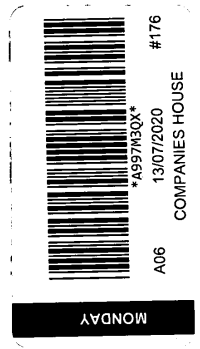


Company Number: 05934119



**BIRCHFIELD ESTATES LTD**

**ANNUAL REPORT**

**31 DECEMBER 2019**

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## BIRCHFIELD ESTATES LTD

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### DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2019. A strategic report has not been prepared as Birchfield Estates Ltd (the company) is entitled to the small companies exemption under section 414B of the Companies Act 2006.

#### 1. Introduction

The company acquired the land on which a base build was developed to accommodate a data center. The development of the data center was contracted to a group undertaking. The land along with the base build is leased to another group undertaking, Goldman Sachs International.

The company's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. (Group Inc.). Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System. In relation to the company, 'group undertaking' means Group Inc. or any of its subsidiaries. Group Inc., together with its consolidated subsidiaries, form 'GS Group'. GS Group is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals.

The company primarily operates in a British Pound environment. Accordingly, the company's functional currency is the British Pound and these financial statements have been prepared in that currency.

#### 2. Financial overview

The financial statements have been drawn up for the year ended 31 December 2019. Comparative information has been presented for the year ended 31 December 2018.

The results for the year are shown in the profit and loss account on page 6. Profit before taxation for the year ended 31 December 2019 was £1.7 million (31 December 2018: £1.5 million).

The company had total assets of £26.6 million as at 31 December 2019 (31 December 2018: £29.2 million).

#### 3. Future outlook

The directors consider that the year end financial position of the company was satisfactory and do not anticipate any significant changes in its activities in the forthcoming year. In December 2019, an outbreak of a coronavirus disease (COVID-19) emerged globally and became more widespread in 2020. The extent of the impact of COVID-19 on the company's operational and financial performance will depend on future developments, including the duration and continued spread of the outbreak.

#### 4. Post balance sheet events

The land along with the base build owned by the company is leased to a subsidiary of Group Inc., Goldman Sachs International. On 8 April 2020, Goldman Sachs International assigned the lease to another subsidiary of Group Inc., Goldman Sachs Property Management with the effective date 1 January 2020. The terms of the lease remain unchanged and there is no financial impact of this on the balance sheet or on the profit and loss statement of the company.

#### 5. Dividends

The directors do not recommend the payment of a dividend in respect of the year (2018: £nil).

**BIRCHFIELD ESTATES LTD**

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**DIRECTORS' REPORT (continued)**

**6. Directors**

The directors of the company who served throughout the year and to the date of this report, except where noted, were:

Name	Resigned
G.A. Wills	17.05.2019
M.C. Taylor	
O. Dunne	
V.S. Chima	

No director had, at the year end, any interest requiring note herein.

**7. Financial risk management**

The directors consider that the most important components of the company's financial risk are market risk, credit risk and liquidity risk. The company is also exposed to risk of decline in value of its non-financial assets, primarily investment properties. The company, as part of a global group, adheres to global risk management policies and procedures.

**8. Disclosure of information to auditors**

In the case of each of the persons who are directors of the company at the date when this report was approved:

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

**9. Independent auditors**

Prior to 1 October 2007, the company passed an elective resolution under section 386 of the Companies Act 1985 to dispense with the annual reappointment of auditors. PricewaterhouseCoopers LLP will, accordingly, continue in office as auditors of the company pursuant to section 487(2) of the Companies Act 2006 and paragraph 44 of schedule 3 to the Companies Act 2006 (Commencement No. 3 Consequential Amendment, Transitional Provisions and Savings) Order 2007.

**BIRCHFIELD ESTATES LTD**

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**DIRECTORS' REPORT (continued)**

**10. Statement of 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 which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 which 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.

**11. Date of authorisation of issue**

The financial statements were authorised for issue by the Board of Directors on 24 June 2020.

**ON BEHALF OF THE BOARD**



**V.S. Chima  
Director**

## **Independent auditors' report to the members of Birchfield Estates Ltd**

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### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Birchfield Estates Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit 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, which comprise: the Balance Sheet as at 31 December 2019; the Profit and Loss Account, 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**

We have nothing to report in respect of the following matters in relation to which 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.

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

#### **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 the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require 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 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light 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.

**Independent auditors' report to the members of  
Birchfield Estates Ltd**

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**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 set out on page 3, 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.

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](http://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.

