

Savills IM InvestCo Limited

(Registered Number: 04966147)

Annual Report and Financial Statements

For the year ended 31 December 2020



Savills IM InvestCo Limited

Directors

The Directors of Savills IM InvestCo Limited ("the Company") who were in office during the year and up to the date of signing the financial statements were:

Danny O'Donnell
Simon Shaw
Chris Lee
Richard James
Kiranbhai Patel
James Bury

Registered Office

The company is registered in England and Wales. The company office address is 33 Margaret Street, London, W1G 0JD

Holding company

Savills IM Holdings Limited, incorporated in England and Wales.

Ultimate holding company

Savills plc, incorporated in England and Wales.

Independent Auditors

PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, 1 Embankment Place, London WC2N 6RH

Solicitors

CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London EC1A 4DD

Principal Bankers

Barclays Bank PLC, 1 Churchill Place, London E14 5HP

Savills IM InvestCo Limited

Contents	Page
Directors' Report	3
Statement of directors' responsibilities in respect of the financial statements	5
Independent auditors' report to the members of Savills IM Investco Limited	6
Income statement	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13

Savills IM InvestCo Limited

Directors' Report for the year ended 31 December 2020

The Directors present their Report and the audited financial statements of the Company for the year ended 31 December 2020.

Directors

The current Directors of the Company are shown on page 1.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Principal activities

The Company is a private company limited by shares, incorporated and domiciled in the United Kingdom (England and Wales), with its registered office at 33 Margaret Street, London, W1G 0JD. The principal activity of the Company is to act as a holding company for acquisitions of real estate investment management subsidiaries.

Results

The loss of the Company for the financial year is £392,000 (2019: profit £7,404,000). The reason for this movement is due to the fact there were no group dividend received in the current year (2019: £7,276,000). The net assets of the Company as at 31 December 2020 is £10,593,000 (2019: net assets £10,985,000).

Dividends

No dividend was paid (2019: nil) and no final dividend is proposed (2019: nil).

Financial risk

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and interest rate risk. The Company has in place a risk management programme that seeks to limit the adverse effects of these risks on the financial performance of the Company. A review of the financial risks can be found in Note 2 within these financial statements.

Future developments

The Directors expect the Company to continue to act as a holding company going forward.

Going concern

The Company is in a net current liability position as at the year ended 31 December 2020. The Directors of the Company have received confirmation from the Directors of the ultimate parent company that if needs be the ultimate parent company would financially support the Company to enable it to meet its liabilities as they fall due and carry on its business without curtailment of its operations. As a result, the Directors consider the going concern basis of preparation to be appropriate.

Savills IM InvestCo Limited

Directors' Report (continued) for the year ended 31 December 2020

Disclosure of information to independent auditors

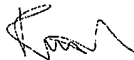
In the case of each director in office at the date the Directors' Report is approved, that:

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

Independent Auditors

The independent auditors, PricewaterhouseCoopers LLP, were appointed in 2019 and are the auditors for the financial year ending 31 December 2020. Ernst & Young LLP is proposed to be appointed as the new auditors of the Company for the financial year ending 31 December 2021 at the AGM in line with the Savills Group.

On behalf of the Board



Richard James
Director
18 June 2021

Savills IM InvestCo Limited

Statement of Directors' responsibilities in respect of the financial statements for the year ended 31 December 2020

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



Richard James
Director
18 June 2021

Savills IM InvestCo Limited

Independent auditors' report to the members of Savills IM InvestCo Limited

Report on the audit of the financial statements

Opinion

In our opinion, Savills IM InvestCo Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 31 December 2020; the Income statement and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Savills IM InvestCo Limited

Independent auditors' report to the members of Savills IM InvestCo Limited (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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

Auditors' 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 auditors' 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.

