

GLENSTREET PROPERTY MANAGEMENT LIMITED

Annual Report
For the year ended 31 December 2017



Company Registration Number: 02670832

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Board of Directors

Paul Edward Hare	Director
Andrew David Poole	Director
Claire Elizabeth Anne Shepherd	Director

Company Secretary

Paul Edward Hare

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their Annual Report and the Financial Statements for the year ended 31 December 2017.

Profile

Glenstreet Property Management Limited (the "Company") is a wholly owned subsidiary of DLJ UK Investment Holdings Limited, a company incorporated in the UK. The ultimate parent of the Company is Credit Suisse Group AG ("CS group"), which is incorporated in Switzerland.

Principal activities

The principal activity of the Company is property services management. Currently, the Company is the managing agent of 5 Canada Square, Canary Wharf, London.

Business review

There have been no significant changes in the Company's principal activities compared to previous years. There are no significant developments or factors which will have a major impact on the continued success or operation of the business in the future.

Performance

The performance of the Company is explained through the key movements in its Profit and loss account and Statement of Financial Position.

Profit and loss account

The loss for the year was GBP 10,262 (2016: GBP 10,252). The loss in the current and previous year is driven by administrative expenses.

Statement of Financial Position

As at 31 December 2017, the Company had total assets of GBP 1,994,996 (2016: GBP 1,989,103) which mainly comprise cash and cash equivalents. The Company had a net asset position of GBP 1,696,945 (2016: GBP 1,707,207). There is no significant variance in total assets and net assets compared to 2016.

Key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The main risk facing the Company is credit risk. Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet part or all of their obligations. However, given that the majority of the assets as at 31 December 2017 are with entities within the CS group, credit risk is not considered a significant risk.

Approved by the Board of Directors on 31 August 2018 and signed on its behalf by:

Andrew David Poole
Director



One Cabot Square
London E14 4QJ
31 August 2018

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Basis of preparation

The Financial Statements have been prepared on a going concern basis and 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.

Share capital

There were no changes in the Share Capital during the year (2016: GBP nil).

Dividends

No dividends were paid or are proposed for the year ended 31 December 2017 (2016: GBP nil).

Directors

The names of the Directors as at the date of this report are set out on page 3. There are below changes in the directorate since 31 December 2016.

Stuart Beety	Resigned	31 December 2017
Andrew David Poole	Appointed	31 December 2017
Claire Elizabeth Anne Shepherd	Appointed	31 December 2017

None of the Directors who held office at the end of the financial year were beneficially interested, at any time during the year, in the shares of the Company. All Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Statement of Directors' responsibilities in respect of the Strategic Report, 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 applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 estimates that are reasonable and prudent; and
- assess the company's ability to continue as a 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.

Disclosure of information to the 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.

Auditor

Pursuant to section 487 of the Companies Act 2006, KPMG LLP continues in office as the Company's auditor.

Subsequent events

There are no subsequent events that require disclosure or adjustment to the Financial Statements as at the date of this report.

Approved by the Board of Directors on 31 August 2018 and signed on its behalf by:



Claire Elizabeth Anne Shepherd
Director

One Cabot Square
London E14 4QJ
31 August 2018

Company Registration Number: 02670832

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENSTREET PROPERTY MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Glenstreet Property Management Limited ("the company") for the year ended 31 December 2017, which comprise the Statement of Income, the Statement of Financial Position, the Statement of Changes in Equity, and related notes.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of 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.

Going concern

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

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.

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENSTREET PROPERTY MANAGEMENT LIMITED

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.



Alexander Snook

(Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

5 September 2018

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 GBP	2016 GBP
Interest income	4	3,848	9
Interest expense	4	-	(6)
Net interest income		3,848	3
 Administrative expenses	 5	 (16,578)	 (12,787)
Loss before tax		(12,730)	(12,784)
 Income tax benefit	 6	 2,468	 2,532
Loss for the year		(10,262)	(10,252)

There is no other comprehensive income in the current and prior year. Accordingly, Statement of Other Comprehensive Income is not provided.

Results for 2017 and 2016 are from continuing operations.

