

Goodman Real Estate Developments (2003)

**Directors' report and financial
statements**

Registered number 1464587
For the year ended 30 June 2018



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Officers and professional advisers

Directors

A J Johnston (resigned 31 December 2017)
J M Cornell
R P Reed
P C Ralston (appointed 18 January 2018)

Company Secretary

Anocsec Limited

Registered office

Nelson House
Central Boulevard
Blythe Valley Park
Solihull
West Midlands
B90 8BG

Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Directors' report

The directors present their report and the audited financial statements of Goodman Real Estate Developments (2003) ('the Company') for the year ended 30 June 2018. The Company is registered as an unlimited company.

Principal activity

The Company's principal activity is investment in property holding entities.

Business review and future developments

During the year the Company transferred one investments to a fellow group company, and took steps to dissolve its remaining investments. The remaining investments held at year end were all dissolved after the year end.

Results and dividends

The Company's result for the financial year is £nil (2017: £nil).

The directors do not recommend the payment of a dividend in respect for the year ended 30 June 2018 (2017: £nil).

Director and directors' interests

The following served as directors during the year and up to the date of this report unless otherwise stated:

A J Johnston (resigned 31 December 2017)

J M Cornell

R P Reed

P C Ralston (appointed 18 January 2018)

None of the directors had any interest at any time during the year in the shares of the company.

Small company exemption

In preparing the Directors' report, the directors have taken advantage of the small companies exemption under section 414B of the Companies Act 2006 not to prepare a Strategic report.

Auditor

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

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 the 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.

By order of the board



C Gow
Ancosec Limited
Secretary

Registered Office
Nelson House
Central Boulevard
Blythe Valley Park
Solihull, West Midlands
B90 8BG
Z March 2019

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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; and
- assess the company's ability to continue as going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOODMAN REAL ESTATE DEVELOPMENTS (2003)

Opinion

We have audited the financial statements of Goodman Real Estate Developments (2003) ("the company") for the year ended 30 June 2018 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOODMAN REAL ESTATE DEVELOPMENTS (2003) (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

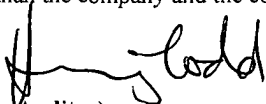
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Henry Todd (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
London
E14 5GL

29 March 2019

Statement of comprehensive income
for the year ended 30 June 2018

	<i>Note</i>	2018 £000	2017 £000
Income from fixed asset investments	6	1,783	-
Profit on disposal of subsidiaries	6	68	-
Reversal of prior year impairment of fixed asset investments	6	2,470	-
		<hr/>	<hr/>
Profit before taxation	3	4,321	-
Tax on profit	5	-	-
		<hr/>	<hr/>
Profit for the financial year		4,321	-
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income		4,321	-
		<hr/>	<hr/>

All amounts above relate to continuing activities.

There are no other items of comprehensive income other than the profit for the year.

The notes on pages 9 to 14 form an integral part of these financial statements.

Statement of changes in equity
for the year ended 30 June 2018

	Share Capital	Profit and loss account	Total Equity
	£000	£000	£000
At 1 July 2016	4,300	(3,787)	513
Result for the year	-	-	-
Total comprehensive income for the year	-	-	-
At 30 June and 1 July 2017	4,300	(3,787)	513
Profit for the year	-	4,321	4,321
Total comprehensive income for the year	-	4,321	4,321
Shares issued in the year	5,202	-	5,202
Total contributions by and distributions to owners	5,202	-	5,202
At 30 June 2018	9,502	534	10,036

The notes on pages 9 to 14 form an integral part of these financial statements.

Statement of financial position
at 30 June 2018

	<i>Note</i>	2018 £000	2017 £000
Fixed assets			
Investments	6	-	-
		<hr/>	<hr/>
		-	-
Current assets			
Debtors – due within one year	7	30,310	50,791
Creditors: amounts falling due within one year	8	(20,274)	(50,278)
		<hr/>	<hr/>
Net current assets		10,036	513
		<hr/>	<hr/>
Net assets		10,036	513
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	9,502	4,300
Profit and loss account		534	(3,787)
		<hr/>	<hr/>
Shareholders' funds		10,036	513
		<hr/>	<hr/>

The notes on pages 9 to 14 form an integral part of these financial statements. The company registration is 1464587.
 These financial statements were approved by the board of directors on 25 March 2019 and were signed on its behalf by:



R P Reed
Director

Notes

(forming part of the financial statements)

1 Statement of compliance

Goodman Real Estate Developments (2003) (the "Company") is a private company, incorporated, domiciled and registered in England and Wales in the UK. The registered office is Nelson House, Central Boulevard, Blythe Valley Park, Solihull, West Midlands, B90 8BG.

