

**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present the annual report and the audited financial statements for the year ended 31 December 2020.

#### Business review

The principal activity of the Company during the year was property investment through the Company's holdings in a number of investment vehicles.

The Company is incorporated in the United Kingdom and its registered office is 70 Grosvenor Street, London, W1K 3JP.

The Company is in a net asset position and net current liability position, and was loss making as at 31 December 2020. The balance sheet shows that the Company's net assets decreased from £139,917,080 to £139,905,376 during the year and the net current liabilities decreased from £5,394,766 to £4,804,349.

#### Going concern

The intermediate holding company, Grosvenor Estate Holdings, has provided the directors of the Company with a letter of support confirming that it intends to continue to support the Company for a period of not less than twelve months from the date of signing the accounts, provided that the Company remains a wholly owned subsidiary of Grosvenor Estate Holdings. Grosvenor Estate Holdings intends to enable it to meet its liabilities as they fall due. The directors have made enquiries and understand that the intermediate holding company has adequate resources to be able to provide this financial support, and so these accounts have been prepared on a going concern basis.

The Grosvenor Group ("Group") is continuing to monitor developments associated with the Covid-19 virus and the associated near-term uncertainty for the global economy to understand the ongoing impact for the underlying property business and its tenants. Similarly, the Group continues to plan for all reasonable eventualities following the United Kingdom's exit from the European Union.

These factors have also formed part of the Group-level assessment of the Group's cash flow forecasts for the period ending 31 December 2022. In particular these forecasts consider the impact of Brexit and Covid-19 on the Group's rental income and stressed assumptions on the availability of finance and property valuations. Having considered the economic factors outlined above, and on the basis of the Group's continued forecast liquidity and ongoing support for the Company, the directors have a reasonable expectation that the Company has adequate resources for the foreseeable future. As such the directors continue to consider preparation of the accounts on the going concern basis to be appropriate.

#### Results and dividends

The loss for the year, after taxation, amounted to £11,704 (2019 - profit £19,781,938).

The directors have not recommended a payment of a dividend in the current year (2019: £6,669,498).

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Directors

The directors who served during the year and subsequently, except as noted, were:

C J Taite  
M R Preston  
S J Moore  
T L Budden  
R A J Marshall  
D C Lee  
R R Davis

#### Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

#### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

#### Post balance sheet events

There have been no significant events affecting the Company since year end.

#### Auditor

The auditors, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### Small companies note

The directors have taken advantage of the special provisions available to small companies provided by s.415A of the Companies Act 2006 in respect of preparing the directors' report and in preparing a strategic report.

This report was approved by the board and signed on its behalf.



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**S McConnell**  
Secretary

Date: 16 April 2021

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**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors are responsible for preparing the annual report and 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 accounting estimates that are reasonable and prudent;
- 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 to 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.

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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#### Opinion

In our opinion the financial statements of Grosvenor International Investments Limited (the 'Company'):

- 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 including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

#### 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 United Kingdom, including the Financial Reporting Council'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

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

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.

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

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## **GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROSVENOR INTERNATIONAL INVESTMENTS LIMITED (CONTINUED)**

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#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

#### **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.

#### **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 on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's report.

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROSVENOR INTERNATIONAL INVESTMENTS LIMITED (CONTINUED)

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance



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**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROSVENOR INTERNATIONAL  
INVESTMENTS LIMITED (CONTINUED)**

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**Report on other legal and regulatory requirements**

**Opinion 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.

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 any material misstatements in the Directors' Report.

**Matters on which we are required to report by exception**

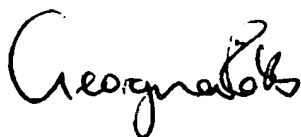
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

**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.



Georgina Robb FCA (Senior Statutory Auditor)

for and on behalf of  
**Deloitte LLP**

Statutory Auditor

London  
United Kingdom

Date: 16 April 2021

**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Administrative expenses	5	(342,112)	(852,676)
Other operating income		8,614	26,908
<b>Operating income</b>		<b>(333,498)</b>	<b>(825,768)</b>
Income from other fixed asset investments	6	-	21,569,563
Impairment loss on trade investment	9	(602,122)	(854,978)
<b>(Loss)/profit before taxation</b>		<b>(935,620)</b>	<b>19,888,817</b>
Taxation on (loss)/profit	8	923,916	(106,879)
<b>(Loss)/profit for the financial year</b>		<b>(11,704)</b>	<b>19,781,938</b>

There were no recognised gains and losses, or items of other comprehensive income, for 2020 or 2019 other than those included in the income statement and as a result no statement of comprehensive income has been presented.

All activities in the current year and prior year are derived from continuing operations.

The notes on pages 11 to 21 form part of these financial statements.