The notes on pages 12 to 18 form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	2017 GBP	2016 GBP
Assets			
Current assets			
Cash and cash equivalents	7	1,979,442	1,976,609
Deferred tax	6	614	749
Other assets	8	14,940	11,745
Total current assets		1,994,996	1,989,103
Total assets		1,994,996	1,989,103
Liabilities			
Current liabilities			
Creditors	9	298,051	281,896
Total current liabilities		298,051	281,896
Total liabilities		298,051	281,896
Shareholder's equity			
Share capital	10	2	2
Retained earnings		1,696,943	1,707,205
Total shareholder's equity		1,696,945	1,707,207
Total liabilities and shareholder's equity		1,994,996	1,989,103

The notes on pages 12 to 18 form an integral part of these Financial Statements.

Approved by the Board of Directors on 31 August 2018 and signed on its behalf by:



Claire Elizabeth Anne Shepherd
Director

Company Registration Number: 02670832

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital	Retained earnings	Total Shareholder's equity
	GBP	GBP	GBP
Balance as at 1 January 2017	2	1,707,205	1,707,207
Loss for the year	-	(10,262)	(10,262)
Balance as at 31 December 2017	2	1,696,943	1,696,945
Balance as at 1 January 2016	2	1,717,457	1,717,459
Loss for the year	-	(10,252)	(10,252)
Balance as at 31 December 2016	2	1,707,205	1,707,207

The notes on pages 12 to 18 form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General

Glenstreet Property Management Limited (the "Company") is domiciled in the United Kingdom. The principal activity of the Company is property management services. Currently, the Company is the managing agent of 5 Canada Square, Canary Wharf, London. The Company's registered office is at One Cabot Square, London E14 4QJ.

2. Going concern

The Financial Statements have been prepared on a going concern basis, as the Company is currently engaged in the provision of property management services and is expected to do so in the foreseeable future. Whilst the Company does not receive any income from the provision of property management services, the Directors expect future obligations to be funded out of the Company's own resources.

3. Accounting policies

a. Basis of preparation

The Financial Statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The Financial Statements are presented in Pound Sterling ('GBP'). They are prepared on the historical cost basis.

The Company's ultimate parent undertaking, CS group includes the Company in its consolidated Financial Statements. The consolidated Financial Statements of CS group are prepared in accordance with US GAAP and are available to the public and may be obtained from CS group, Paradeplatz 8, 8070 Zurich, Switzerland. In these Financial Statements, the Company is considered to be a qualifying entity for the purposes of FRS 102 and has applied the exemptions available under FRS 102 in respect of the Cash Flow Statement and related notes.

As the consolidated Financial Statements of CS group include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect the disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

b. Segment information

The Company has not disclosed segmental information because in the opinion of the Directors, the Company has only one class of business and operates in one market, which is the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

c. Foreign currency

The Company's functional currency is Pound Sterling (GBP). Transactions denominated in currencies other than the functional currency of the Company are recorded by remeasuring to the functional currency of the Company at the exchange rate on the date of the transaction. At the reporting date, monetary assets and liabilities such as receivables and payables are reported using the spot exchange rates applicable at that date. Non-monetary assets and liabilities denominated in foreign currencies at the reporting date are not revalued for movements in foreign exchange rates. Foreign exchange differences arising from remeasurement are recognised in the Profit and loss account.

d. Debtors and creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. These values approximate the fair value due to the short-term nature.

e. Cash and cash equivalents

Cash and cash equivalents is defined as short-term, highly liquid instruments with original maturities of three months or less and that are held for cash management purposes. Cash at bank comprise cash deposited with related companies.

f. Income tax and deferred tax

Income tax recognised in the Statement of Income for the year comprises current and deferred tax. Income tax is recognised in the Statement of Income except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity. For items initially recognised in equity and subsequently recognised in the Statement of Income, the related income tax initially recognised in equity is also subsequently recognised in the Statement of Income.

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years. Current tax is calculated using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax-base. The amount of deferred tax provided is based on the amount at which it is expected to recover or settle the carrying amount of assets and liabilities in the Statement of Financial Position, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Information as to the calculation of income tax on the profit or loss for the periods presented is included in Note 6.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

g. Interest income and expense

Interest income and expense are recognised on an accrual basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

4. Interest income and expense

	2017 GBP	2016 GBP
Interest income/(expense) on deposit	3,848	(6)
Interest income on bank account	-	9
	3,848	3

5. Administrative expenses

	2017 GBP	2016 GBP
Auditor's remuneration for statutory audit	(10,626)	(10,626)
Bank charges	(422)	-
Other administrative expenses	(5,530)	(2,161)
	(16,578)	(12,787)

The other administrative expenses majorly include VAT on Audit Fees.

