

Tishman Speyer Properties UK Limited

Report and Financial Statements

31 December 2021



Tishman Speyer Properties UK Limited

Company Information

Registered No: 3556917

Directors

G Hatzmann	
B Penaud	
D Nicholson	(resigned 12 March 2021)
E Aryas	(appointed 10 September 2021)

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers

ING Bank N.V., London branch
60 London Wall
London
EC2M 5TQ

Registered Office

10 Bressenden Place
London
SW1E 5DH

Tishman Speyer Properties UK Limited

Strategic report

Principal activity and review of the business

Tishman Speyer Properties UK Limited is a subsidiary of Tishman Speyer Properties LP, a property management company based in the United States.

The Group's principal activity during the year continued to be the provision of property and fund management services. Its services include advice in relation to acquisitions, disposals and development of commercial real estate, marketing and leasing, property and asset management as well as fundraising.

The Group is registered with the Financial Conduct Authority (FCA) in the UK and its parent Tishman Speyer Properties L.P. is registered with the Securities and Exchange Commission (SEC) in the United States. The Group's affiliate, TS Europe S.à r.l, is authorised as an EEA Alternative Investment Fund Manager (AIFM) by the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg.

The Group's key financial and other performance indicators during the year were as follows:

	2021 £000	2020 £000	Change %
Turnover	42,429	39,928	6.3%
Operating profit	3,034	1,700	78.5%
Profit after tax	2,494	1,867	33.6%
Shareholders' funds	7,953	5,616	41.6%
Current assets as % of current liabilities	168%	140%	
Average monthly number of employees	103	104	(1.6%)

Turnover increased £2.5m (6.3%) from 2020, driven by incremental fees on transaction activity across the region. Operating profit increased £1.3m, predominantly driven by stronger revenues partially offset by 3.0% increased operating costs. Group profit after tax increased by 33.6% compared to the prior year. The overall average headcount decreased by 1.6% to 103.

Principal risks and uncertainties

The Group continually monitors and evaluates the risks faced by its entities and takes appropriate action accordingly. The Group has personnel employed, supported by its external legal and regulatory advisors, to focus on compliance requirements of the business to ensure that the Group's processes and controls including compliance monitoring are in place to meet on-going regulatory requirements in the United Kingdom and Europe as well as in the United States.

The principal risks and uncertainties facing the Group are as follows:

➤ Economic Outlook

The Group operates in a number of European economies and therefore monitors potential exposures to political risks arising from both the Eurozone and United Kingdom. 2021 was again dominated by the COVID-19 pandemic. However, the Europe-wide vaccination programs helped to return some confidence to the region's economy and improve investor sentiment. ESG featured heavily in investors' thinking, with pricing starting to shift as a result. Sustainability will only continue to rise as a priority, highlighting the importance of quality, future-proofed assets, while major headwinds such as the Ukraine-Russia conflict and inflation will likely shift investors' focus to safe haven markets and assets with secure long-term income streams in 2022.

Tishman Speyer Properties UK Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

The Group continues to keep abreast of economic conditions to ensure that investment strategies can be modified to respond to changing market conditions.

The Directors continue to closely monitor the evolution of the COVID-19 pandemic and its ongoing impact on the global economy, capital markets and financial institutions. Management is closely monitoring the conflict in Ukraine. The company has no operations with Ukraine or Russia or related entities or individuals on the UK sanctions list. The potential for further impacts is highly uncertain and difficult to assess. As of 31 December 2021, the Company is not materially impacted by either the COVID-19 pandemic or the conflict in Ukraine.

➤ *Cash flow risk & cost*

Continual acquisition/disposal activity, leasing, asset and property management bear the risks of untimely billing and cash collection at property and fund level. The Group manages this risk by constantly reviewing its receivables and ensuring prompt responses to any changes in the property and fund transactions.

The Group is exposed to variability in cash flows arising from foreign currency denominated transactions.

The Group manages this risk, where significant, by transacting in the same currency as the receivables and payables. Where this is not possible, the Group contains the risk of foreign currency fluctuations by obtaining preferred and competitive rates insofar as possible. Costs and expenses are monitored via an integrated budget and forecast system which “connects” the Group’s plan and actual numbers with transactions at property and fund level.