**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**  
**REGISTERED NUMBER: 07489437**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**


	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	9	144,709,725	145,311,846
		<u>144,709,725</u>	<u>145,311,846</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	67,886,718	24,701,845
Cash at bank and in hand	11	1,274,471	334,512
		<u>69,161,189</u>	<u>25,036,357</u>
Creditors: amounts falling due within one year	12	(73,965,538)	(30,431,123)
<b>Net current liabilities</b>		<u>(4,804,349)</u>	<u>(5,394,766)</u>
<b>Total assets less current liabilities</b>		<u>139,905,376</u>	<u>139,917,080</u>
 <b>Net assets</b>		 <u><u>139,905,376</u></u>	 <u><u>139,917,080</u></u>
 <b>Capital and reserves</b>			
Called up share capital	13	59,440,562	59,440,562
Share premium account	14	52,427,124	52,427,124
Profit and loss account	14	28,037,690	28,049,394
		<u>139,905,376</u>	<u>139,917,080</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**T L Budden**  
Director

Date: 16 April 2021



**D C Lee**  
Director

Date: 16 April 2021

The notes on pages 11 to 21 form part of these financial statements.

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**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Called up share capital £	Share premium £	Profit and loss account £	Total equity £
<b>At 1 January 2019</b>	<b>59,440,562</b>	<b>52,427,124</b>	<b>14,936,954</b>	<b>126,804,640</b>
Profit for the year	-	-	19,781,938	19,781,938
Dividends paid	-	-	(6,669,498)	(6,669,498)
<b>At 1 January 2020</b>	<b>59,440,562</b>	<b>52,427,124</b>	<b>28,049,394</b>	<b>139,917,080</b>
Loss for the year	-	-	(11,704)	(11,704)
<b>At 31 December 2020</b>	<b>59,440,562</b>	<b>52,427,124</b>	<b>28,037,690</b>	<b>139,905,376</b>

The notes on pages 11 to 21 form part of these financial statements.

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

Grosvenor International Investments Limited (the Company) is a private Company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The Company's registered number is 07489437.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost basis and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Grosvenor Group Limited (the Group). The accounts of the Group are available to the public and can be obtained as set out in note 15.

The following accounting policies have been applied:

##### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 'Financial Instruments: Disclosures'
- the requirements of paragraphs 91-99 of IFRS 13 'Fair Value Measurement'
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers';
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 'Presentation of Financial Statements'
- the requirements of IAS 7 'Statement of Cash Flows'
- the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'
- the requirements of paragraph 17 of IAS 24 'Related Party Disclosures'
- the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 'Impairment of Assets'.

Where required, equivalent disclosures are given in the group accounts of Grosvenor Group Limited. The group accounts of Grosvenor Group Limited are available to the public and can be obtained as set out in note 15.

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.3 Investments

Investments held as fixed assets, including subsidiaries and joint ventures, are stated at cost less provision for impairment.

Investments are tested for impairment on an annual basis or when objective evidence is identified that indicates an impairment may be needed. Impairments are calculated as the difference between the current carrying value of the investment and its expected recoverable value – taken to be the higher of the value in use (approximated using the net asset value of the investee) and the fair value less costs to sell.

##### 2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are remeasured initially at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.5 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and for a minimum period of 12 months from the date of signing the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

An intermediate holding company, Grosvenor Estate Holdings, has provided the directors of the Company with a letter of support confirming that it intends to continue to support the Company for a period of not less than twelve months from the date of signing the accounts, provided that the Company remains a wholly owned subsidiary of Grosvenor Estate Holdings. Grosvenor Estate Holdings intends to enable it to meet its liabilities as they fall due. The directors have made enquiries and understand that the intermediate holding company has adequate resources to be able to provide this financial support, and so these accounts have been prepared on a going concern basis.

The Grosvenor Group ("Group") is continuing to monitor developments associated with the Covid-19 virus and the associated near-term uncertainty for the global economy to understand the ongoing impact for the underlying property business and its tenants. Similarly, the Group continues to plan for all reasonable eventualities following the United Kingdom's exit from the European Union.

These factors have also formed part of the Group-level assessment of the Group's cash flow forecasts for the period ending 31 December 2022. In particular these forecasts consider the impact of Brexit and Covid-19 on the Group's rental income and stressed assumptions on the availability of finance and property valuations. Having considered the economic factors outlined above, and on the basis of the Group's continued forecast liquidity and ongoing support for the Company, the directors have a reasonable expectation that the Company has adequate resources for the foreseeable future. As such the directors continue to consider preparation of the accounts on the going concern basis to be appropriate.

##### 2.6 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.6 Financial instruments (continued)

instruments transactions are explained below:

###### Financial assets

The Company classifies all of its financial assets as loans and receivables.

###### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Income Statement. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

###### Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

###### At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance Sheet.

##### 2.7 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.8 Taxation

Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### 2.9 Functional currency

The Company's functional and presentational currency is GBP.

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

##### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.



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## **GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

##### **i) Significant judgements in applying the Company's accounting policies**

There were no critical judgements, apart from those involving estimations (which are dealt with separately below) that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

##### **ii) Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liability within the next financial year, are discussed below:

##### **Income tax**

The Group applies judgement in the application of taxation regulations and makes estimates in calculating current income tax and deferred tax assets and liabilities, including the likely availability of future taxable profits against which deferred tax assets can be utilised.

##### **Impairment of investment**

Determining whether the company's investments have been impaired requires estimations of the investments' values in use. COVID-19 and the associated near-term economic uncertainty creates greater uncertainty in the estimation of these investment values and the underlying assets held in these investment companies.

##### **Recoverability of debtor balances**

Debtor balances, including intercompany balances, are reviewed annually to ensure that the counterparty is capable of repaying the balance when required. The credit quality of the counterparty is considered adequate and as such no provision has been made at 31 December 2020.

As a result of the method used to calculate any required provisions, it is not feasible to perform a sensitivity analysis.

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**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**4. Auditor's remuneration**

Auditor's remuneration for the audit of the financial statements of the Company is as follows::

	2020 £	2019 £
Fees for audit of the Company	4,300	4,140

The audit fee is borne by Grosvenor Estate Holdings, a fellow subsidiary undertaking. No fees were payable to Deloitte LLP and its associates for non-audit services to the Company during the current or preceding year.

**5. Administrative expenses**

	2020 £	2019 £
Staff training and welfare	(60,402)	(62,359)
Entertainment and travel	(36,918)	(133,792)
Subscription and donations	(3,504)	(200,747)
Professional fees	(44,682)	(217,196)
Finance charges	(253)	(450)
Group recharges and others	(182,755)	(227,322)
Office and stationery	(13,598)	(10,810)
	<u>(342,112)</u>	<u>(852,676)</u>

**6. Income from investments**

	2020 £	2019 £
Dividends received from trade investments	-	4,053,767
Dividends from group companies	-	17,515,796
	<u>-</u>	<u>21,569,563</u>

**7. Employees**

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

There were no employees of the Company for the current or preceding year.

**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	231,695	514,694
Adjustments in respect of previous periods	(1,155,611)	(407,815)
<b>Total current tax</b>	<u>(923,916)</u>	<u>106,879</u>
<b>Factors affecting tax charge for the year</b>		
	2020 £	2019 £
Profit/ (loss) before tax	<u>(935,620)</u>	<u>19,888,817</u>
Profit/ (loss) multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	<u>(177,768)</u>	<u>3,778,875</u>
<b>Effects of:</b>		
Expenses not deductible for tax purposes	140,369	162,446
Adjustments to tax charge in respect of prior periods	(1,155,611)	(407,815)
Other items attracting no tax relief or liability	-	(3,866,765)
Group relief surrendered for no consideration	269,094	440,138
<b>Total tax charge for the year</b>	<u>(923,916)</u>	<u>106,879</u>

**Factors that may affect future tax charges**

A current tax rate of 19%, being the UK corporation tax rate throughout the period, has been applied to the year ended 31 December 2020.

The UK Budget on 3 March 2021 announced an increase in the UK corporation tax rate from 19% to 25% from 1 April 2023. This change was not substantively enacted at the balance sheet date and therefore has not been reflected in the measurement of deferred tax balances at the period end.

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**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**9. Fixed Assets**

	Investments in subsidiary companies £	Trade investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	143,547,849	1,763,997	145,311,846
Additions	1	-	1
Impairment	-	(602,122)	(602,122)
At 31 December 2020	<u>143,547,850</u>	<u>1,161,875</u>	<u>144,709,725</u>
<b>Net book value</b>			
At 31 December 2020	<u>143,547,850</u>	<u>1,161,875</u>	<u>144,709,725</u>
At 31 December 2019	<u>143,547,849</u>	<u>1,763,997</u>	<u>145,311,846</u>

During the year, the Company made a £1 investment addition into a subsidiary named GIO European Investments Limited.

The Company also carried out a review of the recoverable amount of its trade investment, RMB Westport Real Estate Development Fund II LP, which led to a recognition of an impairment loss of £602,122 (2019: £854,978) and this has been recognised in the profit or loss.

