

**GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

**REGISTERED NUMBER 02350937**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2012**

**TUESDAY**



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# **GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2012**

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# **GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

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

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The Company's principal activity is the management and maintenance of Arlington Business Park, Reading. No change to the activity of the Company is anticipated.

As the Company is a small company, the report has been prepared in accordance with the small companies' regime of the Companies Act 2006.

### **RESULT**

The result for the financial year after taxation amounted to £nil (2011: £nil). Details are disclosed on page 6.

### **DIRECTORS**

The Directors who held office during the year and up to the date of signing the financial statements are given below:

J M Cornell	
A J Johnston	
E J E Neilson	
R J Potter	
R P Reed	(alternative director to E J E Neilson)

# **GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)**

### **DISCLOSURE OF INFORMATION TO AUDITOR**

In the case of each of the persons who are directors at the time when the report is approved, the following applies

- So far as each director are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- He or she has taken all the steps that he or she ought to have taken as a director in order to make himself or herself 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 will be deemed to be reappointed and KPMG LLP will therefore continue in office

### **DIRECTORS' INDEMNITIES**

The Company maintains liability insurance for its Directors and officers. Throughout the year to 31 December 2012, the Company has also provided an indemnity for its Directors and the Secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006

### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

The Company made no charitable donations in the year (2011 £nil) and no political donations were made in the year (2011 £nil)

### **POLICY AND PRACTICE ON PAYMENT OF CREDITORS**

The Company agrees payment terms with its suppliers on an individual contract basis rather than following a standard code. The policy is to abide by these agreed terms whenever it is satisfied that the suppliers have provided the goods or services in accordance with the contract terms and conditions. Acting in accordance with this policy, at 31 December 2012 the creditor days were 0 days (2011 21 days) in respect of suppliers of invoiced goods and services. These figures exclude amounts not currently due for payment but included within trade creditors

For and on behalf of  
**Ancosec Limited (Secretary)**



**Alison Wellman**

**Date:** 14/3/13

Arlington House  
Arlington Business Park  
Theale  
Reading  
RG7 4SA

# **GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

## **STATEMENT OF 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 judgements and accounting estimates that are reasonable and prudent,
- 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 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 GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

We have audited the financial statements of Goodman Business Parks Reading Management (UK) Limited for the year ended 31 December 2012 set out on pages 6 to 14, 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 the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Statement of Directors' Responsibilities (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. 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/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 2012 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOODMAN BUSINESS  
PARKS READING MANAGEMENT (UK) LIMITED (CONTINUED)**

**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 prepare the financial statements and the Directors' Report in accordance with the small companies regime



Bill Holland (Senior statutory auditor)  
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
London  
E14 5GL

20th March 2013

# GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
<b>TURNOVER</b>	2	<b>469,055</b>	<b>489,312</b>
Cost of sales		(466,423)	(486,633)
<b>GROSS PROFIT</b>		<b>2,632</b>	<b>2,679</b>
Administrative expenses		(3,061)	(2,946)
<b>OPERATING LOSS</b>	3	<b>(429)</b>	<b>(267)</b>
Interest receivable and similar income		534	368
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>105</b>	<b>101</b>
Tax on profit on ordinary activities	4	(105)	(101)
<b>RESULT FOR THE FINANCIAL YEAR</b>		<b>-</b>	<b>-</b>

All amounts above relate to continuing operations

The Company has no recognised gains or losses other than those included in the result above 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 result for the financial years stated above and their historical cost equivalents

Notes on pages 8 – 14 form part of the financial statements



# GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2012

	Note	2012 £	2011 £
<b>CURRENT ASSETS</b>			
Debtors	5	55,034	25,362
Cash at bank and in hand		157,357	203,217
		<hr/>	<hr/>
		212,391	228,579
<b>CREDITORS, AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	6	(212,275)	(228,463)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		116	116
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	116	116
		<hr/>	<hr/>
<b>TOTAL SHAREHOLDERS' FUNDS</b>	8	116	116
		<hr/>	<hr/>

The annual report has been prepared in accordance with the small companies' regime of the Companies Act 2006

The financial statements on pages 6 to 14 were approved by the board of directors on 14 2013 and were signed on their behalf by



**E J E Neilson**  
**Director**  
 Goodman Business Parks Reading Management (UK) Limited  
 Registered number 02350937

# **GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

### **1 ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements 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

The principal accounting policies are set out below

#### **1.1 Turnover**

Turnover is recognised based on the agreed annual budget for park management costs which is charged to the freeholders on a quarterly basis. This is adjusted for any over/under spending at year end. Turnover is recognised exclusive of value added tax.