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost accounting rules.

The functional and presentation currency of these financial statements is sterling, rounded to the nearest £1,000.

The directors consider it is appropriate to prepare the Financial Statements on a going concern basis. This is because they consider there to be sufficient funds to allow the Company to meet its liabilities as they fall due.

Disclosure exemptions

The entity satisfies the criteria of being a qualified entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Goodman Limited, a company incorporated in Australia listed on the Australian Securities Exchange, which can be obtained from: Level 17, 60 Castlereagh Street, Sydney, NSW 2000, Australia. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) The requirement to present group financial statements.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) Disclosures in respect of related party transactions with entities which are wholly owned within the Goodman Limited group have not been presented.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Interest

Interest payable is expensed through the profit and loss account as incurred.

Income from fixed asset investments

Dividend income is recognised through the profit and loss account when the dividend is declared by the controlled entity.

Notes (continued)

2 Accounting policies (continued)

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the profit loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that, it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date, that are expected to apply to the reversal of the timing difference.

Investments

Fixed asset investments are held at cost less any provision for impairment.

The directors annually consider the impairment of each asset and assess its long term recoverability.

Debtors

Receivables comprise trade and other receivables and loans to fellow group companies and are recognised on the date that they are originated, initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest rate method, less any impairment losses.

Creditors

Payables comprise trade and other payables and loans from fellow group companies and are recognised on the date that they are originated, initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest rate method.

Accounting estimates and judgements

The preparation of financial statements requires the Company to make judgements, estimates and assumptions that affect items reported in the statement of financial position and statement of comprehensive income and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these judgements and estimates are based on management's best knowledge of current facts, circumstances and, to some extent, future events and actions, actual results ultimately may differ from these judgements and estimates, possibly significantly. The estimates, assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects that year only, or in the year of revision and future periods if the revision affects current and future periods.

Critical accounting judgement – valuation of investment in controlled entities

Refer to Note 6 Investments.

Notes (continued)

3 Profit before taxation

Audit fees are borne by a fellow group company are as follows:

	2018 £	2017 £
Fees for the statutory audit of the Company	3,529	2,941

Fees for the statutory audit of the Company represent the amount receivable by the Company's auditor. The amount is not borne by the company but by a fellow group company, Goodman Real Estate Adviser (UK) Limited. Fees paid to the Company's auditor, KPMG LLP, and its associates for services other than the statutory audit of the Company are not disclosed in these accounts since the consolidated accounts of the ultimate parent undertaking, Goodman Limited, are required to disclose non-audit fees paid to KPMG LLP on a consolidated basis.

4 Directors' remuneration

The emoluments of Mr A J Johnston, Mr J M Cornell, Mr P C Ralston and Mr R P Reed were paid by Goodman Real Estate Adviser (UK) Limited, a fellow subsidiary of Goodman Limited. Total directors' remuneration disclosures, as required by Company law, are included in the respective financial statements.

It is not considered appropriate, given that there is no sensible apportionment of their time, to allocate directors' remuneration to the Company. No portion of the costs have been recharged to the Company.

The Company did not employ any staff other than the directors in the current or prior years.

5 Taxation

a) No tax charge arose in the year (2017: £nil).

b) Factors affecting current tax charge

The tax assessed on the profit for the period is the same as the effective rate of corporation tax of 19.0% (2017: 19.75%).

	2018 £000	2017 £000
Profit before tax	4,321	-
Profit multiplied by the effective rate of corporate tax at 19.0% (2017: 19.75%)	821	-
Non-taxable receipts	(808)	-
Profit on disposal of subsidiaries	(13)	-
Group relief received	-	-
Total current tax	-	-

A deferred tax asset of £83,577 (2017: £167,832) has not been recognised on the basis that there is uncertainty over the ability to recover its benefit.