**The Company has a 100% interest in the following entities:**

Name	Registered office
GIO Investments Limited	70 Grosvenor Street, London W1K 3JP, UK
GFAL Limited	70 Grosvenor Street, London W1K 3JP, UK
Grosvenor Americas Investments Limited	70 Grosvenor Street, London W1K 3JP, UK
Grosvenor International Investments (Finance) Ltd	70 Grosvenor Street, London W1K 3JP, UK
Grosvenor Australian Residential Opportunities Ltd	70 Grosvenor Street, London W1K 3JP, UK
GIO European Investments Limited	70 Grosvenor Street, London W1K 3JP, UK
Grosvenor Australasia Investments Pty Ltd	Level 38, Tower 3, 300 Barangaroo Avenue, Sydney, Australia
Grosvenor Investments North America, LLC	One California Street Ste 2500, San Francisco, CA 94111, USA
Grosvenor Investments North America Holdings Inc	One California Street Ste 2500, San Francisco, CA 94111, USA
GP Warehouse Member Investment One LLC	One California Street Ste 2500, San Francisco, CA 94111, USA

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 9. Fixed Assets (continued)

Grosvenor Fund Management LLC	One California Street Ste 2500, San Francisco, CA 94111, USA
GFM Equity Advisors, Inc.	One California Street Ste 2500, San Francisco, CA 94111, USA
GMOB MP Member LLC	One California Street Ste 2500, San Francisco, CA 94111, USA

The Company has the following interests in joint ventures during the year, held directly by the Company and its subsidiaries:

Name	Ownership	Registered office
IOG2 LLP	99.2%	9-10 Carlos Place, London W1K 3AT, UK
IO Investment 2 LLP	24.4%	9-10 Carlos Place, London W1K 3AT, UK
Polish Logistics (UK) LLP	99.0%	9-10 Carlos Place, London W1K 3AT, UK '01' Suite 7, Level 7, 56 Clarence Street, Sydney NSW 2000, Australia
Australian Diversified Healthcare Fund	50.0%	
HS/GP Warehouse Investment Company LLC	50.0%	53 State Street, 38th Floor, Boston , MA 02109, USA c/o Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA
Stockdale Parking, LLC	90%	2711 Centerville Road, suite 400, Wilmington, DE 19808, USA
AGP JV LLC	99%	2300 North Field Street, Suite 2150, Dallas, TX 75201, USA
MP Fund III Platform JV, LLC	50%	4th Floor, 7/10 Chandos Street, Cavendish Square, London W1G 9DQ, UK
Four Ashes Limited	40%	200 Bellevue Parkway, Suite 210, Wilmington, DE 19809, USA
Brazilian Student Housing JV LLC	80%	

During the year, subsidiaries of the Company entered into two new joint venture investments being a 99% interest in Polish Logistics (UK) LLP and 50% interest in MP Fund III Platform JV, LLC.

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**GROSVENOR INTERNATIONAL INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**10. Debtors: Amounts falling due within one year**

	2020 £	2019 £
Amounts owed by group undertakings	67,886,718	24,686,158
Prepayments and accrued income	-	15,689
	<u>67,886,718</u>	<u>24,701,847</u>

All amounts owed by group undertakings are interest free, repayable on demand and unsecured.

**11. Cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	1,274,471	334,512
	<u>1,274,471</u>	<u>334,512</u>

**12. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Amounts owed to group undertakings	73,528,333	29,269,038
Corporation tax	431,756	964,978
Accruals and deferred income	5,449	197,107
	<u>73,965,538</u>	<u>30,431,123</u>

All amounts owed to group undertakings are interest free, repayable on demand and unsecured.

**13. Called up share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
59,440,562 (2019 - 59,440,562) Ordinary shares of £1.00 each	<u>59,440,562</u>	<u>59,440,562</u>

The Company's shares have attached to them full voting, dividend and capital distribution (including on winding up) rights.

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## GROSVENOR INTERNATIONAL INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 14. Reserves

##### Share premium

Share premium represents the excess of proceeds received over the nominal value of new shares issued.

##### Profit and loss account

The profit and loss account reserve contains the balance of retained earnings to carry forward. Dividends are paid from this reserve.

#### 15. Controlling party

On 3 August 2020 as part of a wider reorganisation of the ownership of Grosvenor Group Limited (GGL), GGL Group Number Two Limited (now called Grosvenor Group Limited) became the ultimate parent of the Company. Grosvenor Group Limited is incorporated in Great Britain and registered in England and Wales. It is wholly owned by trusts on behalf of the Grosvenor family, headed by the 7th Duke of Westminster, therefore the ultimate controlling party has remained unchanged

The ultimate parent undertaking heads the largest and smallest group of undertakings of which the company is a member and for which group accounts are prepared. Grosvenor Estate Holdings Limited is the immediate parent company.

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

The address of the registered office of Grosvenor Group Limited and of Grosvenor Estate Holdings Limited is 70 Grosvenor Street, London, W1K 3JP.