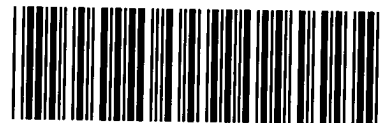


**CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED**  
**Directors' Report and Financial Statements**  
**31 December 2014**

Registered number 05728332

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# **CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED**

## **Directors' Report and Financial Statements**

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## Directors' Report

The Directors present their directors' report and the audited financial statements for the year ended 31 December 2014.

### Principal Activities

The principal activity of Christie's International Real Estate Europe Limited ("the Company") is that of providing marketing and promotional services for the sale of luxury residential properties.

### Presentation of Financial Information

The financial statements are presented in US dollars, which is regarded as the functional currency of the Company.

### Business Review

The results of the Company are set out on page 4. The turnover of the Company was \$7,319,000 (2013: \$5,775,000). The Company made a profit after taxation of \$1,046,000 (2013: \$1,320,000).

### Dividends

The Directors do not propose a dividend in respect of the financial year ended 31 December 2014 (2013: \$nil).

### Directors

The Directors who held office during the year and at the date of this report were as follows:

J. G. Bentley

D. Boll-Farenholtz (appointed 28 May 2015)

A. D. Conn (appointed 2 June 2015)

S. Ghinn (resigned 7 May 2015)

### Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


### Auditor Appointment

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.

### Strategic Report

The Company is defined as small as per the requirements of the Companies Act 2006 and therefore has applied the exemption to prepare a Strategic Report.

By order of the board

  
D Boll-Farenholtz  
Director

25<sup>th</sup> August 2015

8 King Street  
St James's  
London  
SW1Y 6QT  
Company number: 05728332

**Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 company will continue in business.

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 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.

# CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED

## Independent Auditor's Report to the Members of Christie's International Real Estate Europe Limited

We have audited the financial statements of Christie's International Real Estate Europe Limited for the year ended 31 December 2014 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 2, 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 Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter 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.

### 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Hugh Green (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP Statutory Auditor**  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
United Kingdom



26 August 2015

**CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED**

**Profit and Loss Account  
For the year ended 31 December 2014**

	Note	2014	2013
		US\$'000	US\$'000
<b>Turnover</b>	1	<b>7,319</b>	<b>5,775</b>
Cost of sales		<u><b>(2,507)</b></u>	<u><b>(2,321)</b></u>
<b>Gross profit</b>		<b>4,812</b>	<b>3,454</b>
Administrative expenses		<u><b>(3,471)</b></u>	<u><b>(1,715)</b></u>
<b>Profit on ordinary activities before taxation</b>	2	<b>1,341</b>	<b>1,739</b>
Tax on profit on ordinary activities	4	<b>(295)</b>	<b>(419)</b>
<b>Profit for the financial year</b>	11	<u><u><b>1,046</b></u></u>	<u><u><b>1,320</b></u></u>

The company has no recognised gains or losses other than the results for the last financial year. Accordingly a statement of total recognised gains and losses has not been prepared.

The notes to the accounts on pages 6 to 10 form part of these financial statements.

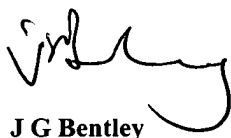
# CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED

## Balance Sheet As at 31 December 2014

	Note	2014		2013	
		US\$'000	US\$'000	US\$'000	US\$'000
<b>Fixed assets</b>					
Tangible assets	6		182		174
<b>Current assets</b>					
Debtors	7	2,653		2,577	
Cash at bank and in hand		<u>3,957</u>		<u>2,963</u>	
		6,610		5,540	
<b>Creditors: amounts falling due within one year</b>	8	<u>(5,380)</u>		<u>(5,348)</u>	
<b>Net current assets</b>			1,230		192
<b>Net assets</b>			<u>1,412</u>		<u>366</u>
<b>Capital and reserves</b>					
Called up share capital (\$2)	9		-		-
Profit and loss account	10		<u>1,412</u>		<u>366</u>
<b>Shareholders' funds</b>	11		<u>1,412</u>		<u>366</u>

The notes to accounts on pages 6 to 10 form part of these financial statements.

These financial statements were approved by the board of directors on 25<sup>th</sup> August 2015 and were signed on its behalf by:

  
J G Bentley  
Director

Notes to the Accounts

**1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

***a. Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

***b. Fixed assets and depreciation***

Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold Improvements	- 10 years
Furniture & Fittings	- 10 years
Equipment	- 5 years
Computer Hardware and Software	- 4 years

***c. Going Concern***

The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its subsidiaries. These arrangements ensure adequate management of cash flows around the group.

The Group has considerable financial resources and as a consequence, the Directors believe that the Group is well placed to manage its business risks. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

On this basis, and on their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the company will be able to continue in existence for the foreseeable future. The Directors therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

***d. Cashflow Statement***

Under FRS 1 "Cash Flow Statements (revised 1996)" the Company is exempt from the requirements to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of Financière Pinault SCA, an EC incorporated Company, and its cash flows are included within the consolidated cashflow statement of that company.

***e. Related Parties***

The Company is exempt from the requirement to disclose related party transactions with other group companies under FRS 8, "Related Party Disclosures", as it is a wholly owned subsidiary as detailed above.

***f. Turnover***

Turnover principally represents income derived from the provision of marketing and promotional services for the sale of properties and applicable annual subscriptions.