6. Taxation

a. Analysis of tax benefit for the year

	2017 GBP	2016 GBP
<u>Current tax</u>		
UK corporation tax on loss for the period	2,603	2,750
Total current tax benefit	2,603	2,750
<u>Deferred tax</u>		
Origination and reversal of temporary differences	(135)	(193)
Effect of changes in tax rate	-	(25)
Total deferred tax charge	(135)	(218)
Total income tax benefit	2,468	2,532

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

b. Factors affecting the tax benefit for the year

The tax benefit for the period can be reconciled to the statutory rate of corporation tax in the UK of 19.25% (2016: 20%) as follows:

	2017 GBP	2016 GBP
Loss before tax	(12,730)	(12,784)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.25% (2016: 20%)	2,450	2,557
Effects of:		
Differential in movement in deferred taxes to that at statutory tax rate	18	-
Effect of change in tax rate	-	(25)
Total income tax benefit	2,468	2,532

c. Deferred tax

	2017 GBP	2016 GBP
Decelerated capital allowances	614	749
Total deferred tax asset	614	749

	2017 GBP	2016 GBP
Opening balance	749	967
Charge to income for the year	(135)	(193)
Effect of tax rate change	-	(25)
Deferred tax asset at 31 December	614	749

Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 17% (2016: 17%).

Legislation has been enacted which reduces the UK corporation tax rate to 19% with effect from 1 April 2017 and then 17% with effect from 1 April 2020.

The above tax rate reductions resulted in a Nil (2016: £25) impact to the company's net deferred tax asset as at 31 December 2017.

7. Cash and cash equivalents

	2017 GBP	2016 GBP
Cash at bank	26,177	26,604
Short term money market deposit	1,953,265	1,950,005
	1,979,442	1,976,609

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

Cash at bank relates to bank account held with Credit Suisse AG, Zurich. Short term money market deposit is held with Credit Suisse AG, London Branch.

The effective rate of interest on the short term money market deposit as at 31 December 2017 is 0.79% (2016: 0.01%). The average interest reset period on the short term borrowings is 30 days (2016: 30 days).

8. Other assets

	2017	2016
	GBP	GBP
Amounts due from related company	6,009	6,009
Interest accrued	592	-
Group relief receivable	8,249	5,646
VAT receivable	90	90
	14,940	11,745

9. Creditors

	2017	2016
	GBP	GBP
Amounts due to related companies	272,551	269,146
Audit fees payable	25,500	12,750
	298,051	281,896

10. Share capital

	2017	2016
	GBP	GBP
Authorised:		
Equity		
100 ordinary shares of GBP 1 each	100	100
Allotted, called up and fully paid:		
Equity		
2 ordinary shares of GBP 1 each	2	2

There were no changes in share capital during the year (2016: GBP nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

11. Related party transactions

The Company is a wholly owned subsidiary of DLJ UK Investment Holdings Limited. The ultimate holding company is CS group, which is incorporated in Switzerland.

Copies of consolidated financial statements of the ultimate holding company, which are those of the smallest and largest groups in which the results of the Company are consolidated, are available to the public and may be obtained from the CS group.

During the course of its business, the Company entered into agreements and transactions with related parties detailed as follows:

a) Related party assets

	Fellow Group companies	Fellow Group companies
	2017	2016
	GBP	GBP
Assets		
Cash and cash equivalents	1,979,442	1,976,609
Amounts due from related company	6,009	6,009
Interest accrued	592	-
Total	1,986,043	1,982,618
Liabilities		
Creditors	272,551	269,146
Total	272,551	269,146

For UK corporation tax purposes, the Company may surrender or claim certain losses from another UK Group Company. The Group relief receivable for year ended 31 December 2017 is GBP 8,249 (2016: GBP 5,646).

b) Related party income and expenses

	Fellow Group companies	Fellow Group companies
	2017	2016
	GBP	GBP
Interest income	3,848	9
Interest expense	-	(6)
Bank charges	(422)	-
Total	3,426	3

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

12. Employees

The Company had no employees during the year (2016: nil).

13. Directors' emoluments

The Directors did not receive any remuneration in respect of their services as Directors of the Company (2016: GBP nil). The Directors and Key Management Personnel are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these Directors and Key Management Personnel.

All Directors benefitted from qualifying third party indemnity provisions.

14. Subsequent events

There are no subsequent events that require disclosure in or adjustment to the Financial Statements as at the date of this report.