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**PERA INTERNATIONAL**  
(A Company Limited by Guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**PERA INTERNATIONAL**  
(A Company Limited by Guarantee)

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**COMPANY INFORMATION**

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|-----------------------------|---|
| <b>Directors</b>            | Roger James Whysall<br>Alan John Baxter<br>Peter Robert Hughes                        |
| <b>Company secretary</b>    | Lorraine Ann Badjie   |
| <b>Registered number</b>    | 00412652  |
| <b>Registered office</b>    | Pera Business Park<br>Nottingham Road<br>Melton Mowbray<br>Leicestershire<br>LE13 0PB |
| <b>Independent auditors</b> | BDO LLP<br>Statutory Auditors<br>Two Snowhill<br>Birmingham<br>B4 6GA                 |

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**PERA INTERNATIONAL**  
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**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**Principal activities, business review and future developments**

Pera International continues as a membership-based company limited by guarantee as it has existed since its creation in 1946. Its purpose is to support innovation, primarily in companies in manufacturing sectors, by supporting the development of new strategies, and research for new products, standards and improved production techniques. The principal activities of the company's subsidiaries are business incubation and business park management.

In last year's report it was explained that, following the insolvencies of the Company's previous delivery partners for innovation support, a new partnership with PRA World Ltd had been established through a Framework Agreement for the generation and dissemination of generic intellectual property. That company has the capability for R&D and information dissemination services, including through its well respected Irfab operations. The capabilities have been inherited from its predecessor companies which have been serving as a catalyst for innovation and growth since 1926. Similar to Pera International it has an industrial membership base and PRA World is located in the Pera Business Park in Melton Mowbray.

The first R&D commissioned under the new Framework Agreement concerned researching chromate-free coating systems for manufacturers in the aerospace and defence sectors. Another research stream has since been added to research coatings used by manufacturers in the Agricultural, Construction and Earthmoving (ACE) sectors with a view to establishing a new Quality Assurance Scheme. The projects demonstrate well the advantages of a scientific research association like Pera International whereby it can commission R&D for a class of trade where any one company would not have the incentive or the means to develop and disseminate its own solution. As the Board is satisfied with that the Framework Agreement is meeting these objectives, further research projects have been agreed for 2019/20

The Company has continued to encourage its subsidiaries to be pro-active in developing their premises in Melton Mowbray and Hampton to be suitable for small businesses to rent either at the business incubation or later growth stage. The relevant subsidiaries are Pera Business Park Ltd and PRA Hampton Ltd. The Hampton premises are fully occupied and eighty percent of the offices and laboratories are taken up by high-technology companies. In the Pera Business Park a full-support service is offered to tenant companies in order to give them maximum assistance for business stability and growth. A flexible mix of offices, research areas and light workshop facilities is available, with a range of tenancy options from hot-desking for the smallest start-ups to large suites with bespoke layout. The occupancy rate continues to rise and investigations are underway to see whether more space can be economically converted to provide room for tenant companies. In addition the Company intends to examine the possibility of raising development funds by disposing of underused land.

Following substantial contributions during the year into the Pera defined-benefit pension scheme, which was closed to further accrual in 2001, the Scheme is currently in surplus on a basis that assumes continuing support from the Company would be available in the future if needed. Therefore to create greater certainty over the future resources available for R&D and certainty for members of the Scheme, the Company keeps all options under continual review including an insurance buy-out.

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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**Principal risks and uncertainties**

Listed investment performance - the group hold listed investments, the values of which are subject to potential volatility in performance and this is managed through continuing monitoring and review by the directors in conjunction with the external investment managers.

Defined benefit pension - the group hold a defined benefit pension scheme in deficit which is frozen to future service accrual. Movements in the deficit impact on the net asset position of the group. Management of the deficit has been reviewed by the directors with the trustees and a recovery plan agreed.

Property values - the group holds investment property and is therefore subject to volatility in the property market and risk of lost tenants, the latter being mitigated through longer term leases.

**Financial key performance indicators**

The directors consider net assets and cash flow to be the key financial performance indicators. Group net assets increased by £2.7 million in the year with an increase in cash of £2.6 million.

This report was approved by the board on 6 December 2019 and signed on its behalf.



**Roger James Whysall**  
Director

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**PERA INTERNATIONAL**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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The directors present their report and the financial statements for the year ended 31 March 2019.

**Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Results and dividends**

The profit for the year, after taxation, amounted to £1,100,000 (2018 - loss £123,000).

**Directors**

The directors who served during the year were:

Roger James Whysall  
Alan John Baxter  
Peter Robert Hughes

**Community and the environment**

We recognise that in our day-to-day operations we inevitably impact on the environment and our local community. We strive to minimise detrimental environmental impact and to work with the tenant companies of our premises in Hampton and Melton Mowbray to be a constructive part of the local community.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**Section 469 of the Corporation Tax Act 2010**

During 2019 the Board reconfirmed its intention that the business of Pera International would continue to have scientific and technological research as its purpose and the Company would continue to be run in such a way that it remained compliant with Section 469 of the Corporation Tax Act 2010.