Savills IM InvestCo Limited

Independent auditors' report to the members of Savills IM InvestCo Limited (continued)

Responsibilities for the financial statements and the audit (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, UK employment legislation and UK financial services regulations and equivalent local laws and regulations applicable to the Company, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Gaining an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates and considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. We held discussions with management, internal audit and the legal team and external legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulation and the results of whistleblowing procedures and related investigations, that could give rise to a material misstatement in the Company financial statements.
- Challenging assumptions and judgments made by management in its significant accounting estimates, in particular in relation to litigation provisions and recoverability of trade receivables.
- We also addressed the risk of management override of internal controls, including testing journals, and evaluated whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Savills IM InvestCo Limited

Independent auditors' report to the members of Savills IM InvestCo Limited (continued)

Other required reporting

Companies Act 2006 exception reporting

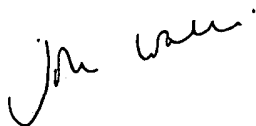
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



John Waters (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 June 2021

Savills IM InvestCo Limited

Income statement

for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Revenue	4	-	7,276
Less:			
Other operating (expenses)/income		(275)	152
Operating (loss)/profit	5	(275)	7,428
Net finance (cost)/income	7	(141)	50
		(141)	50
(Loss)/profit before income tax		(416)	7,478
Income tax credit/(expense)	8	24	(74)
(Loss)/profit for the financial year		(392)	7,404

Statement of Comprehensive Income for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
(Loss)/profit for the financial year		(392)	7,404
Other Comprehensive income		-	71
Total comprehensive (expense)/income for the year		(392)	7,475

The notes on pages 13 to 19 form part of the financial statements.

There was other comprehensive income of £nil for the year ended 31 December 2020 (2019: £71,000).

Savills IM InvestCo Limited

Statement of financial position as at 31 December 2020

Registered number: 04966147

	Note	2020 £'000	2019 £'000
Non-current assets			
Investments	9	14,275	14,005
Debtors: amounts falling due in more than one year	10	-	2,000
		14,275	16,005
Current assets			
Derivative financial instruments	14	-	50
Trade and other receivables	11	4,898	2,902
Cash at bank and in hand	12	161	6
		5,059	2,958
Current liabilities			
Creditors: amounts falling due within one year	13	(8,663)	(7,978)
Derivative financial instruments	14	(78)	-
		(8,741)	(7,978)
Net current liabilities		(3,682)	(5,020)
Total assets less current liabilities		10,593	10,985
Net assets		10,593	10,985
Capital and reserves			
Retained earnings		10,593	10,985
Total equity		10,593	10,985

The financial statements on pages 10 to 19 were approved by the Board of Directors and signed on its behalf by:



Richard James
Director
18 June 2021

The notes on pages 13 to 19 form part of the financial statements.

Savills IM InvestCo Limited

Statement of changes in equity for the year ended 31 December 2020

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2020	-	10,985	10,985
Loss for the financial year	-	(392)	(392)
Total comprehensive expense for the year	-	(392)	(392)
Balance at 31 December 2020	-	10,593	10,593
Balance at 1 January 2019	-	3,514	3,514
Prior year adjustment	-	(4)	(4)
Profit for the financial year	-	7,404	7,404
Other Comprehensive income	-	71	71
Total comprehensive income for the year	-	7,475	7,475
Balance at 31 December 2019	-	10,985	10,985

The notes on pages 13 to 19 form part of the financial statements.

Savills IM InvestCo Limited

Notes to the financial statements

for the year ended 31 December 2020

1 Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention modified by remeasurement of derivatives financial instruments at fair value, in accordance with the Companies Act 2006 as applicable using the Financial Reporting Standard 101 ("FRS 101") Reduced Disclosure Framework.

The Company is in a net current liability position as at the year ended 31 December 2020. The Directors of the Company have received confirmation from the Directors of the ultimate parent company that if needs be the ultimate parent company would financially support the Company to enable it to meet its liabilities as they fall due and carry on its business without curtailment of its operations. As a result, the Directors consider the going concern basis of preparation to be appropriate.

The Directors are also satisfied that the going concern basis remains appropriate having considered the impact of the Covid-19 on the Company and the Savills group more broadly.

Consolidation

The Company is exempt from the requirement to prepare group financial statements by virtue of Section 400 of the Companies Act 2006.

The results of the Company and its subsidiary are included in the Group's 2020 Annual Report and Accounts which are publicly available. Copies of the Group's 2019 Annual Report and Accounts are available from the Company Secretary at 33 Margaret Street, London, W1G 0JD.

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries held by the Company are held at cost, less any provision for impairment.

Trade receivables

Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost less provision for impairment. Receivables are discounted where the time value of money is material.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

There are no standards, amendments and interpretations not yet effective and not discussed above are not relevant or considered significant to the Company.

