

REGISTERED NUMBER 5633038

**RED BLUE FUND MANAGEMENT LTD**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2011**

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**CONTENTS**

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	<b>PAGE</b>
<b>OFFICERS AND PROFESSIONAL ADVISERS</b>	<b>1</b>
<b>DIRECTORS' REPORT</b>	<b>2</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>4</b>
<b>PROFIT AND LOSS ACCOUNT</b>	<b>5</b>
<b>BALANCE SHEET</b>	<b>6</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>7</b>

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**OFFICERS AND PROFESSIONAL ADVISERS**

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**Directors**

P B Marsden  
J Martin

**Company secretary**

A J Bruce

**Registered office**

30 Warwick Street  
LONDON  
W1B 5NH

**Bankers**

Bank of Scotland  
11 Earl Grey Street  
EDINBURGH  
EH3 9BN

**Independent auditor**

KPMG Audit Plc, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

**DIRECTORS' REPORT**

**For the period ended 31 December 2011**

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The Directors present their annual report and the audited financial statements of the Company for the period ended 31 December 2011. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

**Principal activities, business review and future developments**

The Company provides management services to the subsidiaries of Red Blue (France) SA, a company incorporated in Luxembourg. The Directors consider that all turnover derives from a single class of business.

The Directors consider the results for the period, which are set out in the profit and loss account on page 5, to be in line with expectations and that the Company will trade profitably into the coming year. The Directors do not recommend the payment of a dividend (30 April 2011: £nil).

On 31 May 2011 the Company was sold by the King Sturge International LLP Group to the Jones Lang LaSalle Inc Group of companies.

**Directors**

The Directors of the Company during the period and up to the date of signing the accounts were as shown below:

P B Marsden  
S A F Bailey (resigned 1 December 2011)  
J Martin (appointed 1 December 2011)

**Going concern**

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons:

- The directors assessed the company's financial position, and they have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future,
- There are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

On the basis of their assessment the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

**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 period. Under that law the directors have prepared 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 judgements 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

**DIRECTORS' REPORT**

**For the period ended 31 December 2011**

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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.

**Disclosure of information to auditor**

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

**Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor, KPMG Audit Plc, will be deemed to be reappointed and will therefore continue in office.

**Directors' liability insurance**

As permitted by the Companies Act 2006, the Company has purchased insurance cover in respect of Directors' and officers' liabilities which was in force throughout the period and at the date of approval of the financial statements.

By order of the board



A J Bruce  
**Company Secretary**

24<sup>th</sup> September 2012

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RED BLUE FUND MANAGEMENT LTD**

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We have audited the financial statements of Red Blue Fund Management Limited for the period ended 31 December 2011 set out on pages 5 to 10

The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 2, 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 (APB'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 APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**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 2011 and of its profit for the period then ended
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

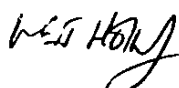
**Opinion on other matter prescribed by the Companies Act 2006**

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

**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



WEJ Holland (Senior Statutory Auditor)  
For and on behalf of KPMG Audit Plc, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

26 September 2012

**PROFIT AND LOSS ACCOUNT****For the 8 month period ended 31 December 2011**

	Note	8 month period ended 31 December 2011 £	Year ended 30 April 2011 £
<b>Turnover</b>	1	<b>211,431</b>	328,861
Administrative expenses		(199,889)	(312,672)
<b>Operating profit</b>	2	<b>11,542</b>	16,189
Interest receivable and similar income		98	37
<b>Profit on ordinary activities before taxation</b>		<b>11,640</b>	16,226
Tax on profit on ordinary activities	4	(3,259)	(4,662)
<b>Profit for the financial period</b>	9	<b>8,381</b>	11,564

All results derive from continuing operations

The Company has no recognised gains and losses for the current and prior financial periods other than those as stated in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents

**BALANCE SHEET****As at 31 December 2011**

	Note	31 December 2011 £	30 April 2011 £
<b>Fixed assets</b>			
Investments	5	14,340	14,340
<b>Current assets</b>			
Debtors	6	97,586	126,896
Cash at bank and in hand		143,032	88,162
		<b>240,618</b>	<b>215,058</b>
<b>Creditors' amounts falling due within one year</b>	7	<b>(165,394)</b>	<b>(148,215)</b>
<b>Net current assets</b>		<b>75,224</b>	<b>66,843</b>
<b>Net assets</b>		<b>89,564</b>	<b>81,183</b>
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account	9	89,563	81,182
<b>Total shareholders' funds</b>	10	<b>89,564</b>	<b>81,183</b>

These financial statements on pages 5 to 11 were approved by the board of directors and signed on its behalf by



P B Marsden

**Director**

Red Blue Fund Management Limited

Registered number 5633038

24<sup>th</sup> September 2012



NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2011

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**1 Accounting policies**

The following accounting policies have been applied consistently throughout the period in dealing with items which are considered material in relation to the Company's accounts

**a) Basis of preparation**

The accounts have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

**b) Going concern**

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons

- The directors assessed the company's financial position, and they have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future,
- There are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern

On the basis of their assessment the directors believe that it remains appropriate to prepare the financial statements on a going concern basis

**c) Turnover**

Turnover represents fees and commissions receivable excluding value added tax

Where the substance of a contract is that the Company's contractual obligations are performed gradually over time, revenue is recognised as the contract activity progresses to reflect the Company's partial performance of its contractual obligations. The amount of revenue reflects the accrual of the right to consideration as contract activity progresses by reference to value of the work performed. Amounts unbilled at the balance sheet date are included within prepayments and accrued income.