Revenue from annual subscriptions and advertising are recognised over the period to which they relate rather than when payment is received.

***g. Foreign currencies***

The Directors regard the US dollar as the Company's functional currency and therefore present these financial statements in that currency. Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.



# CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED

## Notes to the Accounts (continued)

### 1 Accounting policies (continued)

#### *h. Taxation*

The charge for taxation is based on the result for the year. Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 "Deferred Tax".

### 2 Profit on ordinary activities before taxation

	2014	2013
	US\$'000	US\$'000
Profit on ordinary activities is stated after charging:		
Depreciation and other amounts written off for tangible assets	51	25
Exchange loss	1	17
Auditor's remuneration:		
Fees Paid to the Company's auditor for the audit of the Company's annual accounts	<u>11</u>	<u>9</u>

The audit fees borne by the Company were \$11,000 (2013: \$9,000)

### 3 Staff Numbers and Costs

The average number of persons employed by the Company during the year, analysed by category are as follows:

	2014	2013
Administration	<u>9</u>	<u>7</u>
Total Employees	<u>9</u>	<u>7</u>

The aggregate payroll costs of these persons were as follows:

	2014	2013
	US\$'000	US\$'000
Wages and Salaries	1,691	840
Social security costs	190	118
Other pension costs	<u>113</u>	<u>75</u>
	<u>1,994</u>	<u>1,033</u>

The Directors did not receive any emoluments in respect of their services for this company during the year (2013: \$nil).

# CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED

## Notes to the Accounts *(continued)*

### 4 Taxation on profit on ordinary activities

#### a) Analysis of charge for the period

	2014	2013
	US\$'000	US\$'000
UK Corporation Tax		
Current tax charge on profit for the period	304	409
Deferred Tax (see note 8)	(9)	10
Tax charge on profit on ordinary activities	<u>295</u>	<u>419</u>

#### b) Factors affecting the tax charge for the current period:

The current tax charge (2013: charge) for the period is higher than (2013: higher) the standard rate of corporation tax in the UK 21.50% (2013: 23.25%). The differences are explained below:

	2014	2013
	US\$'000	US\$'000
Current tax reconciliation		
Profit on ordinary activities before tax	<u>1,341</u>	<u>1,739</u>
Current tax charge at 21.50% (2013: 23.25%)	288	404
<i>Effect of:</i>		
Expenses not deductible for tax purposes	17	1
Capital allowances (in excess of) / less than depreciation	(1)	4
Total current tax charge (see note 4a)	<u>304</u>	<u>409</u>

### 5. Equity dividends

The Directors do not propose a dividend in respect of the financial year ended 31 December 2014 (2013: \$nil).

**CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED**

**Notes to the Accounts (continued)**

**6 Tangible Assets**

	Leasehold Improvements	Equipment, Furniture & Fittings	Computer Hardware	Computer Software	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Cost</b>					
At 1 January 2014	173	21	31	1	226
Additions	-	-	-	59	59
At 31 December 2014	173	21	31	60	285
<b>Depreciation</b>					
At 1 January 2014	31	9	11	1	52
Charge for the year	18	3	3	27	51
At 31 December 2014	49	12	14	28	103
<b>Net book value</b>					
At 31 December 2014	124	9	17	32	182
At 31 December 2013	142	12	20	-	174

**7 Debtors**

	2014	2013
	US\$'000	US\$'000
Trade debtors	652	768
Amounts owed from group undertakings	1,274	1,483
Prepayments and accrued income	727	326
	<u>2,653</u>	<u>2,577</u>

**8 Creditors: amounts falling due within one year**

	2014	2013
	US\$'000	US\$'000
Amounts owed to group undertakings	3,058	3,515
Accruals and deferred income	2,321	1,823
Deferred tax	1	10
	<u>5,380</u>	<u>5,348</u>

# CHRISTIE'S INTERNATIONAL REAL ESTATE EUROPE LIMITED

## Notes to the Accounts (continued)

### 8 Creditors: amounts falling due within one year (continued)

The deferred tax liability relates to timing differences between accumulated depreciation and capital allowances. The analysis of the movement is as follows:

	Deferred tax liability US\$'000
As at 31 December 2013	10
Reversal of timing differences through profit and loss	(9)
As at 31 December 2014	<u>1</u>

### 9 Called up share capital

	2014	2013
	US \$	US \$
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 10 Reserves

	US\$'000
At 1 January 2014	366
Profit for the financial year	<u>1,046</u>
At 31 December 2014	<u>1,412</u>

### 11 Reconciliation of movements in shareholders' funds

	2014	2013
	US\$'000	US\$'000
Profit for the financial year	1,046	1,320
Shareholders' funds / (deficit) at beginning of year	<u>366</u>	<u>(954)</u>
Shareholders' funds at end of year	<u>1,412</u>	<u>366</u>

### 12 Contingent liability

The Company participates in an omnibus letter of set-off arrangement in respect of the overdraft of certain fellow United Kingdom group companies.

### 13 Ultimate parent undertaking

The smallest and largest group in which the results of Christie's International Real Estate Europe Ltd are consolidated is Financière Pinault SCA, a company incorporated in France. Financière Pinault SCA is the ultimate parent undertaking of Christie's International Real Estate Europe Ltd. The financial statements of Financière Pinault SCA are filed with the Tribunal de Commerce de Paris, 1, Quai de Corse, 75004, Paris.