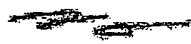
➤ *Liquidity risk*

The Group aims to mitigate liquidity risk by managing cash generation by its operations, applying cash collection targets throughout the Group. The Group has no external finance facilities.

➤ *Competitive risk*

The Group’s success depends on its ability to attract and retain investors and deploy the available capital in order to implement business plans of the existing portfolio and to identify attractive acquisition opportunities.

On behalf of the Board

DocuSigned by:

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George Hatzmann
Director

29 March 2022

Tishman Speyer Properties UK Limited

Directors' report

Registered No: 3556917

The Directors present their report and audited financial statements for the year ended 31 December 2021.

Results and dividends

The consolidated profit for the year after taxation amounted to £2,494,015 (2020: £1,866,771). The directors recommended and paid dividends during the year of £nil (2020: £3,515,109).

Future developments

The level of business and the financial position remain satisfactory, both for the Company and the Group, and the Directors are confident of being able to develop the business further in the future. There is no change in the overall strategy of the Group. Property management, leasing, asset and portfolio management as well as development activity for existing properties and funds remain the critical and important activities for the Group.

Directors

The directors who held office during the year and subsequently are shown on page 1.

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the directors' report.

Going concern

The Group's business activities, together with the factors likely to affect its future development, its financial position and principal risks and uncertainties are described above on page 3.

No material uncertainties were identified that may cast significant doubt about the Group and Company's ability to continue to meet its liabilities as they fall due from the date of approval of the financial statements up to 31 March 2023. Accordingly, the going concern basis is used in preparing the financial statements.

Management continues to closely monitor the evolution of the COVID-19 pandemic and its ongoing impact on the global economy, capital markets and financial institutions. Management is also closely monitoring the conflict in Ukraine. The potential for further impacts is highly uncertain and difficult to assess. As of 31 December 2021, the Company is not materially impacted by either the COVID-19 pandemic or the conflict in Ukraine.

Management will continue to review the Company's cash flow projections, the results of its operations and will reassess the impact of COVID-19 and the conflict in Ukraine, if and to the extent changed circumstances require. After having reviewed assumptions about future business operations, management considers that the Company has adequate resources to continue in operation from the date of approval of the financial statements up to 31 March 2023.

Based on the above, the going concern basis of accounting remains appropriate.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

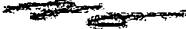
Tishman Speyer Properties UK Limited

Directors' report

Re-appointment of auditors

In accordance with s485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company.

On behalf of the Board

DocuSigned by:

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George Hatzmann
Director
29 March 2022

Tishman Speyer Properties UK Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable United Kingdom 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), including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Tishman Speyer Properties UK Limited

Statement by the directors relating to their statutory duties under s172(1) of the Companies Act 2006

This statement describes how the Board complies with matters set out in section 172(1) (a) to (f) of the Companies Act 2006 to act in a way the directors consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and having regard to:

- the likely consequences of decisions in the long term;
- the interests of employees;
- the need to foster business relationships with suppliers, clients and others;
- the impact of operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

Our key stakeholders include investors, suppliers, employees, shareholders, regulators, particularly the Financial Conduct Authority, and the community.

Throughout the year, the Board of directors of Tishman Speyer Properties Ltd have worked to promote the success of the Company for the benefit of its stakeholders. The aim is to create sustainable long-term value for its shareholders and investors, as well as being a responsible employer towards our employees and the environment.

To achieve this, the Board works with the wider Tishman Speyer Group to establish and continually refine a strategic management process covering all projects and geographies in which the Group operates.

The Company relies on services provided by affiliate Tishman Speyer Group entities and numerous third-party service providers. Regular contact is maintained with key suppliers and any issues escalated to the Board and an established program of governance and oversight ensures that all regulatory requirements are met.

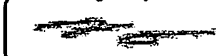
The Board recognizes that the safety of our workforce and communities in which we operate is a critical element of our business. Coronavirus Government guidelines have been very closely monitored throughout the pandemic. Working practices in our offices have adapted and appropriate changes implemented in the properties in which we operate to ensure best practice has been followed.

The success of the Company depends upon the skills, engagement and conduct of its workforce. The Company offers a competitive remuneration package, including pension, medical insurance, life assurance and group income protection. The Company is also committed to keeping employees informed of changes within the organisation on a wide range of topics, including strategy and financial performance.