All non-qualifying activities of the Group are conducted through subsidiary companies whose profits are available to Pera International to pursue its purpose.

**Future developments**

Future developments are detailed in the strategic report.

**Disclosure of information to auditors**

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 and the Group's auditors are 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 and the Group's auditors are aware of that information.

**Post balance sheet events**

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

**Auditors**

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

This report was approved by the board on 6 December 2019 and signed on its behalf.



Roger James Whysall  
Director

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**PERA INTERNATIONAL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERA INTERNATIONAL**

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**Opinion**

We have audited the financial statements of Pera International (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2019, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, 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 Group's and of the parent Company's affairs as at 31 March 2019 and of the Group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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**

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 Group's or the parent 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 Auditors' 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



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERA INTERNATIONAL (CONTINUED)**

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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.

**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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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**PERA INTERNATIONAL**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERA INTERNATIONAL (CONTINUED)**

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**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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' 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.



Paul Fenner (Senior Statutory Auditor)

for and on behalf of  
**BDO LLP**

Statutory Auditors

Two Snowhill  
Birmingham  
B4 6GA

Date: 10 December 2019.

**PERA INTERNATIONAL**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2019**

|  | Note | 2019<br>£000 | 2018<br>£000 |
|--|------|--------------|--------------|
| Turnover   |      | 1,412        | 1,308        |
| Cost of sales                                      |      | (329)        | (353)        |
| <b>Gross profit</b>                                |      | <b>1,083</b> | <b>955</b>   |
| Administrative expenses                            |      | (2,062)      | (1,377)      |
| Other operating income                             |      | 1,149        | 129          |
| <b>Operating profit/(loss)</b>                     | 6    | <b>170</b>   | <b>(293)</b> |
| Income from fixed assets investments               |      | 175          | 484          |
| Interest receivable and similar income             | 11   | 25           | 2            |
| Other finance income/(expense)                     |      | 732          | (333)        |
| <b>Profit/(loss) before taxation</b>               |      | <b>1,102</b> | <b>(140)</b> |
| Tax on profit/(loss)                               |      | (2)          | 17           |
| <b>Profit/(loss) for the financial year</b>        |      | <b>1,100</b> | <b>(123)</b> |
| Actuarial gains on defined benefit pension scheme  |      | 1,598        | 2,186        |
| <b>Other comprehensive income for the year</b>     |      | <b>1,598</b> | <b>2,186</b> |
| <b>Total comprehensive income for the year</b>     |      | <b>2,698</b> | <b>2,063</b> |
| <b>Profit/(loss) for the year attributable to:</b> |      |              |              |
| Owners of the parent Company                       |      | 1,100        | (123)        |
|  |      | <b>1,100</b> | <b>(123)</b> |

The notes on pages 17 to 38 form part of these financial statements.

**PERA INTERNATIONAL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00412652**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2019**

|  | Note | 2019<br>£000         | 2018<br>£000         |
|--|------|----------------------|----------------------|
| <b>Fixed assets</b>                            |      |                      |                      |
| Intangible assets                              |      | 26                   | 35                   |
| Tangible assets                                | 15   | 85                   | 84                   |
| Investments                                    | 16   | 20                   | 20                   |
| Investment property                            |      | 7,900                | 7,900                |
|  |      | <u>8,031</u>         | <u>8,039</u>         |
| <b>Current assets</b>                          |      |                      |                      |
| Debtors: amounts falling due within one year   | 18   | 148                  | 128                  |
| Current asset investments                      |      | 3,830                | 11,608               |
| Cash at bank and in hand                       | 20   | 6,683                | 4,037                |
|  |      | <u>10,661</u>        | <u>15,773</u>        |
| Creditors: amounts falling due within one year |      | (957)                | (992)                |
| <b>Net current assets</b>                      |      | <u>9,704</u>         | <u>14,781</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>17,735</u>        | <u>22,820</u>        |
| <b>Provisions for liabilities</b>              |      |                      |                      |
| Deferred tax                                   |      | (2)                  | -                    |
|  |      | <u>(2)</u>           | <u>-</u>             |
| Pension liability/asset                        |      | 6,577                | (1,208)              |
| <b>Net assets</b>                              |      | <u><u>24,310</u></u> | <u><u>21,612</u></u> |

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**PERA INTERNATIONAL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00412652**

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**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2019**

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|                             | Note | 2019<br>£000  | 2018<br>£000  |
|-----------------------------|------|---------------|---------------|
| <b>Capital and reserves</b> |      |               |               |
| Other reserves              |      | 2,014         | 2,014         |
| Profit and loss account     |      | 22,296        | 19,598        |
|                             |      | <u>24,310</u> | <u>21,612</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 December 2019.

  
**Roger James Whysall**  
Director

The notes on pages 17 to 38 form part of these financial statements.

