

(Registered Number 2305636)

IVG Development (UK) Limited
Annual Report & Audited Financial Statements
Year ended 31 December 2012



IVG Development (UK) Limited
Annual Report & Audited Financial Statements
Year ended 31 December 2012

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IVG Development (UK) Limited
Directors' Report

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2012

Principal activity, review of the business and future developments

The principal activity of the company has historically been that of an investment letting business. Following the sale of its investment property in 2010 the company has not traded.

Results and dividends

The loss for the year after taxation amounted to £4,429,997 (2011: £2,353,549 profit) and has been transferred to reserves. A dividend of £10,564,701 was paid during the year (2011: £37,462,253).

Directors

The following directors served during the year:

Mr D H Gibson
Mr M Mason (resigned 17 December 2012)

Statement of information provided to auditor

Each of the directors has confirmed that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

The report of the directors 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.

By order of the Board



D H Gibson
Director

30.9.13.

IVG Development (UK) Limited

Directors' Responsibilities

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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

Independent Auditor's Report to the Members of IVG Development (UK) Limited

We have audited the financial statements of IVG Development (UK) Limited for the year ended 31 December 2012 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 directors and auditor

As explained more fully in the directors' responsibilities statement, 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 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 Financial Reporting Council'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 2012 and of its loss 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.

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 small companies exemption in preparing the directors' report.

BDO LLP

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

30 September 2013

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

IVG Development (UK) Limited
Profit and Loss Account
Year ended 31 December 2012

	Notes	2012 £	2011 £
Turnover	1(c)	-	-
Operating costs		328,668	(92,612)
Administrative expenses		12,975	(189,693)
Operating profit/(loss)		341,643	(282,305)
Investment income	6	-	2,413,724
Write down of investments	6	(4,771,417)	(424,258)
(Loss)/profit on ordinary activities before interest		(4,429,774)	1,707,161
Interest receivable and similar items	3	577	1,050,543
Interest payable and similar charges	4	(800)	(404,155)
(Loss)/profit on ordinary activities before taxation		(4,429,997)	2,353,549
Taxation	5	-	-
(Loss)/profit for the year	10	(4,429,997)	2,353,549

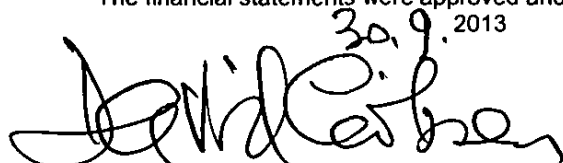
All amounts relate to continuing operations

There were no recognised gains or losses other than the (loss)/profit for the year

IVG Development (UK) Limited
Registered Number 2305636
Balance Sheet
31 December 2012

	Notes	£	2012 £	£	2011 £
Fixed assets					
Investments	6		3,123,236		18,459,354
			<hr/>		<hr/>
Current assets					
Debtors	7	253,719		270,434	
Cash at bank and in hand		53,436		116,153	
			<hr/>	<hr/>	
			307,155		386,587
Creditors					
Amounts falling due within one year	8	(27,501)		(448,353)	
			<hr/>	<hr/>	
Net current assets/(liabilities)			279,654		(61,766)
			<hr/>		<hr/>
Net Assets			3,402,890		18,397,588
			<hr/> <hr/>		<hr/> <hr/>
Capital and reserves					
Called up share capital	9		4,012,747		4,012,747
Profit and loss account	10		(609,857)		14,384,841
			<hr/>		<hr/>
Shareholder's funds	12		3,402,890		18,397,588
			<hr/> <hr/>		<hr/> <hr/>

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

30.9.2013


D H Gibson
Director

IVG Development (UK) Limited
Notes to the Financial Statements
Year ended 31 December 2012

1 Accounting policies

(a) Basis of accounting and basis of preparation

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

(b) Consolidated financial statements

The company is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These accounts therefore prepare information about the company as an individual undertaking and not about its group.

(c) Turnover

Turnover represents rents received from tenants, net of value added tax. All turnover is generated from within the United Kingdom.

(d) Investments

Fixed asset investments are shown at cost less provision for impairment where the net assets of the subsidiary cannot support the carrying values.

(e) 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.

(f) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated to sterling at the rate prevailing at the balance sheet date. Transactions in foreign currencies are converted at the rate prevailing at the date of the transaction. All exchange gains and losses are taken to the profit and loss account.

(g) Operating leases

Charges in respect of operating leases are recognised in the profit and loss account over the lives of the lease agreement as incurred.

(h) 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 Development (UK) Limited
Notes to the Financial Statements
Year ended 31 December 2012

2 Auditor's remuneration

Fees paid to the company's auditor during the year were as follows

	2012	2011
	£	£
Audit fees	7,500	7,500
Taxation services	24,750	90,254
Company secretarial	1,130	1,980
Accounts preparation	3,000	5,000
	<u> </u>	<u> </u>

In addition to the above, £17,000 (2011 £4,000) of audit fees and £4,930 (2011 £4,274) of company secretarial fees were paid by the company on behalf of other group entities

The company had no employees other than its directors during the year. The directors did not receive any remuneration in respect of services to the company during the year.