Savills IM InvestCo Limited

Notes to the financial statements (continued)

for the year ended 31 December 2020

1 Accounting policies (continued)

Trade receivables (continued)

The carrying amount of the asset was reduced through the use of an allowance account, and the amount of the loss was recognised in the income statement within 'other operating expenses'. When a trade receivable was uncollected, it was written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off were credited against 'other operating expenses' in the income statement.

Cash at bank and in hand

Cash at bank and in hand include cash in hand and deposits held on call with banks, together with other short-term highly liquid investments with original maturities of three months or less and working capital overdrafts, which are subject to an insignificant risk of changes in value. Bank overdrafts are included under borrowings in the statement of financial position.

Trade payables

Trade payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest rate method.

Taxation

Taxation is that chargeable on the profits for the period, together with deferred taxation. The current income tax charge is calculated on the basis of the tax laws enacted at the reporting date in the countries where the Company operates and generate taxable income. Where applicable tax regulations are subject to interpretation, provisions are established where appropriate on the basis of amounts expected to be paid.

Deferred income tax is provided in full using the liability method, on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for the tax base. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that it will not reverse in the foreseeable future.

A deferred income tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred income tax is determined using the tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled. Income tax and deferred tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Revenue

Revenue consists of dividend income, which is recognised when the right to receive payment is established.

Dividends

Dividends are recognised as distributions in the period in which they are approved.

Savills IM InvestCo Limited

Notes to the financial statements (continued)

for the year ended 31 December 2020

1 Accounting policies (continued)

Exceptional items

Items derived from an event or transaction that falls within the ordinary activities of the Company, are considered exceptional, due to their size or nature and are disclosed to give a true and fair view.

Derivatives financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value.

Disclosure exemptions under FRS 101

The following disclosure exemptions have been adopted under the FRS 101 Reduced Disclosure Framework and are material to the Company:

- Presentation of a cash flow statement;
- Disclosure of key management personnel compensation;
- Disclosure of related party transactions; and
- Disclosure of certain capital disclosures.

The following disclosure exemptions have been adopted under the same framework, on the basis that the equivalent disclosures have been included in the consolidated financial statements of the Company's ultimate parent company, Savills plc:

- Disclosure of key assumptions used in the determination of recoverable amounts for impairment purposes;
- Financial instrument disclosures except the disclosures required by SI 2008/410 section 55 of the Companies Act for financial instruments valued at fair value; and
- Disclosures in relation to fair value measurement.

2 Financial risk management

Interest rate risk

The Company has no long-term borrowings (2019: £nil).

Credit risk

The Company has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents, deposits with banks, as well as credit exposures to clients, including outstanding receivables and committed transactions. The Company has policies that require appropriate credit checks on potential customers before engaging with them. A risk control framework is used to assess the credit quality of clients, taking into account financial position, past experience and other factors. Cash is held with Barclays Bank PLC which is an A rated bank.

Liquidity risk

Management monitors rolling forecasts of the Company's cash and cash equivalents and overdraft on the basis of expected cash flow. As part of the Savills Investment Management Group, the Company has in place a robust framework that is comprehensive and proportionate to the nature, scale and complexity of the Company's activities to enable it to meet its liabilities at any time as a real estate investment manager.

Savills IM InvestCo Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

3 Critical accounting estimates and management judgements

Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience, current market conditions and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Changes in accounting estimates may be necessary if there are changes in circumstances on which the estimate was based, or as a result of new information or more experience. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in Savills Plc Annual Report, page 120.

Income taxes

Judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4 Revenue

Revenue consists of dividend income received from the Company's subsidiary. The principal business activity of the Company's subsidiaries is disclosed in Note 9.

5 Operating (loss)/profit

(a) Operating (loss)/profit is stated after crediting/(charging):

	2020	2019
	£'000	£'000
Net foreign exchange gains	11	148
Exceptional acquisition costs	(283)	-

The exceptional acquisition costs relate to deferred consideration paid in relation to the SEB Asset Management acquisition.

(b) Fees payable to the Company's auditors, PricewaterhouseCoopers LLP:

	2020	2019
	£'000	£'000
Audit services:		
Fees payable for audit of Company's financial statements	3	4

6 Staff and Directors

(a) Staff numbers

The Company had no employees during the year (2019: nil).

