets of the company. The sale agreement involved a phased transfer of the Harbour development and related property assets, with a maximum sales price of £6.3m depending on the date consideration was paid to the ultimate parent undertaking. The sale was agreed on 1 May 2015, subject to a long-stop date for the receipt of consideration of 30 November 2015. The sales proceeds were received on 27 November 2015.

As a result of the disposal and the receipt of the remaining proceeds, the directors intend to liquidate the company within twelve months of the date of this report and have not, therefore, prepared the financial statements on the going concern basis. The impact is explained in note 11 to the financial statements.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

As at 31 December 2014, the immediate parent undertaking was ING Real Estate Development UK Limited, a company incorporated in England and Wales, and the ultimate controlling party was ING Groep NV, a company incorporated in The Netherlands.

The largest group in which the company is consolidated is that headed by ING Groep NV and the smallest is headed by ING Real Estate BV, also incorporated in The Netherlands. Copies of these consolidated financial statements are available from P O Box 1800, 1000 BV Amsterdam, The Netherlands.