

**Grosvenor Basingstoke Management Limited**

Company Registration Number 03580616

**Annual Report and Financial Statements**

**Year Ended 31 December 2011**



## **Grosvenor Basingstoke Management Limited**

### **Directors' Report**

The directors present their annual report together with the audited financial statements of the company for the year ended 31 December 2011

#### **Principal Activities and Business Review**

The principal activity of the company during the year was to act as general partner to Grosvenor Festival Place Fund. The company jointly holds the legal interest as nominee on behalf of the Grosvenor Festival Place Fund, a UK limited partnership, in the Festival Place Shopping Centre, Basingstoke.

Grosvenor manages its cash flows, liquidity position and borrowing facilities on a group basis and further disclosures relating to these matters, are included in the annual report of Grosvenor Group Limited.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

The directors have taken advantage of the special provisions available to small companies provided by S 415A of the Companies Act 2006.

The Registered Office of Grosvenor Basingstoke Management Limited is 70 Grosvenor Street, London, W1K 3JP.

#### **Results and Dividends**

The results of the company for the year are shown in the Profit and Loss Account. Loss on ordinary activities before taxation was £24,180 (2010 - Profit of £108).

The balance sheet shows that the company's net assets decreased from £199,547 to £178,571 during the year.

The directors have not recommended payment of a dividend.

#### **Directors of the Company**

The directors who served the company throughout the year, except as noted, were as follows:

R B Mallett	
M Howard	
S R H Beevor	Resigned on 17/03/2011
R R Davis	
C M Millard	Appointed as an alternate on 07/07/2011, resigned on 10/04/2012
S M Rowland	Appointed as an alternate on 07/07/2011

C Millard served as an alternate director to M Howard. S M Rowland served as an alternate director to R B Mallett.

## **Grosvenor Basingstoke Management Limited**

### **Directors' Report**

#### **Directors' Responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

United Kingdom 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 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 and loss of the company for that period.

In preparing those 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,
- state whether applicable United Kingdom accounting standards have been followed, and
- 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 proper 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. The directors 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.

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all reasonable steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

This information is given in accordance with S 418 of the Companies Act 2006.

#### **Auditors**

Deloitte LLP has indicated its willingness to be reappointed for another term and is deemed to be reappointed accordingly.

Signed by order of the Board



R Mallett  
Director

**Independent Auditor's Report to the Members of**  
**Grosvenor Basingstoke Management Limited**  
**For the Year Ended 31 December 2011**

We have audited the financial statements of Grosvenor Basingstoke Management Limited for the year ended 31 December 2011 which comprise the profit and loss account, statement of recognised gains and losses, balance sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 Practice's Boards Ethical Standards for Auditors.

**Scope of the Audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on Other Matters Prescribed by the Companies Act 2006**

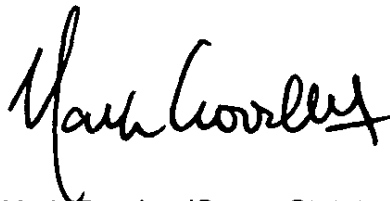
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of**  
**Grosvenor Basingstoke Management Limited**  
**For the Year Ended 31 December 2011**

**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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report



Mark Goodey (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

Friday, June 08, 2012

**Grosvenor Basingstoke Management Limited**

**Profit and Loss Account for the Year Ended 31 December 2011**

	Note	2011 £	2010 £
Turnover		-	-
Gross profit		-	-
Administrative expenses		(52)	(52)
Operating loss	2	(52)	(52)
Income from participating interests		1,255	160
Impairment of investments		(25,383)	-
(Loss)/profit on ordinary activities before taxation		(24,180)	108
Tax on (loss)/profit on ordinary activities	4	3,204	4,405
(Loss)/profit for the financial year		(20,976)	4,513

