

Lanebridge Investment Management Limited

Report of the Directors and Financial Statements for the year ended 31 December 2018

Directors' Report	2
Independent Auditor's Report to the Members of Lanebridge Investment Management Limited	5
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Cash Flow Statement	11
Notes to the Financial Statements	12 - 18



Report of the Directors

The Directors present their Directors' report and the financial statements for the year ended 31 December 2018.

Principal Activity and Business Review

During the year ended 31 December 2018 Lanebridge Investment Management Limited ("the Company") continued to be a real estate adviser.

The results for the year are set out in the statement of comprehensive income on page 8. The results of the Company shows a loss before tax of £320,967 for the year (9 months to 31 December 2017: profit of £32,879). The reserves available for distribution at 31 December 2018 were £548,917 (31 December 2017: £809,046).

In 2017, the Company changed its financial year end from 31 March to 31 December. This set of financial statements is the first full year since this change and consequently, the comparative figures for the Company's income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes are for the 9 months from 1 April 2017 to 31 December 2017.

Risks and Uncertainties

The financial risk management objectives and policies of the Company, together with an analysis of the exposure to such risks, as required under Part 1 of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, are set out in Note 1 on the financial statements.

The activities of the Company are overseen by the Board of Directors. The Board meet regularly to review all risk and compliance issues affecting the Group Companies.

The key risks of the Company and the Company's risk management policies are considered in Note 1.

Dividends

The Company did not pay a dividend during the year (9 months to 31 December 2017: £nil).

Directors

The Directors who held office during the year were as follows:

Christopher Coleman

Ian Walker

Rosalyn Harper

Simon Osmond

John King

Peter Griggs – resigned 31 May 2018

Report of the Directors

Directors' Indemnity

The Company has provided qualifying third-party indemnities for the benefit of its Directors. These were provided during the year and remain in force at the date of this report.

Auditor

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

Audit Information

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

Directors' Responsibilities Statement

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 International Financial Reporting Standards as adopted by the European Union (IFRS as adopted by the EU) and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRS as adopted by the EU;
- 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.

Report of the Directors

Directors' Responsibilities Statement (cont.)

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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

A handwritten signature in black ink, appearing to read 'I Walker', written over a horizontal line.

Ian Walker

Director

New Court, St. Swithin's Lane, London EC4N 8AL

31 July 2019

Independent Auditor's Report to the Members of Lanebridge Investment Management Limited

Opinion

We have audited the financial statements of Lanebridge Investment Management Limited ("the Company") for the year ended 31 December 2018 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

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

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

Independent Auditor's Report to the Members of Lanebridge Investment Management Limited

Going concern

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

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

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

Directors' report

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

Our responsibility is to read the Director's 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
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic report

We have nothing to report in these respects.

Independent Auditor's Report to the Members of Lanebridge Investment Management Limited

Directors' responsibilities

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

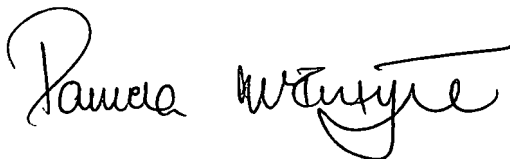
Auditor's responsibilities

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

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

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

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



Pamela McIntyre (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

31 July 2019

Statement of Comprehensive Income

For the year ended 31 December 2018

		Year to 31 December 2018	9 months to 31 December 2017
	Note	£	£
Revenue		66,410	337,093
Impairment of trade receivables		-	(36,027)
Other expenses		(386,949)	(287,912)
Foreign exchange gains/(losses)		(428)	19,725
(Loss)/profit before tax		(320,967)	32,879
Tax	4	60,838	(5,806)
(Loss)/profit after tax		(260,129)	27,073
Other comprehensive income		-	-
Total comprehensive income for the financial year		(260,129)	27,073

All amounts are in respect of continuing activities.

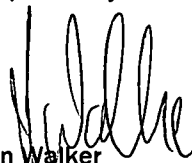
The notes on pages 12 to 18 form an integral part of these financial statements

Balance Sheet

At 31 December 2018

		31 December		31 December	
	Note	2018	2018	2017	2017
		£	£	£	£
Non-current assets					
Investments in subsidiaries	6		1		1
Deferred tax asset	5		1,238		1,561
Non-current assets			1,239		1,562
Current assets					
Trade and other receivables	7	112,381		106,961	
Current tax receivable		61,280		-	
Cash and cash equivalents	8	421,793		755,371	
Current assets			595,454		862,332
Total assets			596,693		863,894
Current liabilities					
Trade and other payables	9		37,776		38,944
Current tax liability			-		5,904
Total liabilities			37,776		44,848
Shareholders' equity					
Share capital	10		10,000		10,000
Retained earnings			548,917		809,046
Total shareholders' equity			558,917		819,046
Total equity and liabilities			596,693		863,894