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

No payment is received for group relief surrendered.

Notes (continued)

6 Investments

During the year, the Company transferred its investment in Harbour Properties Limited for £67,546, realising a gain of £67,546 on disposal. This gain has been recognised within "Profit on disposal of subsidiaries" in the statement of comprehensive income.

During the year the Company received the following dividends from its wholly owned subsidiaries:

Goodman Real Estate Investments (UK) Limited	£1,097,715
Goodman Real Estate Holdings 1993 (UK) Limited	£675,955
Goodman Kettering (UK) Limited	£431
Gloucester Business Park Limited	£9,302

During the year the Company received the following returns of share capital from its wholly owned subsidiaries:

Goodman Real Estate Investments (UK) Limited	£2
Goodman Real Estate Holdings 1993 (UK) Limited	£330,000
Coventry Business Park Limited	£556,019
Birmingham Business Park Limited	£1,021,419
Oxford Business Park (South) Limited	£562,864
Goodman Kettering (UK) Limited	£100
Gloucester Business Park Limited	£2

All of the above investments had been fully provided against in prior years, and as a consequence the monies received were recognised as a gain in the current year. This impairment gain has been recognised within "Reversal of prior year impairment of fixed asset investments" in the statement of comprehensive income.

	2018 £000	2017 £000
Cost		
At the beginning of the year	7,505	7,505
Share capital returned in the year	(2,471)	-
Shares transferred in the year	(66)	-
At the end of the year	4,968	7,505
Provision for impairment		
At the beginning of the year	(7,505)	(7,505)
Released during the year	2,471	-
Shares transferred in the year	66	-
At the end of the year	(4,968)	(7,505)
Carrying value at the beginning and end of year	-	-

Notes (continued)

7 Debtors: amounts falling due within one year

	2018 £000	2017 £000
Amounts due by group companies	30,310	55,106

Amounts due from group companies are unsecured, interest free and repayable on demand.

8 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to group companies	20,274	54,593

Amounts due to group companies are unsecured, interest free and repayable on demand.

9 Share capital

	2018 £000	2017 £000
<i>Allotted, called up and fully paid</i>		
475,100,149 ordinary shares of 2p (2017: 214,999,999)	9,502	4,300
At the beginning of the year	4,300	4,300
Shares issued in the year	5,202	-
At the end of the year	9,502	4,300

10 Subsidiary companies

At 30 June 2018 the Company had the following subsidiaries, all of which have the same registered address as the Company:

Name	Country of registration	Share Class	Percentage of shares held %
Goodman Securities Operations (UK) Limited	United Kingdom	Ordinary	100
Goodman Real Estate Investments (UK) Limited	United Kingdom	Ordinary	100
Goodman Real Estate Holdings 1993 (UK) Limited	United Kingdom	Ordinary	100
Coventry Business Park Limited	United Kingdom	Ordinary	100
Birmingham Business Park Limited	United Kingdom	Ordinary	100
Oxford Business Park (South) Limited	United Kingdom	Ordinary	100
Goodman Kettering (UK) Limited	United Kingdom	Ordinary	100
Gloucester Business Park Limited	United Kingdom	Ordinary	100

In April 2018 steps were taken to request that all of the above subsidiaries be voluntarily struck off under Section 1003 of the Companies Act 2006.

Notes *(continued)*

11 Events after the balance sheet date

On 14 August 2018 all the subsidiaries of the Company, with the exception of Oxford Business Park (South) Limited, were dissolved.

On 27 November 2018 Oxford Business Park (South) Limited was dissolved.

12 Ultimate parent company

The immediate parent undertaking is Goodman Real Estate Services (UK) Limited, whose registered address is Nelson House, Central Boulevard, Blythe Valley Park, Solihull, West Midlands, B90 8BG.

The ultimate parent undertaking is Goodman Limited, a company domiciled in Australia, whose accounts consolidate the results of the Company and are available from Goodman Limited (Registered address: Level 17, 60 Castlereagh Street, Sydney NSW 2000). Goodman Limited is the smallest and largest group which includes the Company and for which consolidated financial statements are prepared.

This company's registered address is:

Nelson House
Central Boulevard
Blythe Valley Park
Solihull
West Midlands
B90 8BG