**PERA INTERNATIONAL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00412652**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2019**

|   | Note | 2019<br>£000         | 2018<br>£000         |
|---|------|----------------------|----------------------|
| <b>Fixed assets</b>                                 |      |                      |                      |
| Tangible assets                                     | 15   | 1                    | -                    |
| Investments   | 16   | 20                   | 20                   |
|   |      | <u>21</u>            | <u>20</u>            |
| <b>Current assets</b>                               |      |                      |                      |
| Debtors: amounts falling due within one year        | 18   | 4,060                | 2,726                |
| Current asset investments                           | 19   | 3,830                | 11,608               |
| Cash at bank and in hand                            | 20   | 5,848                | 1,886                |
|   |      | <u>13,738</u>        | <u>16,220</u>        |
| Creditors: amounts falling due within one year      | 21   | (37)                 | (41)                 |
| <b>Net current assets</b>                           |      | <u>13,701</u>        | <u>16,179</u>        |
| <b>Total assets less current liabilities</b>        |      | <u>13,722</u>        | <u>16,199</u>        |
| <b>Net assets excluding pension liability/asset</b> |      | <u>13,722</u>        | <u>16,199</u>        |
| Pension asset/liability                             |      | 3,289                | (604)                |
| <b>Net assets</b>                                   |      | <u><u>17,011</u></u> | <u><u>15,595</u></u> |

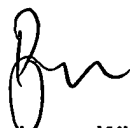
**PERA INTERNATIONAL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00412652**

**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2019**

|  | Note | 31 March<br>2019<br>£000 | <i>As restated</i><br>31 March<br>2018<br>£000 |
|--|------|--------------------------|--|
| <b>Capital and reserves</b>                  |      |                          |  |
| Profit and loss account brought forward      |      | 15,595                   | 15,801   |
| Profit/(loss) for the year                   |      | 467                      | (1,299)  |
| Other changes in the profit and loss account |      | 949                      | 1,093  |
|  |      | <u>17,011</u>            | <u>15,595</u>                                  |
| Profit and loss account carried forward      |      | <u>17,011</u>            | <u>15,595</u>                                  |

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent company for the year was £466,000 (2018: loss after tax of £1,316,000).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 December 2019.



**Roger James Whysall**  
Director

The notes on pages 17 to 38 form part of these financial statements.

**PERA INTERNATIONAL**  
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

|  | Other<br>reserves<br>£000 | Profit and<br>loss account<br>£000 | Equity<br>attributable<br>to owners of<br>parent<br>Company<br>£000 | Total equity<br>£000 |
|--|---------------------------|------------------------------------|---|----------------------|
| At 1 April 2018                                | 2,014                     | 19,598                             | 21,612  | 21,612               |
| <b>Comprehensive income for the year</b>       |                           |                                    |   |                      |
| Profit for the year                            | -                         | 1,100                              | 1,100   | 1,100                |
| Actuarial gains on pension scheme              | -                         | 1,598                              | 1,598   | 1,598                |
| <b>Total comprehensive income for the year</b> | -                         | 2,698                              | 2,698   | 2,698                |
| <b>At 31 March 2019</b>                        | <b>2,014</b>              | <b>22,296</b>                      | <b>24,310</b>   | <b>24,310</b>        |

The notes on pages 17 to 38 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

|  | Other<br>reserves<br>£000 | Profit and<br>loss account<br>£000 | Equity<br>attributable<br>to owners of<br>parent<br>Company<br>£000 | Total equity<br>£000 |
|--|---------------------------|------------------------------------|---|----------------------|
| At 1 April 2017                                | 2,014                     | 17,535                             | 19,549  | 19,549               |
| <b>Comprehensive income for the year</b>       |                           |                                    |   |                      |
| Loss for the year                              | -                         | (123)                              | (123)   | (123)                |
| Actuarial gains on pension scheme              | -                         | 2,186                              | 2,186   | 2,186                |
| <b>Total comprehensive income for the year</b> | -                         | 2,063                              | 2,063   | 2,063                |
| <b>At 31 March 2018</b>                        | <b>2,014</b>              | <b>19,598</b>                      | <b>21,612</b>   | <b>21,612</b>        |

The notes on pages 17 to 38 form part of these financial statements.



**PERA INTERNATIONAL**  
(A Company Limited by Guarantee)

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

|   | Profit and<br>loss account | Total equity  |
|---|----------------------------|---------------|
|   | £000                       | £000          |
| At 1 April 2018                                     | 15,595                     | 15,595        |
| <b>Comprehensive income for the year</b>            |                            |               |
| Profit for the year                                 | 467                        | 467           |
|   | <hr/>                      | <hr/>         |
| Actuarial gains on pension scheme                   | 799                        | 799           |
|   | <hr/>                      | <hr/>         |
| <b>Other comprehensive income for the year</b>      | 799                        | 799           |
|   | <hr/>                      | <hr/>         |
| <b>Total comprehensive income for the year</b>      | 1,266                      | 1,266         |
| <b>Contributions by and distributions to owners</b> |                            |               |
| Gift aid  | 150                        | 150           |
|   | <hr/>                      | <hr/>         |
| <b>Total transactions with owners</b>               | 150                        | 150           |
|   | <hr/>                      | <hr/>         |
| <b>At 31 March 2019</b>                             | <b>17,011</b>              | <b>17,011</b> |
|   | <hr/> <hr/>                | <hr/> <hr/>   |

The notes on pages 17 to 38 form part of these financial statements.