The Company recognises the key role performed by its regulators in maintaining an effective business environment and the trust of clients and the wider public. The Board oversees communication with the FCA and adapts its compliance monitoring plan accordingly.

The Board is committed to Responsible Investment, which we define as the integration of environmental, social, and governance ("ESG") considerations throughout our business, in the belief that such factors positively impact performance. Indeed, contributing to the development of vibrant, beautiful, and environmentally sound communities with the highest ethical standards is essential to our ongoing success, allowing us to unlock value and enhance returns for our investors while also doing right by our partners, clients, neighbors, suppliers, and employees.

Approved by the Board of Directors and signed on behalf of the Board on 29 March 2022

DocuSigned by:

George Hatzmann
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Independent Auditor's report

to the members of Tishman Speyer Properties UK Limited

Opinion

We have audited the financial statements of Tishman Speyer Properties UK Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Group income statement, the Group Statement of comprehensive income, the Group and Parent company statements of changes in equity, the Group statement of financial position, the Parent company statement of financial position, the Group statement of cash flows and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ▶ give a true and fair view of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period from when the financial statements are authorised for issue up to 31 March 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's report (continued)

to the members of Tishman Speyer Properties UK Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ▶ the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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 parent company 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Independent Auditor's report (continued)

to the members of Tishman Speyer Properties UK Limited

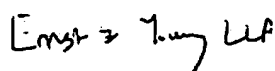
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and the Parent company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006), the relevant direct and indirect tax compliance regulation, the Proceeds of Crime Act 2002 and Money Laundering Regulations 2004, and the Financial Conduct Authority (FCA) regulations.
- We understood how Tishman Speyer Properties UK Limited is complying with those frameworks by making inquiries of management to understand how the Group and the Parent company maintain and communicate their policies and procedures in these areas, those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue to be a fraud risk. We incorporated data analytics into our testing of manual journals, including segregation of duties, and into our testing of revenue recognition. We tested specific transactions verifying to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved: inquiries of management and those charged with governance, data analytics testing with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Andrew Smyth (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
30 March 2022

Tishman Speyer Properties UK Limited

Group income statement

for the year ended 31 December 2021

		2021	2020
	Notes	£	£
Property management income	2	42,429,001	39,927,949
Total revenue from operations		42,429,001	39,927,949
Operating costs		(39,394,583)	(38,227,885)
Group operating profit	3	3,034,418	1,700,064
Other income		215,630	-
Interest payable and other charges		(11,857)	(10,488)
Interest receivable and similar income		53,802	9,069
Profit before taxation		3,291,993	1,698,645
Taxation	6	(797,978)	168,126
Profit for the financial year attributable to shareholders		2,494,015	1,866,771

Group statement of comprehensive income

for the year ended 31 December 2021

	2021	2020
	£	£
Profit for the financial year attributed to shareholders	2,494,015	1,866,771
Exchange differences on retranslation of foreign operations	(156,714)	711,954
Total comprehensive income for the year	2,337,301	2,578,725

Tishman Speyer Properties UK Limited

Statement of changes in equity

for the year ended 31 December 2021

<i>Group</i>	<i>Share capital</i>	<i>Other reserves</i>	<i>Consolidation reserve</i>	<i>Profit and loss account</i>	<i>Shareholders' Equity</i>	<i>Non-Controlling interests</i>	<i>Total Equity</i>
	£	£	£	£	£	£	£
At 1 January 2020	17,873,436	342,378	(17,764,411)	6,100,972	6,552,375	-	6,552,375
Profit for the year	-	-	-	1,866,771	1,866,771	-	1,866,771
Other comprehensive income	-	-	-	711,954	711,954	-	711,954
Total comprehensive income for the year	-	-	-	2,578,725	2,578,725	-	2,578,725
Dividends paid (note 7)	-	-	-	(3,515,109)	(3,515,109)	-	(3,515,109)
At 1 January 2021	17,873,436	342,378	(17,764,411)	5,164,588	5,615,991	-	5,615,991
Profit for the year	-	-	-	2,494,015	2,494,015	-	2,494,015
Other comprehensive income	-	-	-	(156,714)	(156,714)	-	(156,714)
Total comprehensive income for the year	-	-	-	2,337,301	2,337,301	-	2,337,301
Other movements	-	-	-	-	-	-	-
At 31 December 2021	17,873,436	342,378	(17,764,411)	7,501,889	7,953,292	-	7,953,292