All results are derived from continuing operations

**Grosvenor Basingstoke Management Limited**

**Statement of Total Recognised Gains and Losses for the Year Ended 31 December**  
**2011**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
(Loss)/profit for the financial year attributable to the shareholders	<b>(20,976)</b>	<b>4,513</b>
Unrealised gain on revaluation of investments	<b>-</b>	<b>45,209</b>
<b>Total recognised (losses)/gains relating to the year</b>	<b><u>(20,976)</u></b>	<b><u>49,722</u></b>

**Grosvenor Basingstoke Management Limited**

**Balance Sheet as at 31 December 2011**

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Investments	5	<u>174,065</u>	<u>199,449</u>
		<u>174,065</u>	<u>199,449</u>
<b>Current assets</b>			
Debtors	6	3,204	-
Cash at bank and in hand		<u>1,312</u>	<u>108</u>
		4,516	108
<b>Creditors: amounts falling due within one year</b>	7	(10)	(10)
<b>Net current assets</b>		<u>4,506</u>	<u>98</u>
<b>Total assets less current liabilities</b>		178,571	199,547
<b>Net assets</b>		<u>178,571</u>	<u>199,547</u>
<b>Capital and reserves</b>			
Called up share capital	8	224,496	224,496
Revaluation reserve	9	-	(25,070)
Profit and loss account	9	<u>(45,925)</u>	<u>121</u>
<b>Shareholders' funds</b>	9	<u>178,571</u>	<u>199,547</u>

These financial statements were approved by the Board and authorised for issue on Friday June 08, 2012 and are signed on its behalf by



R B Mallett



M Howard

Company registration number 03580616



# **Grosvenor Basingstoke Management Limited**

## **Notes to the Financial Statements**

### **1. Accounting Policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable United Kingdom law and accounting standards. The accounting policies have been applied consistently throughout the current and preceding year.

The company is a wholly owned subsidiary of Grosvenor Group Limited, its ultimate parent undertaking, which is incorporated in Great Britain and registered in England and Wales and prepares consolidated financial statements. Consequently the company is not required to prepare consolidated financial statements.

The directors' report describes the going concern basis of preparation of the financial statements.

#### **Cash flow statement**

The directors have taken advantage of the exemption in FRS1 'Cash flow statements' from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and is a member of a group that publishes a consolidated cash flow statement.

#### **Investments**

Investments held as fixed assets are included in the balance sheet at net asset value and unrealised gains and losses are dealt with in the revaluation reserve, except that if a permanent impairment in value below original cost arises it is taken to the profit and loss account.

#### **Taxation**

All current and deferred tax charges or credits (after the application of group relief, to the extent relevant) are recognised in the company's profit and loss account.

Current UK corporation tax is recognised at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The company's taxation obligations are settled on its behalf by the intermediate holding company Grosvenor Fund Management Limited. The benefit of this arrangement is recognised as a capital contribution from Grosvenor Fund Management Limited to the company (or, to the extent that there are distributable reserves available, distribution from the company to Grosvenor Fund Management Limited where a tax credit arises) with all current and deferred tax assets and liabilities recorded in the balance sheet of Grosvenor Fund Management Limited.

Deferred taxation is provided in full in respect of timing differences between the recognition of income and expenditure for accounting and taxation purposes. Deferred taxation is not provided in respect of unrealised revaluation surpluses where there is no commitment to sell the asset. Deferred tax credits are recognised to the extent that it is regarded as more likely than not that the related assets will be recovered. Deferred tax assets and liabilities are not discounted. As described above, whilst the deferred tax charge or credit is recognised in the profit and loss account of the company, the related deferred tax assets and liabilities are recorded in the balance sheet of Grosvenor Fund Management Limited.