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**PERA INTERNATIONAL**  
(A Company Limited by Guarantee)

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

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|  | Profit and<br>loss account<br>£000 | Total equity<br>£000 |
|--|------------------------------------|----------------------|
| At 1 April 2017                                | 15,801                             | 15,801               |
| <b>Comprehensive income for the year</b>       |                                    |                      |
| Loss for the year                              | (1,299)                            | (1,299)              |
|  | <hr/>                              | <hr/>                |
| Actuarial gains on pension scheme              | 1,093                              | 1,093                |
|  | <hr/>                              | <hr/>                |
| <b>Other comprehensive income for the year</b> | 1,093                              | 1,093                |
|  | <hr/>                              | <hr/>                |
| <b>Total comprehensive income for the year</b> | (206)                              | (206)                |
|  | <hr/>                              | <hr/>                |
| <b>Total transactions with owners</b>          | -                                  | -                    |
|  | <hr/>                              | <hr/>                |
| <b>At 31 March 2018</b>                        | <b>15,595</b>                      | <b>15,595</b>        |
|  | <hr/> <hr/>                        | <hr/> <hr/>          |

The notes on pages 17 to 38 form part of these financial statements.

**PERA INTERNATIONAL**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

|   | <b>2019</b>    | <b>2018</b>    |
|---|----------------|----------------|
|   | <b>£000</b>    | <b>£000</b>    |
| <b>Cash flows from operating activities</b>                   |                |                |
| Profit/(loss) for the financial year                          | 1,100          | (123)          |
| <b>Adjustments for:</b>                                       |                |                |
| Amortisation of intangible assets                             | 9              | 9              |
| Depreciation of tangible assets                               | 55             | 40             |
| Interest received   | (200)          | (484)          |
| Taxation charge   | 2              | -              |
| (Increase)/decrease in debtors                                | (20)           | 231            |
| (Decrease) in creditors                                       | (35)           | (114)          |
| Net fair value (gains) recognised in P&L                      | (6,278)        | (761)          |
| <b>Net cash generated from operating activities</b>           | <b>(5,367)</b> | <b>(1,202)</b> |
| <b>Cash flows from investing activities</b>                   |                |                |
| Purchase of tangible fixed assets                             | (57)           | (35)           |
| Sale of tangible fixed assets                                 | -              | 23             |
| Interest received   | 200            | 484            |
| Income from investments                                       | 7,870          | (3,469)        |
| <b>Net cash from investing activities</b>                     | <b>8,013</b>   | <b>(2,997)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents</b>   | <b>2,646</b>   | <b>(4,199)</b> |
| Cash and cash equivalents at beginning of year                | 4,037          | 8,236          |
| <b>Cash and cash equivalents at the end of year</b>           | <b>6,683</b>   | <b>4,037</b>   |
| <b>Cash and cash equivalents at the end of year comprise:</b> |                |                |
| Cash at bank and in hand                                      | 6,683          | 4,037          |
|   | <b>6,683</b>   | <b>4,037</b>   |

The notes on pages 17 to 38 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1. General information**

Pera International is a private company limited by guarantee. It was incorporated in England and its registered office is Pera Business Park, Nottingham Road, Melton Mowbray, Leicestershire, LE13 0PB. The principal activity of the Company during the year was scientific research and development. The principal activities of the Company's subsidiaries are primarily investment property management as well as other commercial activities.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**2.3 Going concern**

Management have reviewed the Group's financial position along with forecasts. The Group have reported a net profit for the year and management have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group continues to adopt the going concern basis in preparing its financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Rental income - rental income is recognised on an accrued basis.

**2.5 Interest income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

**2.6 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

**Defined benefit pension plan**

The Group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.6 Pensions (continued)**

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**Group pension plan**

Where the risks of a defined benefit plan are shared between entities under common control, each entity recognises the net defined benefit cost charged in its own financial statements.

**2.7 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge 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 and the Group operate and generate income.

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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.8 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.9 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. Intangible assets are amortised over a five year period.

**2.10 Tangible fixed assets**

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                       |                                |
|-----------------------|--------------------------------|
| Fixtures and fittings | - 20% to 33% on cost per annum |
|-----------------------|--------------------------------|

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

**2.11 Investment property**

Investment property is carried at fair value. No depreciation is provided. Changes in fair value are recognised in profit or loss.

**2.12 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.13 Debtors**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.14 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.16 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2.17 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.17 Financial instruments (continued)**

contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

Certain of the amounts included in the financial statements involve the use of judgment and/or estimation.

These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or notes to the financial statements and the key areas are summarised below:

Judgments in applying accounting policies:

- The directors must judge whether all of the conditions required for revenues to be recognised in the Statement of Comprehensive Income of the financial year, as set out in note 2.4, have been met.