#### **1.2 Deferred income**

Deferred income is recognised when park management fees are invoiced in advance in respect of subsequent years.

Deferred income is also recognised when there is an underspend compared to the annual budget notified to the freeholders.

#### **1.3 Accrued income**

Accrued income is recognised when there is an overspend compared to the annual budget notified to the freeholders.

#### **1.4 Taxation**

UK corporation tax is provided at amounts expected to be paid using the tax rates prevailing and laws in force or substantively enacted by the balance sheet date.

#### **1.5 Cash flow statement**

In accordance with FRS 1, 'Cash Flow Statements (revised 1996)', the company has taken advantage of the exemption available for small companies not to prepare a cash flow statement.

### **2. TURNOVER**

Turnover represents service charges made to the owners/occupiers of Arlington Business Park, Reading.

# GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

### 3 OPERATING LOSS

#### Services provided by the company's auditor and network firms

During the year, the Company obtained the following services from the Company's auditor at costs as detailed below

	2012 £	2011 £
<b>Audit services</b>		
Fees payable to company's auditor for the audit of the Company's statutory accounts	2,503	2,396
	<hr/>	<hr/>
	2,503	2,396
	<hr/>	<hr/>

No directors received any emoluments during the year for their services as directors (2011 £nil)

The company has no employees (2011 none) All staff requirements are provided by Goodman Real Estate Adviser (UK) Limited

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

No provision has been made for corporation tax in the financial statements, save for tax on bank interest received, on the grounds that the Company is a mutual trader There was no recognised or unrecognised deferred tax in the year

	2012 £	2011 £
<b>Current tax.</b>		
UK corporation tax on interest receivable	131	101
Adjustments from previous periods	(26)	-
	<hr/>	<hr/>
Tax on interest receivable	105	101
	<hr/>	<hr/>

# GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The tax assessed for the year is lower than (2011 higher than) the standard effective rate of corporation tax in the UK (24.5%) (2011 26.5%). The differences are explained below

	2012 £	2011 £
Interest receivable	534	368
Interest receivable multiplied by the standard rate in the UK (24.5%) (2011 26.5%)	131	98
Adjustments from previous periods	(26)	3
Current tax charge for the year	105	101

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014 and the December 2012 Autumn Statement announced a planned further reduction to 21% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

This will reduce the company's future current tax charge accordingly.

### 5 DEBTORS

	2012 £	2011 £
Trade debtors	54,610	25,101
Other debtors	424	261
	55,034	25,362

# GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

### 6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade creditors	-	28,257
Other creditors	23,742	20,296
Corporation tax	131	101
Accruals and deferred income	188,402	179,809
	<hr/>	<hr/>
	212,275	228,463
	<hr/>	<hr/>

### 7. CALLED UP SHARE CAPITAL

	2012 £	2011 £
<b>Allotted and fully paid:</b>		
2 'A' ordinary shares of £1 each	2	2
114 'B' ordinary shares of £1 each	114	114
	<hr/>	<hr/>
	116	116
	<hr/>	<hr/>

'A' shares are held by Arlington Business Park Partnership, through its general partner, on behalf of Arlington Business Parks GP Limited, during the development stage and until the business park is fully occupied

'A' and 'B' shareholders have no entitlement to any dividend from the company 'A' and 'B' shares have equal rights upon winding up of the company

Until 'B' shares have been allotted to freeholders in respect of the whole of the park, the holder of an 'A' share shall on a poll have that number of votes equal to the number of 'A' ordinary shares and 'B' ordinary shares in aggregate, and thereby retain ultimate control of the company