<i>Parent</i>	<i>Share capital</i>	<i>Other reserves</i>	<i>Profit and loss account</i>	<i>Total Equity</i>
	£	£	£	£
At 1 January 2020	17,873,436	342,378	894,322	19,110,136
Profit for the year / total comprehensive income for the year	-	-	3,980,144	3,980,144
Dividends paid (note 7)	-	-	(3,515,109)	(3,515,109)
At 1 January 2021	17,873,436	342,378	1,359,357	19,575,171
Profit for the year / total comprehensive income for the year	-	-	1,049,469	1,049,469
At 31 December 2021	17,873,436	342,378	2,408,826	20,624,640

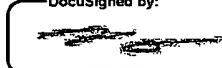
Tishman Speyer Properties UK Limited

Group statement of financial position

at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	9	782,705	982,135
Deferred tax assets	6	93,877	117,403
		<u>876,582</u>	<u>1,099,538</u>
Current assets			
Debtors	11	11,829,829	10,110,069
Cash at bank and in hand	17(b)	7,969,856	10,339,353
		<u>19,799,685</u>	<u>20,449,422</u>
Creditors : amounts falling due within one year	12	(11,758,173)	(14,630,343)
Net current assets		<u>8,041,512</u>	<u>5,819,079</u>
Creditors : amounts falling due after one year	13	(816,342)	(1,154,166)
Provisions for liabilities	14	(148,460)	(148,460)
Net assets		<u>7,953,292</u>	<u>5,615,991</u>
Capital and reserves			
Called up share capital	15	17,873,436	17,873,436
Other reserves	16	342,378	342,378
Consolidation reserve	16	(17,764,411)	(17,764,411)
Profit and loss account		7,501,889	5,164,588
Equity attributable to owners of the parent		<u>7,953,292</u>	<u>5,615,991</u>
Non-controlling interest		-	-
Shareholders' funds		<u>7,953,292</u>	<u>5,615,991</u>

The financial statements were approved by the board on 29 March 2022 and were signed on its behalf by:

DocuSigned by:

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 George Hatzmann
 Director

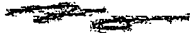
Tishman Speyer Properties UK Limited

Parent company statement of financial position

at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	9	681,362	853,921
Investments	10	17,873,533	17,873,533
Deferred tax assets	6	93,877	117,403
		<u>18,648,772</u>	<u>18,844,857</u>
Current assets			
Debtors	11	6,376,271	5,120,423
Cash at bank and in hand	17(b)	3,254,521	3,506,472
		<u>9,630,792</u>	<u>8,626,895</u>
Creditors : amounts falling due within one year	12	(6,863,437)	(6,952,128)
		<u>2,767,355</u>	<u>1,674,767</u>
Net current assets			
Creditors : amounts falling due after one year	13	(643,027)	(795,993)
Provisions for liabilities	14	(148,460)	(148,460)
		<u>20,624,640</u>	<u>19,575,171</u>
Net assets			
Capital and reserves			
Called up share capital	15	17,873,436	17,873,436
Other reserves	16	342,378	342,378
Profit and loss account		2,408,826	1,359,357
		<u>20,624,640</u>	<u>19,575,171</u>
Shareholders' funds			

The financial statements were approved by the board on 29 March 2022 and were signed on its behalf by:

DocuSigned by:

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George Hatzmann
 Director

Tishman Speyer Properties UK Limited

Group statement of cash flows

for the year ended 31 December 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities	17(a)	<u>(2,309,336)</u>	<u>1,091,494</u>
Cash flows from investing activities			
Interest received		53,802	9,069
Payments to acquire tangible fixed assets		(60,618)	(91,045)
Receipts from sales of tangible fixed assets		215,980	1,190
Net cash flow from investing activities		<u>209,164</u>	<u>(80,786)</u>
Cash flows from financing activities			
Interest paid		(11,857)	(10,488)
Equity dividends paid	7	-	(3,515,109)
Net cash flow from financing activities		<u>(11,857)</u>	<u>(3,525,597)</u>
(Decrease)/Increase in cash and cash equivalents		(2,112,029)	(2,514,889)
Effect of exchange rates on cash and cash equivalents		(257,468)	635,746
Cash and cash equivalents at 1 January		10,339,353	12,218,496
Cash and cash equivalents at 31 December	17(b)	<u>7,969,856</u>	<u>10,339,353</u>

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

1. Accounting policies***Statement of compliance***

Tishman Speyer Properties UK Limited is a private limited liability company incorporated in England, limited by shares. The registered Office is 10 Bressenden Place, London SW1E 5DH.

These financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102") 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', as it applies to the financial statements of the group for the year ended 31 December 2021.

Basis of preparation and change of accounting policy

The financial statements of Tishman Speyer Properties UK Limited were authorised for issue by the Board of Directors on 29 March 2022.

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the parent of the group.

The individual accounts of Tishman Speyer Properties UK Limited have adopted the disclosure exemption for preparing a statement of cash flows and related notes as permitted by FRS 102.

Basis of consolidation

The group financial statements consolidate the financial statements of Tishman Speyer Properties UK Limited and all its subsidiary undertakings drawn up to 31 December each year. No profit and loss account is presented for Tishman Speyer Properties UK Limited as permitted by section 408 of the Companies Act 2006.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

The following are the Group's key sources of estimation uncertainty:

Provisions

In order to recognise a provision, it is necessary for the Group to reliably estimate the present obligation. Further judgment is also required to determine the likelihood of an outflow of economic benefits and to assess the value and timing of the probable outflow. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the balance sheet date.

Impairment of financial assets

Where there are indicators of impairment of individual assets, the Group performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

1. Accounting policies (continued)**Taxation**

The Group establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 6.

Significant accounting policies**Revenue recognition**

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. The following criteria must also be met before revenue is recognised:

Rendering of property management services

Revenue for property management services is recognised as the services are provided.

Reimbursable revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Investments

Investments in subsidiary undertakings are recognised at cost less impairment.

Impairment of non-financial assets

The Group assesses at each reporting date whether an asset may be impaired. If any such indication exists the Group estimates recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group estimates, the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised for all assets is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Office and computer equipment - over 3 to 4 years
- Leasehold improvements - over the term of the lease

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Operating lease commitments

The Group has entered into commercial leases as a lessee for the use of tangible fixed assets. The classification of such leases as operating or finance lease requires the Group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

1. Accounting policies (continued)**Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Provisions for liabilities

A provision is recognised when the group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Deferred taxation

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable; and
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies*Company*

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Group

Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The assets and liabilities of overseas subsidiary undertakings are translated into the presentational currency at the rate of exchange ruling at the balance sheet date. Income and expenses for each statement of comprehensive income are translated at exchange rates at the dates of transaction using the average exchange rate for the year. All resulting exchange differences are recognised in other comprehensive income.

Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight-line basis.

Pensions

Contributions to defined contribution schemes are recognised in the profit and loss account in the period in which they become payable.

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

2. Turnover and segmental analysis

Turnover represents the amounts derived from property management services which fall within the group's continuing operations, stated net of value added tax.

The group operates within three geographical markets, which is analysed as follows:

	2021	2020
	£	£
United Kingdom	8,585,971	7,255,709
Europe	28,206,132	23,575,441
North America	5,636,898	9,096,799
	<u>42,429,001</u>	<u>39,927,949</u>

3. Group operating profit

This is stated after charging/(crediting):

	2021	2020
	£	£
Staff costs (note 5)	22,330,743	25,965,211
Depreciation (note 9)	253,719	269,657
Foreign exchange differences	(314,725)	563,626
Operating lease rentals – land and buildings	1,258,924	1,245,796
– other	157,243	185,290
Auditors' remuneration (see note 4)	<u>345,633</u>	<u>384,185</u>

4. Auditor's remuneration

The remuneration of the auditors or its associates is further analysed as follows:

	2021	2020
	£	£
Audit of the financial statements †	100,200	97,500
Audit of subsidiaries	129,204	126,683
Total audit fees	<u>229,404</u>	<u>224,183</u>
Taxation compliance/advisory services	116,229	160,002
Total non-audit services	<u>116,229</u>	<u>160,002</u>
	<u>345,633</u>	<u>384,185</u>

† £68,000 (2020 – £65,000) of this relates to the Company.