Sources of estimation uncertainty:

- Depreciation and amortisation rates are based on estimates of the useful lives and residual values of the assets involved.
- Investment property valuations are based on valuation assumptions.
- Pension adjustments in respect of the defined benefit scheme are based on underlying valuation assumptions.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**4. Turnover**

An analysis of turnover by class of business is as follows:

|               | <b>2019</b>         | <b>2018</b>         |
|---------------|---------------------|---------------------|
|               | <b>£000</b>         | <b>£000</b>         |
| Rental Income | <b>1,412</b>        | <b>1,308</b>        |
|               | <u><b>1,412</b></u> | <u><b>1,308</b></u> |

All turnover arose within the United Kingdom.

**5. Other operating income**

|                                   | <b>2019</b>         | <b>2018</b>       |
|-----------------------------------|---------------------|-------------------|
|                                   | <b>£000</b>         | <b>£000</b>       |
| Interest                          | <b>2</b>            | <b>6</b>          |
| Recovery of loans and investments | <b>1,147</b>        | <b>123</b>        |
|                                   | <u><b>1,149</b></u> | <u><b>129</b></u> |

As noted in the prior year the group had loans in trading companies arising from a managed buy out in 2012. In prior years, following events in respect of these trading companies the directors considered it appropriate to provide against these loans. In the year ended 31 March 2019 there has been some recovery in respect of these loans and this is recognised as a gain in that year's Profit and Loss account.

The recovery of loans and investments in the year ended 31 March 2019 relates to money received from the liquidators in relation to Pera Consulting (UK) Limited.

**6. Operating profit/(loss)**

The operating profit/(loss) is stated after charging:

|   | <b>2019</b>     | <b>2018</b>     |
|---|-----------------|-----------------|
|   | <b>£000</b>     | <b>£000</b>     |
| Depreciation of tangible assets                       | <b>55</b>       | <b>40</b>       |
| Amortisation of intangible assets, including goodwill | <b>9</b>        | <b>9</b>        |
|   | <u><b>9</b></u> | <u><b>9</b></u> |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Auditors' remuneration**

|  | <b>2019</b><br><b>£000</b> | <i>2018</i><br><i>£000</i> |
|--|----------------------------|----------------------------|
| Fees payable to the Group's auditor for the audit of the Group's annual financial statements | <u>9</u>                   | <u>9</u>                   |
| <b>Fees payable to the Group's auditor in respect of:</b>                                    |                            |                            |
| Other non-audit services   | <b>15</b>                  | <i>15</i>                  |
| Audit of the Group's subsidiaries pursuant to legislation                                    | <b>11</b>                  | <i>11</i>                  |
|  | <u><b>26</b></u>           | <u><i>26</i></u>           |

**8. Employees**

Staff costs, including directors' remuneration, were as follows:

|                                     | <b>Group</b><br><b>2019</b><br><b>£000</b> | <i>Group</i><br><i>2018</i><br><i>£000</i> | <b>Company</b><br><b>2019</b><br><b>£000</b> | <i>Company</i><br><i>2018</i><br><i>£000</i> |
|-------------------------------------|--|--|--|--|
| Wages and salaries                  | <b>371</b>                                 | <i>388</i>                                 | -  | -  |
| Social security costs               | <b>30</b>                                  | <i>35</i>                                  | -  | -  |
| Cost of defined benefit scheme      | <b>879</b>                                 | <i>185</i>                                 | <b>440</b>                                   | <i>93</i>                                    |
| Cost of defined contribution scheme | <b>39</b>                                  | <i>53</i>                                  | <b>26</b>                                    | <i>29</i>                                    |
|                                     | <u><b>1,319</b></u>                        | <u><i>661</i></u>                          | <u><b>466</b></u>                            | <u><i>122</i></u>                            |

The average monthly number of employees, including the directors, during the year was as follows:

| <b>2019</b><br><b>No.</b> | <i>2018</i><br><i>No.</i> |
|---------------------------|---------------------------|
| <u><b>13</b></u>          | <u><i>12</i></u>          |

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**9. Directors' remuneration**

|                       | 2019<br>£000 | 2018<br>£000 |
|-----------------------|--------------|--------------|
| Directors' emoluments | 75           | 75           |
|                       | <u>75</u>    | <u>75</u>    |

During the year retirement benefits were accruing to no directors (2018 - NIL) in respect of defined contribution pension schemes.

There are no key management personnel.