**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 received 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 from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Mike Wallace (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
24 June 2020

**BIRCHFIELD ESTATES LTD**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 December 2019**

		<b>Year Ended</b>	<b>Year Ended</b>
		<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
Revenue		2,415	2,343
Administrative expenses	4	(429)	(425)
Interest payable and similar expenses	5	(305)	(377)
<b>PROFIT BEFORE TAXATION</b>		<b>1,681</b>	<b>1,541</b>
Tax on profit	8	(377)	(350)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>1,304</b>	<b>1,191</b>

The profits of the company are derived from continuing operations in the current and prior years.

The company has no recognised gains and losses other than those included in the profit and loss account for the years shown above and therefore no separate statement of comprehensive income has been presented.

The accompanying notes are an integral part of these financial statements.

BIRCHFIELD ESTATES LTD

**BALANCE SHEET**  
as at 31 December 2019

		31 December 2019	31 December 2018
	Note	£'000	£'000
<b>FIXED ASSETS</b>			
Investment Properties	9	24,128	24,509
<b>CURRENT ASSETS</b>			
Debtors: Amounts falling due within one year	10	2,453	204
Cash at bank and in hand		-	4,531
		2,453	4,735
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	11	(388)	(2,415)
<b>NET CURRENT ASSETS</b>		2,065	2,320
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		26,193	26,829
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	12	(14,173)	(16,114)
<b>DEFERRED TAX LIABILITY</b>	13	(274)	(273)
<b>NET ASSETS</b>		11,746	10,442
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	7,750	7,750
Profit and loss account		3,996	2,692
<b>TOTAL SHAREHOLDER'S FUNDS</b>		11,746	10,442

The financial statements were approved by the Board of Directors on 24 June 2020 signed on its behalf by:



V.S. Chima  
Director

The accompanying notes are an integral part of these financial statements.

Company number: 05934119



**BIRCHFIELD ESTATES LTD**

**STATEMENT OF CHANGES IN EQUITY**

**for the year ended 31 December 2019**

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
<b>Balance at 1 January 2018</b>	7,750	1,501	9,251
Profit for the financial year	-	1,191	1,191
<b>Balance at 31 December 2018</b>	7,750	2,692	10,442
Profit for the financial year	-	1,304	1,304
<b>Balance at 31 December 2019</b>	7,750	3,996	11,746

No dividends were paid in 2019 (31 December 2018: Nil).

The accompanying notes are an integral part of these financial statements.

## BIRCHFIELD ESTATES LTD

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### NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

#### 1. GENERAL INFORMATION

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Plumtree Court, 25 Shoe Lane, London, EC4A 4AU, United Kingdom.

The immediate parent undertaking is Goldman Sachs International Service Entities Holdings Limited, a company incorporated and domiciled in England and Wales.

The ultimate holding company and the parent company of the smallest and largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc., a company incorporated in the United States of America. Copies of its consolidated financial statements can be obtained from Investor Relations, 200 West Street, New York, NY 10282, United States of America, or at [www.goldmansachs.com/investor-relations/](http://www.goldmansachs.com/investor-relations/).

#### 2. ACCOUNTING POLICIES

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

##### a. Basis of preparation

The financial statements have been prepared on a going concern basis, under historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

The following exemptions from disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the E.U. have been applied in the preparation of these financial statements in accordance with FRS 101:

- (i) IFRS 2 'Share-based Payment' paragraph 45(b) and 46 to 52. These disclosures are provided in the consolidated financial statements of Group Inc.;
- (ii) IFRS 7 'Financial Instruments: Disclosures';
- (iii) IFRS 13 'Fair Value Measurements' paragraphs 91-99;
- (iv) IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79(a)(iv);
- (v) IAS 1 'Presentation of Financial Statements' paragraphs 10(f), 16 and 40A-D;
- (vi) IAS 7 'Statement of Cash Flows';
- (vii) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31;
- (viii) IFRS 15 'Revenue from Contracts with Customers' second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129;
- (ix) IAS 24 'Related Party Disclosures' paragraph 17; and
- (x) IAS 24 'Related Party Disclosures' requirements to disclose transactions with companies also wholly owned within GS Group.

**BIRCHFIELD ESTATES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019**

**2. ACCOUNTING POLICIES (continued)**

**b. Changes in accounting policies**

The company has applied IFRS 16 "Leases" for the first time for the annual reporting period commencing 1 January 2019. The company had to change its accounting policies as a result of adopting IFRS 16. The company has adopted the standard retrospectively from 1 January 2019. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17 hence, there is no impact of this adoption on the balance sheet or on the profit and loss statement of the company.

**c. Revenue recognition**

Revenue from investment properties includes rental income which is recognised on a straight line basis.

**d. Dividends**

Final dividends are recognised as a liability and deducted from equity in the period in which the dividends are approved by the company's shareholder. Interim equity dividends are recognised and deducted from equity when paid.