Approved by the Board of Directors on 31 July 2019 and signed on its behalf by:


 Ian Walker
 Director

The notes on pages 12 to 18 form an integral part of these financial statements

Statement of Changes in Equity

For the year ended 31 December 2018

	Share capital £	Retained earnings £	Total equity £
At 1 January 2018	10,000	809,046	819,046
Loss for the financial year	-	(260,129)	(260,129)
At 31 December 2018	10,000	548,917	558,917

	Share capital £	Retained earnings £	Total equity £
At 1 April 2017	10,000	781,973	791,973
Profit for the financial period	-	27,073	27,073
At 31 December 2017	10,000	809,046	819,046

The notes on pages 12 to 18 form an integral part of these financial statements

Cash Flow Statement

For the year ended 31 December 2018

		Year to 31 December 2018 £	9 months to 31 December 2017 £
	Note		
Cash flow from operating activities			
(Loss)/profit for the year		(260,129)	27,073
Income tax (credit)/charge	4	(60,838)	5,806
Operating profit before changes in working capital provisions		(320,967)	32,879
(Increase)/decrease in accrued income and trade and other		(5,420)	803,285
Decrease in trade and other payables		(1,168)	(204,249)
Taxation paid		(6,023)	(11,472)
Net cash flow from operating activities		(333,578)	620,443
Net increase in cash and cash equivalents		(333,578)	620,443
Cash and cash equivalents at beginning of year		755,371	134,928
Cash and cash equivalents at end of year	8	421,793	755,371

The notes on pages 12 to 18 form an integral part of these financial statements

Notes to the Financial Statements

(forming part of the Financial Statements)

1. Accounting Policies

Lanebridge Investment Management Limited ("the Company") is a private Company limited by shares and incorporated in England and Wales. The principal accounting policies which have been consistently adopted in the presentation of the financial statements are as follows:

(a) Basis of preparation

The financial statements are prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations, endorsed by the European Union (EU) and with those requirements of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements are prepared under the historical cost accounting rules and presented in sterling, unless otherwise stated.

These financial statements have been prepared on a going concern basis.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Standards affecting the financial statements

IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with customers were implemented with effect from 1 January. Neither of these standards has had a significant effect on these financial statements.

Future accounting developments

A number of new standards, amendments to standards and interpretations are effective for accounting periods ending after 31 December 2018 and therefore have not been applied in preparing these financial statements. The Company has reviewed these new standards to determine their effects on the Company's financial reporting. None of these are expected to have a significant effect on the Company's financial statements.

(b) Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less provisions to take account, where appropriate, of impairment in their value.

(c) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

(d) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances that are readily convertible to cash and are subject to an insignificant risk of changes in value.

Notes to the Financial Statements

(forming part of the Financial Statements)

1. Accounting Policies (continued)

(e) Revenue recognition

In respect of each income stream and property fund under management, an Advisory agreement or Deed is in place with the Company which governs the principal sources of income, primarily in respect of management fees. Unless subsequently documented to the contrary as part of a fund restructuring, the fees are recognised on an accruals basis in line with the contracted rate and terms included within the advisory contract. Interest receivable is recognised on an accruals basis up to the balance sheet date.

(f) Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

(g) Income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except to the extent that the Directors do not anticipate that the timing differences will crystallise in the foreseeable future.

Deferred tax is determined using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date and which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which differences can be utilised. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain.

(h) Capital management

The Company is not subject to any externally imposed capital requirements. The Company follows the capital management policies of a group undertaking N M Rothschild & Sons Limited and the capital of the Company is managed at the group level.

Notes to the Financial Statements

(forming part of the Financial Statements)

1. Accounting Policies (continued)

(i) Financial risk management

The Company follows the financial risk management policies of a group undertaking, N M Rothschild & Sons Limited. The key risks arising from the Company's activities involving financial instruments, which are monitored at the group level as follows:

- Credit risk – the the risk of loss arising from client or counterparty default is not considered a significant risk to the Company as all asset balances are with other group companies as detailed in note 12 Related Party Transactions.
- Market risk – Market risk comprises interest rate, foreign exchange, equity and debt position risk. The Company's exposure to market risk is limited to foreign exchange risk.
- Liquidity risk – the risk that the Company is unable to meet its obligations as they fall due or that it is unable to fund its commitments is not considered significant as at the balance sheet date the Company held sufficient cash to fund all future obligations.

2. Audit fee

The amount receivable by the auditors and their associates in respect of the audit of these financial statements is £4,847 (at 31 December 2017 2017: £8,280). The audit fee is paid on a group basis by N M Rothschild & Sons Limited.

3. Staff costs

No Director received any remuneration from the Company during the year (9 months to 31 December 2017: £nil). Certain Directors are directors of other group companies and receive remuneration through other group companies. There were no employees of the Company as at 31 December 2017 (31 December 2017: none).

