

Brookshaw Developments Limited

Directors' Report and Financial Statements

For the year ended 30 June 2018

Registered number 07118805



Brookshaw Developments Limited

Contents	Page
Directors and Advisors	2
Report of the Directors	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report to the Members of Brookshaw Developments Limited	5
Profit and Loss Account	8
Balance Sheet	9
Notes to the Financial Statements	10

Brookshaw Developments Limited

Directors and Advisors

Directors

K Al Mubarak (Chairman)
M Edelman
S Pearce
J MacBeath
A Galassi
M Al Mazrouei

Company Secretary

S Cliff

Registered Office

Etihad Stadium, Etihad Campus, Manchester, M11 3FF

Bankers

Barclays Bank PLC, 51 Mosley Street, Manchester, M60 2AU

Auditors

BDO LLP, 3 Hardman Street, Manchester, M3 3AT

Brookshaw Developments Limited

Report of the Directors

The Directors present their annual report and the audited financial statements for the year ended 30 June 2018. The prior period results show a longer accounting period due to the Directors' decision to change the year end therefore the results are not entirely comparable to the current year, being a 12-month financial year, in comparison to the 13-month period.

The Company has taken advantage of the exemption available to small companies not to prepare a strategic report for the financial year.

Principal activity

The principal activity is to oversee and manage the assembly of land and remediation of that land on behalf of Manchester City Limited and its subsidiary undertakings. Manchester City Limited is a related company, with the same owner as Brookshaw Developments Limited.

Business Review

The loss of £564,000 (2017: £957,000 loss) for the year reflects administrative expenses incurred by the Company in the period.

Risks and uncertainties

The key risk facing the Company is the reliance on the group headed by Abu Dhabi United Group Investment and Development Ltd providing financial support in order for it to continue to operate.

Proposed dividend

The Directors do not recommend the payment of a dividend.

Directors

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

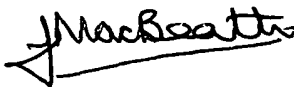
K Al Mubarak (Chairman)
M Edelman
S Pearce
J MacBeath
A Galassi
M Al Mazrouei

Political and charitable contributions

The Company made no political or charitable contributions during the year.

In preparing this Directors' report advantage has been taken of the small companies' exemption.

On behalf of the Board



J MacBeath
Director
16 March 2019

Brookshaw Developments Limited

Statement of Directors' Responsibilities

Directors' responsibilities

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 period. 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 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:

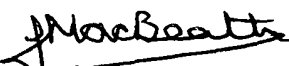
- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

Auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

By order of the Board


J MacBeath
Director
16 March 2019

Brookshaw Developments Limited

Independent Auditor's Report to the Members of Brookshaw Developments Limited

Opinion

We have audited the financial statements of Brookshaw Developments Limited ("the Company") for the year ended 30 June 2018 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Brookshaw Developments Limited

Independent Auditor's Report to the Members of Brookshaw Developments Limited *(continued)*

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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.

Brookshaw Developments Limited

Independent Auditor's Report to the Members of Brookshaw Developments Limited *(continued)*

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



*Stuart Wood (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester
United Kingdom*

28 March 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Brookshaw Developments Limited

Profit and Loss Account

For the year ended 30 June 2018

	Note	Year ended 30 June 2018 £000	13 month period ended 30 June 2017 £000
Turnover		-	-
Administrative expenses		(562)	(947)
Operating loss and loss on ordinary activities before interest and taxation	3	(562)	(947)
Interest payable and similar charges	5	(2)	(10)
Loss on ordinary activities before taxation		(564)	(957)
Taxation	6	-	-
Loss on ordinary activities after taxation	11	(564)	(957)

The Company had no recognised gains or losses other than those dealt with in the profit and loss account above.

The results for the year are from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

Brookshaw Developments Limited

Balance Sheet

Registered number: 07118805

	Note	2018 £000	2017 £000
Fixed Assets			
Investments	7	5,233	5,233
		5,233	5,233
Debtors	8	1,232	1,297
Cash at bank and in hand		-	-
Creditors: amounts falling due within one year	9	(18,142)	(17,643)
Net current liabilities		(16,910)	(16,346)
Total assets less current liabilities		(11,677)	(11,113)
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account	11	(11,677)	(11,113)
Shareholders' deficit		(11,677)	(11,113)

The notes on pages 10 to 15 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable companies subject to the small companies' regime.