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

5. Staff costs

(a) Staff costs

	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
Wages and salaries	19,431,007	22,955,220
Social security costs	2,591,808	2,672,094
Pension costs	307,928	337,897
	<u>22,330,743</u>	<u>25,965,211</u>

The average monthly number of persons employed by the Group during the year was 103 (2020 – 104). All staff relate to property management and administration.

(b) Directors' remuneration

	<i>2021</i>	<i>2021</i>
	<i>£</i>	<i>£</i>
Aggregate remuneration in respect of qualifying services	<u>4,257,497</u>	<u>3,785,343</u>

Employer's pension contributions paid in 2021 amounted to £14,910 (2020 – £19,998).

The amounts in respect of the highest paid director are as follows:

	<i>2021</i>	<i>2021</i>
	<i>£</i>	<i>£</i>
Aggregate remuneration in respect of qualifying services	<u>2,253,634</u>	<u>2,327,939</u>

Employer's pension contributions paid in relation to the highest paid director in 2021 was £10,000 (2020: £9,999).

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

6. Tax**(a) Tax on profit**

The tax charge is made up as follows:

	2021	2020
	£	£
<i>Current tax:</i>		
UK corporation tax	154,242	646,775
Foreign tax	662,215	(808,911)
Adjustment in respect of prior years	(41,998)	-
Group current tax	774,459	(162,136)
<i>Deferred tax:</i>		
Origination and reversal of timing differences	73,111	(5,999)
Adjustment in respect of prior years	(27,062)	9
Rate change	(22,530)	-
Total tax on profit (note 6(b))	797,978	(168,126)

(b) Factors affecting tax charge for the year

The tax assessed for the profit for the year differs from than the standard rate of corporation tax in the UK of 19.00% (2020 – 19.00%). The differences are reconciled below:

	2021	2020
	£	£
Profit before tax	3,291,993	1,698,645
Profit multiplied by rate of corporation tax in the UK of 19.00% (2020 – 19.00%)	625,486	322,751
<i>Effect of:</i>		
Expenses not deductible for tax purposes	48,292	221,095
Higher/(lower) taxes on overseas earnings	224,022	206,833
Capital allowances in arrears of depreciation	-	3,684
Other timing differences	-	(1,273)
Adjustments in respect of prior years	(69,059)	(808,915)
France group tax adjustment	-	(9,389)
Non-taxable income	(8,233)	(102,912)
Rate change	(22,530)	-
Total tax expense	797,978	(168,126)

(c) Deferred tax

A deferred tax asset in respect of losses carried forward arising in the UK of £357,770 (2020 - £271,905) has not been recognised given the uncertainty in utilisation of these losses. The deferred tax asset of £93,877 is in respect of unpaid pension contributions, holiday accruals and timing differences on assets.

(d) Factors that may affect future tax charges

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

With effect from 1 April 2023, the rate of Corporation tax will increase from 19 to 25 percent.

7. Dividends

	2021	2020
	£	£
<i>Declared and paid during the year</i>		
Equity dividends on ordinary shares:		
Interim dividend paid at Nil pence (2020: 19.7 pence) per ordinary share	-	3,515,109

8. Profit attributable to the members of the parent company

The profit dealt with in the financial statements of the parent company is £1,049,469 (2020 – £3,980,144).

9. Tangible assets

<i>Group</i>	<i>Leasehold improvements</i>	<i>Office and computer equipment</i>	<i>Total</i>
	£	£	£
Cost:			
At 1 January 2021	1,150,913	932,647	2,083,560
Exchange adjustment	-	(35,348)	(35,348)
Additions	-	60,618	60,618
Disposals	-	(85,449)	(85,449)
At 31 December 2021	1,150,913	872,468	2,023,381
Depreciation:			
At 1 January 2021	359,120	742,305	1,101,425
Exchange adjustment	-	(29,370)	(29,370)
Charge for the year	116,965	136,755	253,720
Disposals	-	(85,099)	(85,099)
At 31 December 2021	476,085	764,591	1,240,676
Net book value:			
At 31 December 2021	674,828	107,877	782,705
At 1 January 2021	791,793	190,342	982,135

