

QC Ground Limited

Financial statements  
for the year ended

30 September 2015

FRIDAY  
TI

  
\*L51J5LVL\*  
26/02/2016 #281  
LD2 COMPANIES HOUSE

\*L50F45G9\*  
09/02/2016 #4  
LD3 COMPANIES HOUSE

<b>CONTENTS</b>	<b>PAGES</b>
Directors and advisers	2
Strategic report	3
Directors' report	4
Statement of directors' responsibilities in respect of the Strategic Report, Directors' report and the Financial Statements	5
Profit and loss account	6
Balance sheet	7-8
Notes to the financial statements	9-16

**DIRECTORS AND ADVISERS**

**Directors**

T Cockroft (Chairman)  
J Acheson-Gray  
P Begg  
P Mallinson  
S Mansfield  
K Philipps  
L Pierpont Engstrom  
S M J Raphael  
S Stevens  
D Tarsh  
A Watson  
R Wigley

**Secretary**

P S Dhanoa

**Registered office**

Palliser Road  
West Kensington  
London W14 9EQ

**Bankers**

Royal Bank of Scotland  
5<sup>th</sup> Floor 135 Bishopsgate  
London EC2M 3UR

**Solicitors**

Clarke Willmott  
1 Georges Square  
Bath Street  
Bristol BS1 6BA

## **STRATEGIC REPORT**

### **Review of the business**

The company holds the leases of The Queen's Club premises and ancillary properties

### **Activities**

The principal activity of the company is to hold the leases of The Queen's Club premises and ancillary properties. From 31 March 2013, QC Ground Limited has waived any future rent due from The Queen's Club Limited.

### **Results for the year and dividend**

The loss for the year after taxation was £408,277 (2014 loss of £408,640)

The directors do not recommend the payment of a dividend



**T Cockcroft**  
**Director**

28 January 2016

## **DIRECTORS' REPORT**

The directors present their report and the accounts for the year ended 30 September 2015

### **Directors**

The directors who served during the year are

J Acheson-Gray  
P Begg  
T Cockroft (reappointed 26 March 2015)  
P Mallinson  
S Mansfield (reappointed 26 March 2015)  
K Phillipps  
L Pierpont Engstrom  
S M J Raphael  
A J Sater (resigned 26 March 2015)  
S Stevens (reappointed 26 March 2015)  
D Tarsh  
A Watson  
R Wigley (appointed 26 March 2015)

By order of the board



**T Cockroft**  
**Director**

Palliser Road  
West Kensington  
London W14 9EQ

28 January 2016

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been allowed, 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 September 2015**

	Notes	2015 £	2014 £
Administrative expenses		(408,640)	(408,640)
<b>Operating loss</b>		(408,640)	(408,640)
Interest receivable and similar income	4	454	-
<b>Loss on ordinary activities before taxation</b>	2	(408,186)	(408,640)
Tax on loss on ordinary activities	5	(91)	-
<b>Loss for the financial year</b>	11,12	(408,277)	(408,640)

All of the company's operations are classed as continuing. There were no gains or losses in either year other than those included in the above profit and loss account.

The notes on pages 9 to 16 form part of the financial statements.

**BALANCE SHEET**  
**as at 30 September 2015**

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Tangible fixed assets	6	46,040,124	46,448,764
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	7	2	2
		<hr/>	<hr/>
		2	2
<b>Current liabilities: amounts falling due within one year</b>	8	(91)	-
		<hr/>	<hr/>
<b>Net current (liabilities)/ asset</b>		(89)	2
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		46,040,035	46,448,766
<b>Creditors: amounts falling due after more than one year</b>	9	(6,506,188)	(6,506,642)
		<hr/>	<hr/>
<b>Net assets</b>		39,533,847	39,942,124
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	10	51	51
Share premium	11	41,999,951	41,999,951
Profit and loss account	11	(2,466,155)	(2,057,878)
		<hr/>	<hr/>
<b>Shareholders' funds</b>	12	39,533,847	39,942,124
		<hr/>	<hr/>

For the year ending 30 September 2015 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies



**Directors' responsibilities**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The accounts were approved and authorised for issue by the Board of Directors on 28 January 2016 and were signed on its behalf by



**T Cockcroft**  
**Director**

The notes on pages 9 to 16 form part of the financial statements

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

#### **Basis of accounting**

The accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practices and under the historical cost convention

The directors have considered the factors that impact the company's future development performance, cash flow and financial position along with the company's current liquidity in forming their opinion on the going concern basis. The directors have a reasonable expectation the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

#### **Cash flow statement**

Under FRS 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size and that 90% of its voting rights are controlled within a group and the ultimate parent undertaking, QC Trustees Limited, includes the company in its own published consolidated financial statements. The consolidated financial statements can be obtained from the address in note 14

#### **Related party transactions**

As the company is a wholly owned subsidiary of QC Holdings Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group

#### **Fixed assets**

Depreciation is provided on cost in annual instalments over the estimated useful lives of the assets concerned. Depreciation on leasehold land and buildings is based on its term of the lease which is 120 years, and is straight line

#### **Taxation**

The charge for taxation is based on the result 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 recognised, 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 required by FRS 19

