

# IVG Development (UK) Limited

Report and Financial Statements

Year Ended

31 December 2013

Company Number 2305636

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# **IVG Development (UK) Limited**

**Report and financial statements  
for the year ended 31 December 2013**

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## **Contents**

### **Page:**

1	Report of the director
3	Independent auditor's report
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

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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**

2305636

### **Auditor**

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

# **IVG Development (UK) Limited**

## **Report of the director for the year ended 31 December 2013**

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The director presents his report together with the audited financial statements for the year ended 31 December 2013.

### **Results and dividends**

The loss for the year after taxation amounted to £138,341 (2012 - £4,429,997) and has been transferred to reserves. A dividend of £Nil was paid during the year (2012 - £10,564,701).

### **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.

### **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;
- 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 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 Development (UK) Limited

Report of the director  
for the year ended 31 December 2013 *(continued)*

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## 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

# IVG Development (UK) Limited

## Independent auditor's report

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### 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 2013 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](http://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 2013 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 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 Development (UK) Limited

## Independent auditor's report (*continued*)

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### 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

29 September 2014

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

# IVG Development (UK) Limited

## Profit and loss account for the year ended 31 December 2013

	Note	2013 £	2012 £
Operating costs		-	328,668
Administrative expenses		(131,294)	12,975
<b>Operating (loss)/profit</b>	2	<b>(131,294)</b>	<b>341,643</b>
Write down of investments	6	(15,021)	(4,771,417)
<b>Loss on ordinary activities before interest</b>		<b>(146,315)</b>	<b>(4,429,774)</b>
Interest receivable and similar items	3	7,974	577
Interest payable and similar charges	4	-	(800)
<b>Loss on ordinary activities before taxation</b>		<b>(138,341)</b>	<b>(4,429,997)</b>
Taxation on loss from ordinary activities	5	-	-
<b>Loss for the year</b>	10	<b>(138,341)</b>	<b>(4,429,997)</b>

All amounts relate to continuing activities.  
There were no recognised gains or losses other than the loss for the year.

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

# IVG Development (UK) Limited

## Balance sheet at 31 December 2013

<i>Company number 2305636</i>	Note	2013 £	2013 £	2012 £	2012 £
<b>Fixed assets</b>					
Investments	6		3,108,215		3,123,236
<b>Current assets</b>					
Debtors:	7			253,719	
- falling due within one year		-			
- falling due after more than one year	7	156,230		-	
Cash at bank and in hand		10,104		53,436	
			<u>166,334</u>	<u>307,155</u>	
<b>Creditors: amounts falling due within one year</b>	8	<b>(10,000)</b>		<b>(27,501)</b>	
			<u>156,334</u>	<u>279,654</u>	
<b>Net current assets</b>			<b>156,334</b>		<b>279,654</b>
			<u>3,264,549</u>		<u>3,402,890</u>
<b>Net assets</b>			<b>3,264,549</b>		<b>3,402,890</b>
<b>Capital and reserves</b>					
Called up share capital	9		4,012,747		4,012,747
Profit and loss account	10		(748,198)		(609,857)
			<u>3,264,549</u>		<u>3,402,890</u>
<b>Shareholders' funds</b>	11		<b>3,264,549</b>		<b>3,402,890</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2014



D H Gibson  
Director

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



# IVG Development (UK) Limited

## Notes forming part of the financial statements for the year ended 31 December 2013

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### 1 Accounting policies

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

#### *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.

The following principal accounting policies have been applied:

#### *Investments*

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

#### *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.

#### *Foreign currency*

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.

#### *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 forming part of the financial statements  
for the year ended 31 December 2013 (continued)

## 2 Operating (loss)/profit

This is stated after charging:

	2013 £	2012 £
Fees paid to the company's auditor during the year were as follows:		
Audit fees	3,000	7,500
Taxation services	16,493	24,750
Company secretarial	7,056	1,130
Accounts preparation	1,000	3,000
Intercompany loan provision	100,947	-

The company had no employees other than its director 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

	2013 £	2012 £
Group interest	7,176	-
Bank interest	798	577
	<u>7,974</u>	<u>577</u>

## 4 Interest payable and similar charges

	2013 £	2012 £
Bank interest	-	800
	<u>-</u>	<u>800</u>

# IVG Development (UK) Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 5 Taxation on loss from ordinary activities

### a) Analysis of tax charge for year

	2013 £	2012 £
<i>Current tax:</i>		
Corporation tax	-	-
	<hr/>	<hr/>
Total current tax (note 5(b))	-	-
<i>Deferred tax:</i>		
Origination and reversal of timing differences	-	-
	<hr/>	<hr/>
Tax on loss 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:

	2013 £	2012 £
Loss on ordinary activities before tax	<b>(138,341)</b>	(4,429,997)
	<hr/>	<hr/>
Loss on ordinary activities at standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	<b>(32,164)</b>	(1,085,349)
<i>Effect of:</i>		
Expenses not deductible for tax purposes	<b>28,452</b>	1,168,997
Utilisation of losses brought forward	<b>(52)</b>	(83,648)
Losses arising in the period not utilised	<b>3,764</b>	-
	<hr/>	<hr/>
Current tax charge for the year (note 5(a))	-	-
	<hr/>	<hr/>

The company has tax losses carried forward for the amount of £428,877 (2013: £412,688) and a potential deferred tax asset of £85,775 (2012 - £82,538) which has not been recognised in respect of management expenses carried forward available for offset against future non-trading profits.

## IVG Development (UK) Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (continued)

### 6 Investments

	2013 £	2012 £
At 1 January	3,123,236	18,459,354
Distribution following capital reduction	-	(10,564,701)
Provision against carrying value	(15,021)	(4,771,417)
	3,108,215	3,123,236
At 31 December	3,108,215	3,123,236

At 31 December 2013 the company owned the entire share capital of the following subsidiary, which is registered in England and Wales:

	Proportion and class of shares held	Loss for the year ended 31 December 2013 £	Capital and reserves at 31 December 2013 £
IVG Developments (Broadway) Limited - property development	100% of ordinary shares	(15,019)	3,108,215

### 7 Debtors

	2013 £	2012 £
Amounts due from group undertakings	156,230	250,001
Other debtors	-	3,718
	156,230	253,719
	156,230	253,719

Included within debtors is an amount of £156,230 (2012 - £Nil) which falls due for repayment after one year.

### 8 Creditors: amounts falling due within one year

	2013 £	2012 £
Accruals and deferred income	10,000	27,501
	10,000	27,501

## IVG Development (UK) Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (continued)

9 Called up share capital	2013 Number	Allotted, issued and fully paid 2012 Number	2013 £	2012 £
Ordinary shares of £1 each	4,012,747	4,012,747	4,012,747	4,012,747
<b>10 Profit and loss account</b>				
			2013 £	2012 £
At 1 January			(609,857)	14,384,841
Dividend			-	(10,564,701)
Loss for the year			(138,341)	(4,429,997)
At 31 December			(748,198)	(609,857)
A dividend of £Nil (2012 - £10,564,701) was paid during the year.				
<b>11 Reconciliation of movements in shareholder's funds</b>				
			2013 £	2012 £
At 1 January			3,402,890	18,397,588
Dividend			-	(10,564,701)
Loss for the year			(138,341)	(4,429,997)
At 31 December			3,264,549	3,402,890

### 12 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.