**e. Leases**

Leases are classified as finance leases when the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The company acts as the lessor under an operating lease agreement. Assets leased to counterparties are not derecognised from the balance sheet. Rental income in respect of operating lease, less any incentives granted by the company, are credited on a straight-line basis over the lease term and included within revenue in the profit and loss account.

**f. Foreign currencies**

The company's financial statements are presented in British pounds, which is also the company's functional currency. Transactions denominated in foreign currencies are translated into British pounds at rates of exchange prevailing on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into British pounds at rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses are recognised in the profit and loss account.

**g. Investment Properties**

Investment properties are measured initially at cost, including transaction costs. The company has elected to subsequently measure investment property at historical cost less accumulated depreciation and provisions for any impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. No depreciation is charged on freehold land. Depreciation on building is provided on a straight line basis over estimated useful life of 40 years. Borrowing cost directly associated with the purchase or development of fixed assets is capitalised.

Investment properties are tested for impairment whenever events or changes in circumstances suggest that an asset's or asset group's carrying value may not be fully recoverable. An impairment loss, calculated as the difference between the estimated fair value and the carrying amount of an asset or asset group, is recognised if the sum of its expected undiscounted cash flows is less than its corresponding carrying value.

24 Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

## BIRCHFIELD ESTATES LTD

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### NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

#### 2. ACCOUNTING POLICIES (continued)

##### h. Cash at bank and in hand

Cash at bank and in hand is highly liquid overnight deposits held in the ordinary course of business.

##### i. Other financial assets and liabilities

Other financial assets and liabilities primarily comprise of amounts due from group undertakings and amounts due to group undertakings. They are initially recognised at fair value and are subsequently measured at amortised cost, with finance income and expense recognised on an accruals basis. All finance income and expense are recognised in the profit and loss account. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or if the company transfers the financial asset and substantially all the risks and rewards of ownership of that financial asset. A financial liability is derecognised only when it is extinguished (i.e. when the obligation specified in the contract is discharged, is cancelled or expires).

##### j. Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account. Current tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more tax or a right to pay less tax in the future with the following exceptions:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.
- Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### k. Share capital

The company has share capital in the form of ordinary shares and redeemable shares which are classified as equity.

#### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in these financial statements. The nature of estimation means that actual outcomes could differ from those estimates. The following estimates have had the most significant effect on amounts recognised in the financial statements:

- Useful lives of fixed assets: the useful lives of the company's fixed assets represent a key estimate which impacts the value of depreciation charged to the profit and loss account. The useful life of the asset which determine the value of depreciation charged is reviewed annually and is based on management's judgement and experience (see note 2g).
- Impairment analysis of fixed assets: Investment properties are tested for impairment whenever events or changes in circumstances suggest that an asset's or asset group's carrying value may not be fully recoverable. An impairment loss, calculated as the difference between the estimated fair value and the carrying amount of an asset or asset group, is recognised if the sum of its expected undiscounted cash flows is less than its corresponding carrying value (see note 9).

**BIRCHFIELD ESTATES LTD**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019**

**4. ADMINISTRATIVE EXPENSES**

	Year Ended 31 December 2019 £'000	Year Ended 31 December 2018 £'000
Depreciation (see note 9)	381	383
Auditors' remuneration - audit services	10	10
Other expenses	38	32
	<u>429</u>	<u>425</u>

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	Year Ended 31 December 2019 £'000	Year Ended 31 December 2018 £'000
Interest on loan from group undertaking (see note 12)	305	377

**6. STAFF COSTS**

As in the prior year, the company has no employees. All persons involved in the company's operations are employed by group undertakings and no costs are borne by the company.

**7. DIRECTORS' EMOLUMENTS**

The directors did not receive any remuneration from the company in the current or prior years and no contributions were made by the company under defined benefit or defined contribution pension schemes. The directors are employed by other group undertakings and their remuneration is borne by those companies. The directors do not consider that more than an incidental amount of their remuneration relates to the qualifying services provided to the company.

**BIRCHFIELD ESTATES LTD**

**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019**

**8. TAX ON PROFIT**

	Year Ended 31 December 2019	Year Ended 31 December 2018
	£'000	£'000
<b>Current tax:</b>		
U.K. corporation tax	376	348
<b>Total current tax</b>	<b>376</b>	<b>348</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	1	2
<b>Total deferred tax (see note 13)</b>	<b>1</b>	<b>2</b>
<b>Total tax on profit</b>	<b>377</b>	<b>350</b>

The table below presents a reconciliation between tax on profit and the amount calculated by applying the weighted average rate of U.K. corporation tax applicable to the company for the year of 19.00% (2018: 19.00%) to the profit before taxation.