3 Interest receivable and similar items

	2012	2011
	£	£
Group interest	-	1,050,055
Bank interest	577	488
	<u> </u>	<u> </u>
	<u>577</u>	<u>1,050,543</u>

4 Interest payable and similar charges

	2012	2011
	£	£
Group interest	800	404,155
	<u> </u>	<u> </u>

IVG Development (UK) Limited
Notes to the Financial Statements
Year ended 31 December 2012

5 Taxation

	2012	2011
	£	£
(a) Analysis of tax charge for year		
Current tax	-	-
Corporation tax	-	-
	<hr/>	<hr/>
Total current tax (note 5(b))	-	-
Deferred taxation		
Origination and reversal of timing differences	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

(b) Reconciliation of current year tax charge

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

	2012	2011
	£	£
(Loss)/profit on ordinary activities before tax	(4,429,997)	2,353,549
	<hr/>	<hr/>
(loss)/profit on ordinary activities at standard rate of corporation tax in the UK of 24.5% (2011 26.5%)	(1,085,349)	623,690
Effects of		
Expenses not deductible for tax purposes	1,168,997	3,714,758
Capital allowances in excess of depreciation	-	(42,085)
Losses brought forward	(83,648)	(61,710)
Non taxable income	-	(4,234,653)
	<hr/>	<hr/>
Current tax charge for the year (note 5(a))	-	-
	<hr/>	<hr/>

IVG Development (UK) Limited
Notes to the Financial Statements
Year ended 31 December 2012

6	Investments	2012	2011
		£	£
	At 1 January	18,459,354	32,449,713
	Distribution following capital reduction	(10,564,701)	(13,566,101)
	Provision against carrying value	(4,771,417)	(424,258)
		<hr/>	<hr/>
	At 31 December	3,123,236	18,459,354
		<hr/> <hr/>	<hr/> <hr/>

At 31 December 2012 the company owned directly, or indirectly, the entire share capital of the following subsidiaries, all of which are registered in England and Wales

	Proportion and class of shares held	Loss for the year ended 31 December 2012	Capital and reserves at 31 December 2012 £
IVG Developments (Broadway) Limited - property development	100% of ordinary shares	(4,510,570)	3,123,234
IVG Developments (Euston) Limited - non-trading	100% of ordinary shares	(149,025)	1
IVG Developments (Melton St) Limited - non-trading	100% of ordinary shares	(111,822)	1
		<hr/>	<hr/>

On 13 December 2012, following a capital reduction, IVG Developments (Broadway) Limited paid a dividend of £10,564,701 to the company and its net assets reduced by the same amount. It is the view of the Directors that the dividend represents a part realisation of the investment as shown above.

7	Debtors	2012	2011
		£	£
	Amounts falling due within one year		
	Trade debtors	-	15,959
	Amounts due from group undertakings	250,001	-
	Other debtors	3,718	254,475
		<hr/>	<hr/>
		253,719	270,434
		<hr/> <hr/>	<hr/> <hr/>

IVG Developments (UK) Limited
Notes to the Financial Statements
Year ended 31 December 2012

8	Creditors	2012	2011
		£	£
	Amounts falling due within one year		
	Trade creditors	-	269,044
	Amounts due to subsidiary undertakings	1	90,882
	Other creditors including taxation and social security	-	52,742
	Accruals and deferred income	27,500	35,685
		<hr/>	<hr/>
		27,501	448,353
		<hr/> <hr/>	<hr/> <hr/>

9	Called up share capital	2012	2011
		£	£
	Allotted, issued and fully paid		
	4,012,747 (2011 4,012,747) ordinary shares of £1 each	4,012,747	4,012,747
		<hr/>	<hr/>

10	Profit and loss account	2012	2011
		£	£
	At 1 January	14,384,841	12,031,292
	Transfer from capital reduction reserve (note 11)	-	37,462,253
	Dividend	(10,564,701)	(37,462,253)
	(Loss)/profit for the year	(4,429,997)	2,353,549
		<hr/>	<hr/>
	At 31 December	(609,857)	14,384,841
		<hr/> <hr/>	<hr/> <hr/>

A dividend of £10,564,701 (£2 633p per share) was paid during the year (2011 £32,462,253) Subsequent to the dividend payment the directors reassessed the value of the investment in subsidiaries and, as per note 6, a provision against the carrying values was made as at 31 December 2012

11	Capital Reduction Reserve	2012	2011
		£	£
	Capital reductions	-	37,462,253
	Transfer to profit and loss account (note 10)	-	(37,462,253)
		<hr/>	<hr/>
	At 31 December	-	-
		<hr/> <hr/>	<hr/> <hr/>

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Notes to the Financial Statements
Year ended 31 December 2012

12 Reconciliation of movements in shareholder's funds

	2012 £	2011 £
At 1 January	18,397,588	53,506,292
Dividend	(10,564,701)	(37,462,253)
(Loss)/profit for the year	(4,429,997)	2,353,549
	<hr/>	<hr/>
At 31 December	3,402,890	18,397,588
	<hr/>	<hr/>

13 Ultimate parent company and controlling party

The company's immediate parent company is IVG Developments (London & UK) Limited, a company incorporated in England and Wales. IVG Immobilien AG, 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.