**10. Income from investments**

|                                     | 2019<br>£000 | 2018<br>£000 |
|-------------------------------------|--------------|--------------|
| Income from fixed asset investments | (175)        | (484)        |
|                                     | <u>(175)</u> | <u>(484)</u> |

**11. Interest receivable**

|                           | 2019<br>£000 | 2018<br>£000 |
|---------------------------|--------------|--------------|
| Other interest receivable | 25           | 2            |
|                           | <u>25</u>    | <u>2</u>     |

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**PERA INTERNATIONAL**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Other finance costs**

|  | <b>2019</b> | <b>2018</b>  |
|--|-------------|--------------|
|  | <b>£000</b> | <b>£000</b>  |
| Interest income on pension scheme assets               | 66          | (98)         |
| Fair value movements - property and listed investments | 666         | (235)        |
|  | <u>732</u>  | <u>(333)</u> |

**13. Taxation**

|   | <b>2019</b> | <b>2018</b> |
|---|-------------|-------------|
|   | <b>£000</b> | <b>£000</b> |
| <b>Corporation tax</b>                                  |             |             |
| Current tax on profits for the year                     | -           | (17)        |
|   | <u>-</u>    | <u>(17)</u> |
| <b>Total current tax</b>                                | <u>-</u>    | <u>(17)</u> |
| <b>Deferred tax</b>                                     |             |             |
| Origination and reversal of timing differences          | 2           | -           |
| <b>Total deferred tax</b>                               | <u>2</u>    | <u>-</u>    |
| <b>Taxation on profit/(loss) on ordinary activities</b> | <u>2</u>    | <u>(17)</u> |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**13. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2018 - *lower than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

|   | 2019<br>£000 | 2018<br>£000 |
|---|--------------|--------------|
| Profit/(loss) on ordinary activities before tax   | 1,102        | (140)        |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%) | 209          | (27)         |
| <b>Effects of:</b>  |              |              |
| Expenses not deductible for tax purposes  | 2            | 336          |
| Utilisation of tax losses   | -            | 51           |
| Adjustments to tax charge in respect of prior periods   | -            | (17)         |
| Non-taxable income  | (86)         | (291)        |
| Capital gains   | -            | (6)          |
| Deferred tax not recognised   | (204)        | 139          |
| Deferred tax adjustments  | (24)         | 16           |
| Pension adjustment  | 152          | (190)        |
| Gift aid payable  | (47)         | (28)         |
| <b>Total tax charge for the year</b>  | <b>2</b>     | <b>(17)</b>  |

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**14. Intangible assets**

**Group**

|                       | <b>Goodwill<br/>£000</b> |
|-----------------------|--------------------------|
| <b>Cost</b>           |                          |
| At 1 April 2018       | 47                       |
| At 31 March 2019      | <u>47</u>                |
| <b>Amortisation</b>   |                          |
| At 1 April 2018       | 12                       |
| Charge for the year   | 9                        |
| At 31 March 2019      | <u>21</u>                |
| <b>Net book value</b> |                          |
| At 31 March 2019      | <u>26</u>                |
| At 31 March 2018      | <u>35</u>                |

Intangible assets represent the value of tenant agreements arising on the acquisition of Pera Business Park Limited during 2017. The intangible asset is being amortised over a five year period.

Amortisation of intangible assets is included in administrative expenses.

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**PERA INTERNATIONAL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**15. Tangible fixed assets**

**Group**

|                                     | <b>Fixtures and<br/>fittings<br/>£000</b> |
|-------------------------------------|---|
| <b>Cost or valuation</b>            |   |
| At 1 April 2018                     | 1,547                                     |
| Additions                           | 57  |
| At 31 March 2019                    | <u>1,604</u>                              |
| <b>Depreciation</b>                 |   |
| At 1 April 2018                     | 1,464                                     |
| Charge for the year on owned assets | 55  |
| At 31 March 2019                    | <u>1,519</u>                              |
| <b>Net book value</b>               |   |
| At 31 March 2019                    | <u>85</u>                                 |
| At 31 March 2018                    | <u>84</u>                                 |



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**NOTES TO THE FINANCIAL STATEMENTS  
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**Company**

|                          | <b>Fixtures and<br/>fittings<br/>£000</b> |
|--------------------------|---|
| <b>Cost or valuation</b> |   |
| Additions                | 1   |
| At 31 March 2019         | <u>1</u>                                  |
| <b>Net book value</b>    |   |
| At 31 March 2019         | <u>1</u>                                  |
| At 31 March 2018         | <u>-</u>                                  |

**16. Fixed asset investments**

**Group**

|                          | <b>Other fixed<br/>asset<br/>investments<br/>£000</b> |
|--------------------------|---|
| <b>Cost or valuation</b> |   |
| At 1 April 2018          | 20  |
| At 31 March 2019         | <u>20</u>   |

Other fixed asset investments constitute the purchase of art work, which is not depreciated.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Fixed asset investments (continued)**

**Company**

|                          | <b>Other fixed<br/>asset<br/>investments<br/>£000</b> |
|--------------------------|---|
| <b>Cost or valuation</b> |   |
| At 1 April 2018          | 20  |
| At 31 March 2019         | <u>20</u>   |

Other fixed asset investments constitute the purchase of art work, which is not depreciated.