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

9. Tangible assets (continued)

<i>Company</i>	<i>Leasehold Improvements</i>	<i>Office and computer equipment</i>	<i>Total</i>
	£	£	£
Cost:			
At 1 January 2021	1,150,913	335,800	1,486,713
Additions	-	3,966	3,966
Disposals	-	(3,449)	(3,449)
At 31 December 2021	<u>1,150,913</u>	<u>336,317</u>	<u>1,487,230</u>
Depreciation:			
At 1 January 2021	359,120	273,672	632,792
Charge for the year	116,965	59,560	176,525
Disposals	-	(3,449)	(3,449)
At 31 December 2021	<u>476,085</u>	<u>329,783</u>	<u>805,868</u>
Net book value:			
At 31 December 2021	<u>674,828</u>	<u>6,534</u>	<u>681,362</u>
At 1 January 2021	<u>791,793</u>	<u>62,128</u>	<u>853,921</u>

10. Investments*Company*

	<i>Shares in subsidiary undertakings</i>
	£
Cost:	
At 1 January 2021	17,873,533
At 31 December 2021	<u>17,873,533</u>
Amounts provided:	
At 1 January 2021	-
At 31 December 2021	<u>-</u>
Net book value:	
At 31 December 2021	<u>17,873,533</u>
At 1 January 2021	<u>17,873,533</u>

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital is as follows:

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

10. Investments (continued)

<i>Name of Company</i>	<i>Country of registration</i>	<i>Principal activity</i>	<i>Proportion of voting rights and shares held</i>
Tishman Speyer Properties France SAS	France	Property Management	100%
Tishman Speyer Properties Deutschland GmbH Germany	Germany	Property Management	100%
Tishman Speyer Investment Management GmbH	Germany	Property Management	100%*
Tishman Speyer Management OPCI SAS	France	Property Management	100%*
Tishman Speyer France Manager SAS	France	Property Management	100%*
TS European VII (UK GP), LLP	United Kingdom	Holding company	99%
Tishman Speyer Verwaltungsgesellschaft mbH	Germany	Property Management	100%*
Tishman Speyer BAO General Partner GmbH	Germany	Property Management	100%*
Tishman Speyer General Partner 1 S.a.r.l	Germany	Property Management	100%*

* Held Indirectly

11. Debtors

	<i>Group</i>		<i>Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade debtors	2,355,972	1,913,771	520,542	185,036
Amounts owed by parent and Group undertakings	6,558,708	2,635,709	5,255,940	4,313,163
Prepayments and accrued income	1,610,171	3,354,594	173,866	191,536
Corporation tax	560,065	1,387,813	386,218	364,742
VAT	481,344	511,518	-	-
Other debtors	263,569	306,664	39,705	65,946
	<u>11,829,829</u>	<u>10,110,069</u>	<u>6,376,271</u>	<u>5,120,423</u>

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

12. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	£	£	£	£
Trade creditors	50,647	891,086	3,897	44,521
Tenant Deposits	-	243,696	-	243,696
Amounts owed to parent and Group undertakings	2,176,045	1,913,065	2,652,987	2,186,014
Social taxes	5,863,963	7,279,214	3,157,082	3,222,746
Other creditors	392,731	1,238,421	-	-
Accruals and deferred income	3,131,846	3,063,577	1,049,471	1,255,151
Corporation tax	142,941	1,284	-	-
	<u>11,758,173</u>	<u>14,630,343</u>	<u>6,863,437</u>	<u>6,952,128</u>

13. Creditors: amounts falling due after one year

	<i>Group</i>		<i>Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	£	£	£	£
Accruals and deferred income	816,342	1,154,166	643,027	795,993
	<u>816,342</u>	<u>1,154,166</u>	<u>643,027</u>	<u>795,993</u>

14. Provisions for Liabilities

<i>Group</i>	<i>Dilapidations</i>	<i>Total</i>
	£	£
Balance at 31 December 2020	148,460	148,460
Settlement of provisions during the year	-	-
Balance at 31 December 2021	<u>148,460</u>	<u>148,460</u>
Amounts falling due within one year	-	-
Amounts falling due after one year	148,460	148,460
	<u>148,460</u>	<u>148,460</u>

The dilapidation provision relates to the current registered office of the Company.