These financial statements were approved by the Board of Directors on 16 March 2019 and were signed on its behalf by:



J MacBeath
Director

Brookshaw Developments Limited

Notes to the Financial Statements

1. Authorisation of financial statements and statement of compliance with FRS 102

The financial statements of Brookshaw Developments Limited (the 'Company') for the year ended 30 June 2018 were authorised for issue by the Board of Directors and the balance sheet was signed on the Board's behalf by J MacBeath on 16 March 2019. Brookshaw Developments Limited is a private company limited by share capital incorporated and domiciled in England and Wales under the Companies Act 2006. The registered office is Etihad Stadium, Etihad Campus, Manchester, M11 3FF. The principal activities of the Company are discussed in the Directors' Report.

2. 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.

Basis of preparation

The financial statements have been prepared in accordance with the FRS 102 Section 1A Small Entities, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Abu Dhabi United Group Investment and Development Limited has confirmed that it will continue to make available such funds as are needed by the Company for at least 12 months from the date of approval of these financial statements. This will enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue, although at the date of approval of these financial statements they have no reason to believe it will not do so.

The Company has taken advantage of the exemption available to small companies not to prepare a Statement of Changes in Equity for the financial period.

Based on this undertaking the Directors believe that it is appropriate to prepare the financial statements on a going concern basis.

Cash flow statement

The Company has taken advantage of the exemption in FRS102 Section 1A Small Entities not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 2006.

Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Fixed assets and depreciation

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

No depreciation has been applied to the capitalised fixed assets in the year which are in the course of construction.

Brookshaw Developments Limited

Notes to the Financial Statements *(continued)*

2. Accounting policies *(continued)*

Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's trade and other debtors and its trade and other creditors and bank overdraft are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method.

3. Operating loss

Administrative expenses of £562,000 (2017: £947,000) were incurred in the period as a result of utility expenses, consultancy fees and the audit fee of £3,500 (2017: £3,500).

4. Staff numbers and costs

The Company has no employees other than the Directors. None of the Directors received remuneration from the Company during the period. Professional fees totalling £271,000 (2017: £260,000) were paid for the services of Director, M Edelman, for property acquisition and land remediation services incurred on behalf of Manchester City Limited.

5. Interest payable and similar charges

	Year ended 30 June 2018 £000	13 month period ended 30 June 2017 £000
Bank loans and overdrafts	2	10

6. Taxation

(a) Analysis of the tax charge in the year:

	Year ended 30 June 2018 £000	13 month period ended 30 June 2017 £000
Current tax		
UK corporation tax at 19% (2017: 19.8%) on profits for the year	-	-
Tax on loss from ordinary activities	-	-

Brookshaw Developments Limited

Notes to the Financial Statements (continued)

6. Taxation (continued)

(b) Factors affecting tax charge for the year:

The current tax charge for the year varies from the standard rate of corporation tax in the UK of 19% (2017: 19.8%). The differences are explained below:

	Year ended 30 June 2018 £000	13 month period ended 30 June 2017 £000
Loss on ordinary activities before taxation	(564)	(957)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.8%)	(107)	(189)
Effect of:		
Unrelieved losses arising in the period	107	189
Current tax charge for the period	-	-

7. Fixed asset investments

	Shares in Subsidiary Undertakings £000
Cost	
As at 1 July 2017	5,233
Additions	-
As at 30 June 2018	5,233
Provision	
As at 1 July 2017	-
Additions	-
As at 30 June 2018	-
Net book value	
As at 30 June 2018	5,233
As at 30 June 2017	5,233

Subsidiary undertakings	Principal activities	Proportion of voting rights and share capital held	Registered address
Eastlands Development Company Limited	Property development	80%	Etihad Stadium, Etihad Campus, Manchester, M11 3FF
Eastlands Strategic Development Company Limited	Dormant company	33%	Town Hall, Albert Square, Manchester, M60 2LA

All companies are incorporated in England and Wales.