**17. Investment property**

**Group**

|                         | <b>Freehold<br/>investment<br/>property<br/>£000</b> |
|-------------------------|--|
| <b>Valuation</b>        |  |
| At 1 April 2018         | 7,900  |
| Additions at cost       | 3,700  |
| Disposals               | (3,700)  |
| <b>At 31 March 2019</b> | <u><u>7,900</u></u>                                  |

The value of the properties is based on professional valuations performed in 2017 on one of the properties and in 2012 on the remaining properties. The valuations were made on an open market value for existing use basis. The directors consider that the valuation of the properties at 31 March 2019 is in line with the previous professional valuations.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**18. Debtors**

|                                    | <b>Group<br/>2019<br/>£000</b> | <b>Group<br/>2018<br/>£000</b> | <b>Company<br/>2019<br/>£000</b> | <b>Company<br/>2018<br/>£000</b> |
|------------------------------------|--------------------------------|--------------------------------|----------------------------------|----------------------------------|
| Trade debtors                      | 36                             | 14                             | -                                | -                                |
| Amounts owed by group undertakings | -                              | -                              | 4,054                            | 2,726                            |
| Other debtors                      | 65                             | 97                             | -                                | -                                |
| Prepayments and accrued income     | 47                             | 17                             | 6                                | -                                |
|                                    | <b>148</b>                     | <b>128</b>                     | <b>4,060</b>                     | <b>2,726</b>                     |

**19. Current asset investments**

|                    | <b>Group<br/>2019<br/>£000</b> | <b>Group<br/>2018<br/>£000</b> | <b>Company<br/>2019<br/>£000</b> | <b>Company<br/>2018<br/>£000</b> |
|--------------------|--------------------------------|--------------------------------|----------------------------------|----------------------------------|
| Listed investments | 3,830                          | 11,608                         | 3,830                            | 11,608                           |
|                    | <b>3,830</b>                   | <b>11,608</b>                  | <b>3,830</b>                     | <b>11,608</b>                    |

**20. Cash and cash equivalents**

|                          | <b>Group<br/>2019<br/>£000</b> | <b>Group<br/>2018<br/>£000</b> | <b>Company<br/>2019<br/>£000</b> | <b>Company<br/>2018<br/>£000</b> |
|--------------------------|--------------------------------|--------------------------------|----------------------------------|----------------------------------|
| Cash at bank and in hand | 6,683                          | 4,037                          | 5,848                            | 1,886                            |
|                          | <b>6,683</b>                   | <b>4,037</b>                   | <b>5,848</b>                     | <b>1,886</b>                     |

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

|                                    | <b>Group</b> | <i>Group</i> | <b>Company</b> | <i>Company</i> |
|------------------------------------|--------------|--------------|----------------|----------------|
|                                    | <b>2019</b>  | <i>2018</i>  | <b>2019</b>    | <i>2018</i>    |
|                                    | <b>£000</b>  | <i>£000</i>  | <b>£000</b>    | <i>£000</i>    |
| Trade creditors                    | 120          | 54           | 37             | 28             |
| Other taxation and social security | 41           | 76           | -              | -              |
| Other creditors                    | 738          | 800          | -              | 1              |
| Accruals and deferred income       | 58           | 62           | -              | 12             |
|                                    | <b>957</b>   | <i>992</i>   | <b>37</b>      | <i>41</i>      |

**22. Financial instruments**

|   | <b>Group</b>  | <i>Group</i>  | <b>Company</b> | <i>Company</i> |
|---|---------------|---------------|----------------|----------------|
|   | <b>2019</b>   | <i>2018</i>   | <b>2019</b>    | <i>2018</i>    |
|   | <b>£000</b>   | <i>£000</i>   | <b>£000</b>    | <i>£000</i>    |
| <b>Financial assets</b>   |               |               |                |                |
| Financial assets measured at fair value through profit or loss        | 10,513        | 15,645        | 9,678          | 13,494         |
| Financial assets that are debt instruments measured at amortised cost | 101           | 111           | 4,054          | 2,726          |
|   | <b>10,614</b> | <i>15,756</i> | <b>13,732</b>  | <i>16,220</i>  |
| <b>Financial liabilities</b>  |               |               |                |                |
| Financial liabilities measured at amortised cost                      | (957)         | (992)         | (37)           | (41)           |

Financial assets measured at fair value through profit or loss comprise cash held at bank and current asset investments.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, other taxation and social security, accruals and deferred income and other creditors

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**23. Deferred taxation**

**Group**

**2019**  
**£000**

Charged to profit or loss

(2)

**At end of year**

(2)

**Group**  
**2019**  
**£000**

Accelerated capital allowances

(2)

(2)

**24. Reserves**

**Investment property revaluation reserve**

The revaluation reserve reflects the surplus arising on the revaluation of the property.

**Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses.

**25. Company status**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £5 towards the assets of the company in the event of liquidation.

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**26. Pension commitments**

The Group operates a Defined Benefit Pension Scheme.

A defined benefit pension fund exists for all eligible employees who joined the scheme prior to 1 May 1999. This is an approved funded pension scheme. The scheme assets are held separately and are secured by a self administered investment fund. The scheme was frozen to future service accrual in December 2001.

Pension liabilities are assessed in accordance with the advice of an independent professionally qualified actuary. The most recent valuation was carried out as at 31 December 2017, by KPMG Pensions.