## **Grosvenor Basingstoke Management Limited**

### **Notes to the Financial Statements**

#### **2. Operating loss**

Auditors' remuneration for 2011 is £1,317 (2010 - £1,260) and has been borne by Grosvenor Fund Management UK Limited

#### **3 Particulars of Employees**

No fees or other emoluments were paid to the directors of the company during either the current or the preceding year in respect of their services to the company. The directors are paid by Grosvenor Estate Management Limited

There were no employees of the company for the current or preceding year

#### **4. Taxation on Ordinary Activities**

##### **Taxation**

	2011 £	2010 £
Current tax		
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(3,204)	(4,405)
Total deferred tax	(3,204)	(4,405)
Tax on profit on ordinary activities	(3,204)	(4,405)

##### **Tax reconciliation:**

	2011 £	2010 £
(Loss)/profit on ordinary activities before taxation	(24,180)	108
Tax on ordinary activities at the standard UK corporation rate of 26.5% (2010 - 28%)	(6,408)	30
Expenses not deductible for tax	6,727	-
Group relief received for nil consideration	(3,523)	(4,435)
Other tax adjustments	3,204	4,405
Total current tax	-	-

**Grosvenor Basingstoke Management Limited**

**Notes to the Financial Statements**

**5. Investments**

**Subsidiaries**

	£
<b>Cost:</b>	
At 1 January 2011	224,519
Additions	(1)
At 31 December 2011	<u>224,518</u>
<b>Provisions:</b>	
At 1 January 2011	25,070
Impairment in year	25,383
At 31 December 2011	<u>50,453</u>
<b>Net book value:</b>	
At 31 December 2011	<u>174,065</u>
At 31 December 2010	<u>199,449</u>

The above represents an investment in Grosvenor Festival Place Fund, a UK limited partnership established to invest in Festival Place shopping centre, of which the company is general partner. The valuation has been calculated by the directors based on the company's share of the net asset value of the fund. The historic cost of the investment is £224,518.

**6. Debtors: amounts falling due within one year**

	2011 £	2010 £
Amounts owed by group undertakings	3,204	-
	<u>3,204</u>	<u>-</u>

**7. Creditors: amounts falling due within one year**

	2011 £	2010 £
Other creditors	10	10
	<u>10</u>	<u>10</u>

**8. Called up Share Capital**

**Authorised share capital:**

	2011 £	2010 £
224,496 ordinary of £1 each	<u>224,496</u>	<u>224,496</u>

**Allotted, called up and fully paid:**

	2011 £	2010 £
224,496 ordinary of £1 each	<u>224,496</u>	<u>224,496</u>

## **Grosvenor Basingstoke Management Limited**

### **Notes to the Financial Statements**

#### **9. Reconciliation of Movements in Shareholders' Funds**

	Share capital	Profit and loss account	Revaluation reserve	Total
	£	£	£	£
1 January 2011	224,496	121	(25,070)	<b>199,547</b>
Loss for the financial year	-	(20,976)	-	<b>(20,976)</b>
Transfer between reserves	-	(25,070)	25,070	-
31 December 2011	<u>224,496</u>	<u>(45,925)</u>	<u>-</u>	<u><b>178,571</b></u>

#### **10. Related Party Transactions**

The company has applied the exemption granted by FRS8 'Related party disclosures' not to disclose transactions with Grosvenor Group Limited or wholly owned fellow subsidiaries of Grosvenor Group Limited, which would otherwise qualify as related parties

Accordingly, during the period under review there were no transactions or balances with related parties which require disclosure in these financial statements

#### **11. Ultimate Parent Company and Controlling Party**

The company's ultimate parent undertaking is Grosvenor Group Limited, a company incorporated in Great Britain and registered in England and Wales which is wholly owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster

The immediate parent undertaking is Grosvenor Fund Management UK Limited

The ultimate parent undertaking heads the largest group of undertakings of which the company is a member and for which group accounts are prepared

Copies of the consolidated financial statements of Grosvenor Group Limited can be obtained from Companies House, 3 Crown Way, Mandy, Cardiff, CF14 3UZ

#### **12. Other Information**

The company holds as nominee for the Grosvenor Festival Place Fund, a UK limited partnership, 100% of the legal interest in the following company, the beneficial interest in which is retained by the Grosvenor Festival Place Fund

Grosvenor Basingstoke Properties Limited