Where the substance of the contract is that a right to consideration does not arise until the occurrence of a critical event, revenue is not recognised until that event occurs.

**d) Investments**

Investments are stated at cost less any provision for impairment. Impairment reviews are carried out by management when there is an indication of impairment.

**e) Taxation**

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

Deferred taxation is recognized, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed BY the balance sheet date, except as otherwise required by FRS 19.

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2011

## f) Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date that the transaction occurred. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at 31 December. Exchange differences are taken to the profit and loss account. The investment is stated in accordance with SSAP 20.

## f) Cash flow statement

Under Financial Reporting Standard no. 1, the company is exempt from the requirements to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

## 2 Operating profit

Operating profit is stated after charging

	31 December 2011 £	30 April 2011 £
Foreign exchange losses	7,799	8,072
Auditor's remuneration – audit	3,000	4,500
Auditor's remuneration – taxation services	800	1,000

## 3 Directors and other employees

Directors received no emoluments for their services as directors during the period (30 April 2011: £nil).

## 4 Tax on profit on ordinary activities

	31 December 2011 £	30 April 2011 £
<b>Current tax:</b>		
UK corporation tax on profits for the period	3,259	4,662

## Current tax reconciliation

The tax assessed for the period is the same as (2010: same as) the standard rate of corporation tax in the UK applied to the Company of 28% (2010: 28%). The differences are explained below.

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2011

	31 December 2011 £	30 April 2011 £
<b>Profit on ordinary activities before taxation</b>	<b>11,640</b>	16,226
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 28%)	<b>3,026</b>	4,543
Effects of Other timing differences	<b>233</b>	119
<b>Current tax charge for the period</b>	<b>3,259</b>	4,662

There are no material recognised or unrecognised deferred tax assets or liabilities

The 2012 budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and a further reduction to 24% (effective from 1 April 2012) was substantively enacted on 26 March 2012.

## 5 Investments

**Shares in  
associated  
undertakings  
£**

**Cost and net book value**

At 30 April 2011 and 31 December 2011

14,340

Red Blue Fund Management Ltd has an investment of €21,000 in Red Blue (France) S A, a Luxembourg company, which holds subsidiaries which invest in French commercial property. The investment represents a 15.9% holding in Red Blue (France) S A.

The Directors believe that the book value of investments is supported by the underlying net assets.

## 6 Debtors

	31 December 2011 £	30 April 2011 £
Trade debtors	-	81,324
Other tax and social security	<b>20,140</b>	18,140
Prepayments and accrued income	<b>77,446</b>	27,432
	<b>97,586</b>	126,896

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2011

## 7 Creditors: amounts falling due within one year

	31 December 2011 £	30 April 2011 £
Trade creditors	86	11,628
Amounts owed to group undertakings	144,930	126,425
Corporation tax	7,921	4,662
Accruals and deferred income	12,457	5,500
	<b>165,394</b>	<b>148,215</b>

Amounts owed to group undertakings relate to short term trading balances and are interest free and repayable on demand

## 8 Called up share capital

	31 December 2011 £	30 April 2011 £
Allotted, issued and fully paid 1 ordinary share of £1	1	1

## 9 Profit and loss account

	£
At 1 May 2011	81,182
Profit for the financial period	8,381
At 31 December 2011	<b>89,563</b>

## 10 Reconciliation of movements in shareholders' funds

	31 December 2011 £	30 April 2011 £
Profit for the financial period	8,381	11,564
Opening shareholders' funds	<b>81,183</b>	<b>69,619</b>
Closing shareholders' funds	<b>89,564</b>	<b>81,183</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2011

## 11 Related parties

The Company has taken the exemption available under paragraph 3(c) from the provisions of FRS 8, Related Party Disclosures, on the grounds that it is a wholly owned subsidiary of a group headed by Jones Lang LaSalle Incorporated whose accounts are publicly available

The following information is provided in accordance with FRS 8 as being transactions with related parties for the period

Name of related party	Relationship	Type of transaction	Transactions for the period ended 31 December 2011	Balance at 31 December 2011	Transactions for the year ended 30 April 2011	Balance at 30 April 2011
			£	£	£	£
Red Blue (France) Properties SARL	Subsidiary of Red Blue (France) S A , an investment of Red Blue Fund Management Limited	Management services provided	211,431	-	328,861	81,324

## 12 Ultimate parent undertaking

The company's immediate parent company during the period was King Sturge Holdings Limited, a company incorporated in England and Wales, and the ultimate parent company is Jones Lang LaSalle Incorporated, a company incorporated in Maryland, USA

The only group in which the financial statements of the company are consolidated is that headed by Jones Lang LaSalle Incorporated. Copies of the group financial statements of Jones Lang LaSalle Incorporated can be obtained from Jones Lang LaSalle Incorporated, 200 East Randolph Drive, Chicago, Illinois 60601, USA