Once 'B' shares have been allotted in respect of the whole of the business park 'B' ordinary shares gain full voting rights and 'A' ordinary shares no longer carry any rights to receive notice of or to attend and vote at any Annual General Meeting of the company

# GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

### 8 TOTAL SHAREHOLDERS' FUNDS

	2012 £	2011 £
As at 1 January and 31 December	<u>116</u>	<u>116</u>

### 9 RELATED PARTY DISCLOSURES

Arlington Business Park Partnership controls the majority of voting rights of the company through its general partner, Arlington Business Parks GP Limited, a subsidiary undertaking of Goodman UK Limited. Goodman UK Limited and its subsidiaries provide services to the company as described below.

Goodman Business Services (UK) Limited and Goodman Real Estate Adviser (UK) Limited, wholly owned subsidiaries of Goodman UK Limited, provide business park management services to the company at arm's length, the cost of these are detailed in the table below.

During the year the company provided park management services to Arlington Business Park Partnership the value of which is detailed in the table below.

#### Transactions and balances in 2012

	Sales to related party £	Purchases from related party £	Amounts owed from related party £	Amounts owed to related party £
<b>Related parties</b>				
ABPGP 1 Limited and ABPGP 2 Limited	84,453	-	-	-
ABPGP S1 Limited and ABPGP S2 Limited	179,780	-	-	-
Goodman Business Services (UK) Limited	-	119,552	234	550
Arlington Business Park Partnership	-	(160)	-	141
Goodman Real Estate Adviser (UK) Limited	-	14	-	14

#### Transactions and balances in 2011:

	Sales to related party £	Purchases from related party £	Amounts owed from related party £	Amounts owed to related party £
<b>Related parties</b>				
ABPGP 1 Limited and ABPGP 2 Limited	87,425	-	-	-
ABPGP S1 Limited and ABPGP S2 Limited	186,110	-	-	-
Goodman Business Services (UK) Limited	-	112,087	-	593
Arlington Business Park Partnership	-	351	-	351
Goodman Real Estate Adviser (UK) Limited	-	550	-	550

# **GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)**

### **10 ULTIMATE PARENT COMPANY**

The directors regard Arlington Business Park Partnership as the ultimate parent and controlling party, by virtue of the fact that it holds 100% of the 'A' ordinary shares through Arlington Business Parks GP Limited, the Partnership's general partner

Arlington Business Park Partnership is the smallest and largest group to consolidate these financial statements and is registered in Arlington House, Arlington Business Park, Theale, Reading, Berkshire, RG7 4SA. Copies of the consolidated accounts of the above partnership are not publically available

# GOODMAN BUSINESS PARKS READING MANAGEMENT (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

### 11 BREAKDOWN OF ANNUAL EXPENDITURE

	2012 £	2011 £
<b>Management</b>		
Management fees	43,250	42,000
Site management resources - Staff costs	46,850	42,750
Site management resources - Site accommodation	20,100	19,800
Site management resources - Help desk	5,550	5,400
Health and safety	1,546	1,606
<b>Utilities</b>		
Electricity	5,218	7,153
Electricity procurement	-	-
Water	(469)	2,354
<b>Soft services</b>		
Security guarding	148,288	145,640
Security systems	12,629	13,611
Pest control	4,950	3,510
External landscaping	118,000	119,675
Water feature	25,889	34,824
<b>Hard services</b>		
Mechanical and electrical - Repairs	11,527	23,924
Mechanical and electrical - Light maintenance	3,071	2,982
Fabric - Road repairs	1,272	560
Fabric - Road maintenance	7,131	3,496
<b>Insurance</b>		
Insurance	776	344
Bank charge	12	37
<b>Major works</b>		
Major works	10,833	16,967
<b>Cost of sales</b>	<b>466,423</b>	<b>486,633</b>
Administrative expenses	3,061	2,946
Interest receivable	(534)	(368)
Corporation tax	105	101
<b>Amount rechargeable to freeholders</b>	<b>469,055</b>	<b>489,312</b>