4. Taxation

Tax charged to the income statement:

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Current tax:		
-Current year	61,280	(5,904)
-Prior year adjustment	(119)	441
Total current tax	61,161	(5,463)
Deferred tax:		
Origination and reversal of timing differences	(296)	(343)
Prior year adjustment	(27)	-
Total deferred tax	(323)	(343)
Total tax charged in the income statement	60,838	(5,806)

Notes to the Financial Statements

(forming part of the Financial Statements)

4. Taxation (cont.)

The tax charge for the year may be explained as follows:

	Year to 31 December 2018 £	9 months to 31 December 2017 £
(Loss)/profit before tax	(320,967)	32,879
United Kingdom corporation tax charge at 19%	60,984	(6,247)
Prior year adjustment	(146)	441
Total tax recognised in income statement	60,838	(5,806)

5. Deferred tax

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Recognised deferred tax assets	1,238	1,561

The movement for the year in the net deferred tax position was as follows:

	Year to 31 December 2018 £	9 months to 31 December 2017 £
At beginning of year	1,561	1,904
Charge to income for the year at 19%	(296)	(343)
Prior year adjustment	(27)	-
At end of year	1,238	1,561

The total deferred tax balance relates to accelerated tax depreciation.

Notes to the Financial Statements

(forming part of the Financial Statements)

6. Non-Current Assets: Investments in Subsidiary Undertakings

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Cost		
At beginning and end of year	25,000	25,000
Impairment		
At beginning and end of year	(24,999)	(24,999)
Net Book Value		
At beginning and end of year	1	1

The subsidiary undertaking of the Company is detailed below.

	Percentage of shares held	
	31 December 2018	31 December 2017
Subsidiary undertakings		
Arena Plaza Jersey General Partner Limited (incorporated in Jersey with registered office at 44 Esplanade, St. Helier, Jersey, JE4 9WG)	100	100

7. Trade and other receivables

	31 December 2018 £	31 December 2017 £
Trade receivables: Current asset	25,582	20,137
Other receivables	86,799	86,824
	112,381	106,961

8. Cash and cash equivalents

At the year end, the Company held cash of £421,793 (at 31 December 2017: £755,371). Of this balance, £400,924 (at 31 December 2017: £755,193) was held in a sterling account on which the average effective interest rate of interest received during the year was 0%. The equivalent of £20,869 (at 31 December 2017: £178) was held in a euro account on which the average effective interest rate of interest received during the year was 0%.

Notes to the Financial Statements

(forming part of the Financial Statements)

9. Trade and other payables

	31 December 2018 £	31 December 2017 £
Accrued expenses	12,776	-
Amounts due to affiliated undertakings	25,000	38,944
	37,776	38,944

10. Issued share capital

Allocated, called up and fully paid	31 December 2018 £	31 December 2017 £
10,000 Ordinary shares of £1 each	10,000	10,000
	10,000	10,000

11. Contingent liabilities

As at the year end, The Company was involved as a party in legal proceedings. However, as at the date of these accounts, the claim has now been fully withdrawn, and therefore no provision has been made in these accounts.

12. Related parties

Parties are considered related if one party controls, is controlled by or has the ability to exercise significant influence over the other party. This includes key management personnel, the parent company, subsidiaries and fellow subsidiaries.

Amounts recognised in the balance sheet in respect of related party transactions were as follows:

	31 December 2018 £	31 December 2017 £
Investment in subsidiaries	1	1
Amounts due to fellow subsidiary undertaking	25,000	38,944
Amounts due from parent undertaking	86,799	86,799
Amounts due from fellow subsidiary undertaking	420,596	-

Notes to the Financial Statements

(forming part of the Financial Statements)

12. Related parties (cont.)

Amounts recognised in the income statement in respect of related party transactions were as follows:

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Fee payable to fellow subsidiary undertaking	-	200,000
Fee receivable from fellow subsidiary undertaking	-	290,733

There were no loans made to Directors during the year (9 months to 31 December 2017: none) and no balances outstanding at the year-end (at 31 December 2017: £nil). The Directors did not receive any remuneration in respect of their services to the Company (9 months to 31 December 2017: £nil). There were no employees of the Company during the year (9 months to 31 December 2017: none).

13. Parent Undertaking and Ultimate Holding Company

The largest group in which the results of the Company are consolidated is that headed by Rothschild & Co Concordia SAS, incorporated in France, and whose registered office is at 23bis, Avenue de Messine, 75008 Paris. The smallest group in which they are consolidated is that headed by Rothschild & Co SCA, a French public limited partnership whose registered office is also at 23bis, Avenue de Messine, 75008 Paris. The accounts are available on Rothschild & Co website at www.rothschildandco.com.

The Company's immediate parent company is Lanebridge Holdings Limited, incorporated in England and Wales and whose registered office is at New Court, St Swithin's Lane, London EC4N 8AL.

The Company's registered office is located at New Court, St. Swithin's Lane, London EC4N 8AL.