The funding method used for the valuation was the Defined Accrued Benefit method (using this method the valuation estimated the Technical Provisions (of future liabilities) of the pension fund as £33.2 million, whereas the market value of the assets were calculated as £29.2 million. This indicated a funding deficit of £4.1 million and a funding level of 88%). By comparison the market value of assets at the previous valuation, as at 31 December 2014, were £20.3 million with a funding level of 65%.

The Trustees of the Scheme ('the Trustees') and Pera International ('the Employer') have agreed level annual contribution of £200,000 will be paid by the Employer from March 2016 until March 2025 inclusive in respect of the shortfall in the Technical Provisions, allowing for the payments made in March 2015 of £4.276 million.

**FRS 102 retirement benefit disclosure**

The disclosures below have been prepared by an independent actuary in accordance with FRS 102 in preparing the disclosure the actuary has relied on information provided by the group.

The disclosures below represent the disclosures for the entire scheme, and the related accounting entries are reflected in the consolidated financial statements. The Company's own share of the surplus at 31 March 2019 was £3,288,500 (2018: deficit of £604,000).

**Reconciliation of present value of plan liabilities:**

|  | <b>2019</b>    | <b>2018</b> |
|--|----------------|-------------|
|  | <b>£000</b>    | <b>£000</b> |
| <b>Reconciliation of present value of plan liabilities</b> |                |             |
| At the beginning of the year                               | <b>30,126</b>  | 32,167      |
| Interest cost  | <b>791</b>     | 802         |
| Actuarial gains/losses                                     | <b>(30)</b>    | (1,353)     |
| Benefits paid  | <b>(2,027)</b> | (1,490)     |
| Past service cost  | <b>409</b>     | -           |
| <b>At the end of the year</b>                              | <b>29,269</b>  | 30,126      |

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**26. Pension commitments (continued)**

Reconciliation of present value of plan assets:

|   | 2019<br>£000  | 2018<br>£000  |
|---|---------------|---------------|
| At the beginning of the year                      | 28,918        | 27,777        |
| Interest income                                   | 857           | 704           |
| Contributions                                     | 7,000         | 1,279         |
| Benefits paid                                     | (2,027)       | (1,490)       |
| Scheme administration expenses                    | (470)         | (184)         |
| Return on scheme assets excluding interest income | 1,568         | 832           |
| <b>At the end of the year</b>                     | <b>35,846</b> | <b>28,918</b> |

Composition of plan assets:

|                          | 2019<br>£000  | 2018<br>£000  |
|--------------------------|---------------|---------------|
| European equities        | -             | 19,664        |
| European bonds           | 33,337        | 4,627         |
| Property                 | -             | 2,892         |
| Cash and other           | 2,509         | 1,735         |
| <b>Total plan assets</b> | <b>35,846</b> | <b>28,918</b> |

|                                     | 2019<br>£000 | 2018<br>£000   |
|-------------------------------------|--------------|----------------|
| Fair value of plan assets           | 35,846       | 28,918         |
| Present value of plan liabilities   | (29,269)     | (30,126)       |
| <b>Net pension scheme liability</b> | <b>6,577</b> | <b>(1,208)</b> |

The amounts recognised in profit or loss are as follows:

|                                | 2019<br>£000 | 2018<br>£000 |
|--------------------------------|--------------|--------------|
| Interest income on plan assets | 66           | (98)         |
| Past service cost              | (409)        | -            |
| Scheme administration expenses | (470)        | (184)        |
| <b>Total</b>                   | <b>(813)</b> | <b>(282)</b> |

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**26. Pension commitments (continued)**

Principal actuarial assumptions at the Balance Sheet date:

|                                | <b>2019</b> | <b>2018</b> |
|--------------------------------|-------------|-------------|
|                                | <b>%</b>    | <b>%</b>    |
| Discount rate                  | <b>2.55</b> | <b>2.70</b> |
| Future pension increases       | <b>3.35</b> | <b>3.20</b> |
| Deferred pension increases     | <b>3.20</b> | <b>3.05</b> |
| Mortality rates                |             |             |
| - for a male aged 65 now       | <b>21.5</b> | <b>21.9</b> |
| - at 65 for a male aged 45 now | <b>22.8</b> | <b>23.3</b> |

**27. Related party transactions**

The company is exempt under paragraph 33.1A of FRS 102 from the requirements to disclose transactions with other members of the group headed by Pera International on the basis that they are wholly owned entities.



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**28. Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

| Name                                   | Class of shares      | Holding | Principal activity                                 |
|--|----------------------|---------|--|
| Pera Innovation Limited                | Ordinary £1          | 100%    | Investment property management and holding company |
| The Paint Research Association Limited | Limited by guarantee | 100%    | Investment property management                     |
| Pera Business Park Limited             | Ordinary £1          | 100%    | Investment property management                     |
| PRA Hampton Limited                    | Ordinary £1          | 100%    | Investment property management                     |
| Middle Aston House Limited             | Ordinary £1          | 100%    | Dormant  |

PRA Hampton Limited was incorporated on 19 March 2018 and is owned by The Paint Research Association Limited.

Pera Business Park Limited is owned by Pera Innovation Limited.

Middle Aston House Limited was dissolved on 31 July 2018.