(b) Directors' emoluments

Directors of the Company were not remunerated for their services provided to the Company in both 2020 and 2019. The services were of negligible value.

Savills IM InvestCo Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

7 Net finance (cost)/income

	2020	2019
	£'000	£'000
Intercompany interest payable	(99)	(139)
Finance income	85	115
(Loss)/gain on financial instruments	(127)	74
Net finance (cost)/income	(141)	50

8 Income tax (credit)/expense

	2020	2019
	£'000	£'000
Analysis of income tax (credit)/expense for the year		
Current tax		
United Kingdom:		
- Corporation tax on (loss)/profit for the year	(25)	38
- Adjustment in respect of prior years	1	36
Total income tax (credit)/expense	(24)	74

The applicable UK corporation tax rate was 19.00% (2019: 19.00%). The tax for the year is lower (2019: lower) than the rate of 19.00% (2019: 19.00%) due to the prior year profit position.

The total tax on (loss)/profit before tax can be reconciled to the accounting (loss)/profit before income tax as follows:

	2020	2019
	£'000	£'000
(Loss)/profit before income tax	(416)	7,478
Tax on (loss)/profit before income tax at 19.00% (2019: 19.00%)	(79)	1,420
Effects of:		
- Permanent disallowable expenses	54	(1,382)
- Adjustment in respect of prior years	1	36
Income tax (credit)/expense	(24)	74

The effective tax rate for the year is:	(5.77%)	0.51%
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The main rate for 1 April 2020 is set at 19.00%. This stays the same for the financial year beginning 1 April 2021 as published in the 11 March 2020 UK Government policy paper.

Savills IM InvestCo Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

9 Investments

	Shares in Group undertaking £'000
Cost	
At 1 January 2020	14,005
Additions	270
At 31 December 2020	14,275

	Shares in Group undertaking £'000
Cost	
At 1 January 2019	14,005
At 31 December 2019	14,005

Subsidiary undertaking	Holding	Principal activity	Address
Savills Fund Management Holding AG	100%	Provision of investment management services	Rotfeder-Ring 7, 60327 Frankfurt am Main, Germany
Savills Fund Management GmbH	94%	Provision of investment management services	Rotfeder-Ring 7, 60327 Frankfurt am Main, Germany

The directors are satisfied that the carrying value of this investment is supported by the underlying financial calculations.

10 Debtors: amounts falling due after more than one year

	2020 £'000	2019 £'000
Amounts owed by group undertakings	-	2,000

11 Trade and other receivables

	2020 £'000	2019 £'000
Other receivables	883	1,092
Amounts owed by group undertakings	4,015	1,810
	4,898	2,902

12 Cash at bank and in hand

	2020 £'000	2019 £'000
Cash at bank and in hand	161	6
	161	6

Savills IM InvestCo Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

13 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Sundry creditors	127	-
Current income tax creditor	45	65
Accruals	3	4
Amounts owed to group undertakings	8,488	7,909
	8,663	7,978

With regard to the amount owed to group undertakings, of the £8,488,000 (2019: £7,909,000), £8,086,000 (2019: £7,650,000) of this is subject to interest at a rate of 1.50% above the 12 months BBA GBP LIBOR rate resetting annually. The remaining amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14 Derivative financial instruments

	2020	2019
	£'000	£'000
Assets	-	50
Liabilities	(78)	-
	(78)	50

The Company has entered into a forward exchange contract in order to hedge risks arising from foreign exchange transactions with its foreign subsidiary. Derivative financial instruments are measured at fair value at each reporting date.

15 Called up share capital

	No. Shares 2020	No. Shares 2019
Ordinary shares of £1 each:		
Authorised	1	1
Allotted, called up and fully paid	1	1

16 Parent undertaking

The immediate parent undertaking of the Company is Savills IM Holdings Limited which is the parent undertaking of the smallest group to consolidate these financial statements. Copies of the Savills IM Holdings Limited Annual Report and Financial Statements are available from the Company Secretary at 33 Margaret Street, London, W1G 0JD.

The ultimate parent undertaking and controlling party is Savills plc, which is the parent undertaking of the largest group to consolidate these financial statements. Copies of the Savills plc Annual Report and Financial Statements are available from the Company Secretary at 33 Margaret Street, London, W1G 0JD.