Brookshaw Developments Limited

Notes to the Financial Statements (continued)

7. Fixed asset investments (continued)

The Company has a joint membership interest with Manchester City Council in MIHP Limited a company limited by guarantee. MIHP Limited develops and provides research, treatment, rehabilitation and sports science services. The Company has no rights to receive dividends or assets on a winding up and no claim on the assets of MIHP Limited.

8. Debtors: amounts falling due within one year

	2018 £000	2017 £000
Amounts receivable from group companies	1,231	1,200
Trade debtors	-	5
Other debtors	1	12
Prepayments and accrued income	-	80
Debtors: amounts falling due within one year	1,232	1,297

Amounts receivable from group companies included within debtors reflects amounts due from Manchester City Limited, Eastlands Development Company Limited and its subsidiary undertakings which are under common control.

9. Creditors: amounts falling due within one year

	2018 £000	2017 £000
Amounts payable to parent company	10,900	10,900
Amounts payable to group companies	4,031	4,031
Trade creditors	22	3
Accruals	189	345
Bank overdraft	3,000	2,364
Creditors: amounts falling due within one year	18,142	17,643

Bank overdraft is included in a Group cash pooling facility with a net cash position.

Amounts payable to parent company reflects financing provided by Abu Dhabi United Group Investment and Development Ltd, the Company's 100% parent undertaking and which is repayable on demand. Amounts payable to group companies included within creditors reflects an amount due to City Football Group Limited a company under common control.

10. Called up share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 Ordinary share of £1 issued in the period	1	1

Brookshaw Developments Limited

Notes to the Financial Statements *(continued)*

11. Reserves

	Profit & loss account £000
At 1 July 2017	(11,113)
Retained loss for the year	(564)
At 30 June 2018	(11,677)

12. Related Party Transactions

The Company has an unsecured interest free loan of £950,000 which was issued from Brookshaw Developments Limited, the parent undertaking, to Eastlands Development Company Limited, a subsidiary company. The amount is included within amounts receivable from group companies (2017: £950,000).

Amounts receivable from group companies include £244,000 (2017: £200,000) for an amount to be paid to Brookshaw Developments Limited by Eastlands Development Company Limited. This is for an amount paid in respect of 80% of the stamp duty acquired on a long leasehold in Eastlands Development Company Limited and electricity charges paid on behalf of Eastlands Development Company Limited.

Amounts receivable from group companies include £37,000 (2017: £50,000) for an amount to be paid to Brookshaw Developments Limited by Manchester City Limited, a company under common control.

Amounts payable to group companies include £4,031,000 (2017: £4,031,000) payable to City Football Group Limited, the parent company of City Football Group Limited.

Details of amounts payable to parent company, Abu Dhabi United Group Investment and Development Ltd, are disclosed in note 9.

Details of key management personnel remuneration is given in note 4.

13. Ultimate parent company

As at 30 June 2018 the Company's ultimate parent undertaking and controlling party was Abu Dhabi United Group Investment and Development Ltd, a company registered in Abu Dhabi and wholly owned by His Highness Sheikh Mansour bin Zayed Al Nahyan.

Brookshaw Developments Limited

Notes to the Financial Statements *(continued)*

14. Financial instruments

The Company's financial instruments may be analysed as follows:

	Year ended 30 June 2018 £000	13 month period ended 30 June 2017 £000
Financial Assets		
Financial assets that are debt instruments measured at amortised cost:		
Amounts receivable from group companies	1,231	1,200
Trade debtors	-	5
Other debtors	1	12
	1,232	1,217

Financial assets measured at amortised cost comprise trade debtors, other debtors and amounts receivable from group companies.

Financial Liabilities

Financial liabilities measured at amortised cost:

Accruals	189	345
Trade creditors	22	3
Amount due to group companies	4,031	4,031
Amounts due to parent company	10,900	10,900
Bank overdraft	3,000	2,364
	18,142	17,643

Financial liabilities measured at amortised cost comprise amounts due to group companies, amounts due to parent and accruals.