	Year Ended 31 December 2019	Year Ended 31 December 2018
	£'000	£'000
Profit before taxation	1,681	1,541
Profit before taxation multiplied by the weighted average rate in the U.K. of 19.00% (2018: 19.00%)	319	293
Permanent differences	58	57
<b>Total tax on profit</b>	<b>377</b>	<b>350</b>

Permanent difference represent depreciation on assets for which no capital allowances are available.

**9. INVESTMENT PROPERTIES**

The movements in investment properties during the year were as follows:

	31 December 2019	31 December 2018
	£'000	£'000
At 1 January	28,302	28,302
Accumulated depreciation	(4,174)	(3,793)
<b>At 31 December</b>	<b>24,128</b>	<b>24,509</b>

Investment properties consists of land and building. Out of the above, £13 million pertains to land which is not depreciated (31 December 2018: £13 million). During the year ended 31 December 2019, no impairments occurred (31 December 2018: £nil).

**BIRCHFIELD ESTATES LTD**

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Debtors, all of which are due within one year of the balance sheet date, comprise:

	31 December 2019	31 December 2018
	£'000	£'000
Amounts due from group undertakings	2,345	202
Other debtors	108	2
	<u>2,453</u>	<u>204</u>

Amounts due from group undertakings comprise of operating lease receivables.

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 December 2019	31 December 2018
	£'000	£'000
Amounts due to group undertaking	-	2,254
Group relief payable	376	-
Corporation tax payable	-	161
Other creditors and accruals	12	-
	<u>388</u>	<u>2,415</u>

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31 December 2019	31 December 2018
	£'000	£'000
Amounts due to group undertaking	<u>14,173</u>	<u>16,114</u>

During the year, the company terminated its existing secured loan facility and entered into a new unsecured loan agreement with Group Inc.. Amounts due to group undertaking includes a loan of £11.61 million (31 December 2018: £16.11 million) payable to Group Inc. and loan interest payable of £2.56 million. The loan accrues interest at a variable margin over the U.S. Federal Reserve's federal fund rates. The loan is repayable at the earlier of 367 days from when the lender demands or 18 January 2038.

**BIRCHFIELD ESTATES LTD**

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

**13. DEFERRED TAX LIABILITY**

	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Deferred tax balance comprises:</b>		
Capital allowances in excess of depreciation	274	273
<b>The movements in the deferred tax balance were as follows:</b>		
At 1 January 2018	271	
Charged to the profit and loss account (see note 8)	2	
<b>At 31 December 2018</b>	<b>273</b>	
Charged to the profit and loss account (see note 8)	1	
<b>At 31 December 2019</b>	<b>274</b>	

**14. CALLED UP SHARE CAPITAL**

At 31 December 2019 and 31 December 2018 share capital comprised:

	<b>31 December 2019</b>		<b>31 December 2018</b>	
	<b>No.</b>	<b>£'000</b>	<b>No.</b>	<b>£'000</b>
<b>Allotted, called up and fully paid</b>				
Ordinary shares of £1 each	1	-	1	-
Redeemable shares of £1 each	7,750,000	7,750	7,750,000	7,750
		7,750		7,750

The redeemable shares issued to date are redeemable at par, there is no fixed expiry date on their redemption and they are redeemable at the option of the company. The redeemable shares have the same rights to dividends, voting rights and priority on winding up as ordinary share.

**15. LEASES**

The company earns revenue through rental income from operating lease. The table below presents the undiscounted lease payments to be received for each of the following periods.

	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>£'000</b>	<b>£'000</b>
Less than 1 year	2,461	2,407
1 - 5 years	6,749	9,010
<b>Total</b>	<b>9,210</b>	<b>11,417</b>



**BIRCHFIELD ESTATES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019**

**16. FINANCIAL COMMITMENTS**

The company had no contingencies outstanding or financial commitments for capital expenditure not provided for in the financial statements at year end 31 December 2019 (31 December 2018: £Nil).

**17. POST BALANCE SHEET EVENTS**

- (i) The land along with the base build owned by the Company is leased to a subsidiary of Group Inc., Goldman Sachs International. On 8 April 2020, Goldman Sachs International assigned the lease to another subsidiary of Group Inc., Goldman Sachs Property Management with the effective date 1 January 2020. The terms of the lease remain unchanged and there is no financial impact of this on the balance sheet or on the the profit and loss statement of the company.
- (ii) Since the balance sheet date there has been a global outbreak of a coronavirus disease (COVID-19) which has caused widespread disruption to financial markets and normal patterns of business activity across the world. At the date of signing the company had not incurred any material financial impact associated to COVID-19 however, in view of its evolving nature it is not currently possible to estimate any potential future financial effects of COVID-19 on the company.