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

15. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>2021</i>	<i>No.</i>	<i>2020</i>
		<i>£</i>		<i>£</i>
Ordinary shares of £1 each	17,873,436	17,873,436	17,873,436	17,873,436

The ordinary shares each carry one voting right.

16. Reserves***Other reserves***

Other reserves relate to contribution by the ultimate parent undertaking, Tishman Speyer Properties LP, arising from shares issued on incorporation of the Company in 1998.

Consolidation reserve

The consolidation reserve represents the difference between the fair value of consideration given for the acquisition of Group undertakings and the nominal value of the shares received in exchange.

17. Notes to the statement of cash flows**(a) Reconciliation of profit to net cash inflow from operating activities**

	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
Operating profit	3,034,418	1,700,064
Depreciation	253,945	269,657
<i>Working capital movements:</i>		
(Increase)/decrease in debtors	(3,317,203)	(90,430)
(Decrease)/increase in creditors	(2,434,881)	388,421
Increase/(decrease) in provisions	-	-
<i>Taxation:</i>		
Tax paid	154,385	(1,176,217)
Net cash inflow from operating activities	(2,309,336)	1,091,494

(b) Cash and cash equivalents

Cash and cash equivalents comprise the following:

	<i>Group</i>		<i>Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Cash at bank	7,484,612	9,745,463	2,904,327	2,912,583
Restricted cash	485,244	593,890	350,194	593,889
	7,969,856	10,339,353	3,254,521	3,506,472

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

Restricted cash relates to monies held on behalf of fellow Group undertakings. A corresponding liability is included within creditors falling due within one year.

18. Obligations under leases

Future minimum rentals payable under non-cancellable operating leases in respect of land and buildings are as follows:

	2021	2020
	£	£
<i>Group</i>		
Not later than one year	1,264,859	1,355,834
Later than one year and not later than five years	4,653,340	3,589,701
Later than 5 years	391,395	913,255
	<u>6,309,594</u>	<u>5,858,790</u>

<i>Company</i>		
Not later than one year	521,860	521,860
Later than one year and not later than five years	2,087,440	2,087,440
Later than 5 years	391,395	913,255
	<u>3,000,695</u>	<u>3,522,555</u>

Future minimum rentals payable under non-cancellable operating leases in respect of equipment are as follows:

	2021	2020
	£	£
<i>Group</i>		
Not later than one year	125,290	121,700
Later than one year and not later than five years	136,256	128,446
	<u>261,546</u>	<u>250,146</u>

<i>Company</i>		
Not later than one year	10,850	25,358
Later than one year and not later than five years	11,969	-
	<u>22,819</u>	<u>25,358</u>

Tishman Speyer Properties UK Limited

Notes to the financial statements

at 31 December 2021

19. Related party transactions

During the year the Group entered into transactions, in the ordinary course of business, with other related parties. In addition, as part of the Company's management activities, funding is advanced to meet the liabilities of related parties as they fall due and therefore short-term intercompany balances exist at each period end. Transactions entered into and balances outstanding at 31 December 2021 are as follows:

		<i>Sales to related parties £</i>	<i>Purchases from related parties £</i>	<i>Amounts owed from related parties £</i>	<i>Amounts owed to related parties £</i>
Tishman Speyer Properties LP					
	2021	2,851,408	3,428,686	3,421,018	653,637
	2020	2,965,174	2,566,295	1,701,779	1,191,497
Tishman Speyer Investments Europe, L.L.C.					
	2021	6,268,211	66	646,315	-
	2020	6,677,491	-	479,962	221,163

Tishman Speyer Properties UK Limited is a wholly owned subsidiary of Tishman Speyer Properties LP.

Tishman Speyer Investments Europe, L.L.C. is a wholly owned subsidiary of Tishman Speyer Properties LP.

Company

The Company has taken advantage of the disclosure exemptions set out in Section 33.1A of FRS102 not to disclose transactions with wholly owned subsidiaries and Section 1.12 of FRS 102 not to disclose key management personnel compensation under the requirements of Section 33.7.

20. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Tishman Speyer Properties European L.L.C.

The ultimate parent undertaking and controlling party of the Company is Tishman Speyer Properties LP, a partnership incorporated in The United States of America. The smallest and largest Group for which consolidated financial statements are prepared, which includes the Company, is that headed by Tishman Speyer Properties LP.