#### **Leases**

All rents receivable are in respect of operating leases and the annual rentals are recognised in the profit and loss account on a straight line basis over the lease term. The company has waived all rents in respect of the Club's premises from 31 March 2013

#### **Turnover**

Turnover represents rental income receivable from The Queen's Club Limited, the parent company, up to 31 March 2013 based on the terms agreed. Rental income was received quarterly in advance and was recognised when received. From 31 March

## NOTES TO THE FINANCIAL STATEMENTS

2013 QC Ground Limited has waived any future rent due from The Queen's Club Limited

### 2. Notes to the profit and loss account

Loss on ordinary activities before taxation is stated after charging

	2015	2014
	£	£
Depreciation	408,640	408,640
Auditor's remuneration		
- audit of company financial statements	1,515	1,500

The audit fee for the current year and the prior year was borne by The Queen's Club Limited

### 3. Staff numbers and cost

No staff were employed by the company during the year

There was no directors' remuneration and none was borne by other group companies (2014 £nil)

### 4. Interest receivable and similar income

	2015	2014
	£	£
Interest receivable	454	-
	454	-

**NOTES TO THE FINANCIAL STATEMENTS**

<b>5. Tax on loss on ordinary activities</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
(a) UK corporation tax at 20% (2014: 20%)		
Current tax on income in the year	91	-
	<hr/>	<hr/>
Tax on loss on ordinary activities	91	-
	<hr/>	<hr/>

(b) Factors affecting tax charge for the year

The current tax charge for the year is higher (2014: higher) than the standard rate of corporation tax in the UK 20% (2014: 20%). The differences are explained below

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(408,186)	(408,640)
	<hr/>	<hr/>
Current tax at 20% (2014: 20%)	(81,637)	(81,728)
Effects of		
Depreciation (not deductible for tax purposes)	81,728	81,728
Total current tax	91	-
	<hr/>	<hr/>

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30 September 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS

<b>6. Tangible fixed assets</b>	<b>Leasehold land and buildings £</b>
<b>Cost</b>	
At 1 October 2014 and 30 September 2015	49,360,888
<b>Depreciation</b>	
At 1 October 2014	2,912,124
Charge for the year	408,640
At 30 September 2015	3,320,764
<b>Net book value</b>	
At 30 September 2015	46,040,124
At 30 September 2014	46,448,764

The directors are not aware of any material change in the value of the Club and leasehold land and buildings and therefore determine that the cost as set out above reflects the true and fair value of the asset

<b>7. Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Other debtors	2	2

---

**NOTES TO THE FINANCIAL STATEMENTS**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Corporation tax	91	-
	<hr/>	<hr/>
	91	-
	<hr/>	<hr/>

**9. Creditors: amounts falling due after more than one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	6,506,188	6,506,642
	<hr/>	<hr/>

The company has a long term loan from QC Holdings Limited of £7,135,990 in respect of the purchase of ancillary properties at the premises. The loan is interest free following a decision of QC Holdings Limited in 2013 not to charge interest.

The amounts owed to group undertakings are due after more than five years.

## NOTES TO THE FINANCIAL STATEMENTS

10. Share capital	2015 £	2014 £
<b>Authorised</b>		
999 ordinary shares of £1 each	999	999
One special share of £1 each	1	1
	1,000	1,000
 <b>Allotted, called up and fully paid</b>		
50 ordinary shares of £1 each	50	50
One special share of £1 each	1	1
	51	51

There are restrictions under the Articles of Association from making any dividend distribution to ordinary shareholders

On 22 May 2007, The All England Lawn Tennis Ground plc (AELTG) acquired 45 ordinary shares in QC Holdings Limited for £360,000. In return, AELTG was issued one special share in each of QC Trustees Limited, QC Holdings Limited, The Queen's Club Limited and QC Ground Limited. These special shares do not carry any voting rights or rights to dividends. The special shares give AELTG a right of first refusal to acquire the companies' assets and liabilities at a 10% discounted market price in the event of a sale of the Club.

11. Reserves	Share premium £	Profit and loss account £
At 1 October 2014	41,999,951	(2,057,878)
Loss for the financial year	-	(408,277)
	41,999,951	(2,466,155)

## NOTES TO THE FINANCIAL STATEMENTS

<b>12. Reconciliation of movements in shareholders' funds</b>	<b>2015 £</b>	<b>2014 £</b>
Loss for the financial year	(408,277)	(408,640)
Net reduction in shareholders' funds	(408,277)	(408,640)
Opening shareholders' funds	39,942,124	40,350,764
Closing shareholders' funds	39,533,847	39,942,124

## **13. Ultimate and immediate parent company**

At 30 September 2015, the ultimate parent company was QC Trustees Limited and the immediate parent company was The Queen's Club Limited, both companies are registered in Great Britain. Copies of the ultimate holding company's financial statements are available from the Company Secretary, Palliser Road, West Kensington, London, W14 9EQ.

## **14. Related party transactions**

There were no related party transactions between the company and its ultimate parent company, QC Trustees Limited £nil (2014: £nil) and there were no balances owed or owing at the balance sheet date £nil (2014: £nil).