

Company registration number 00749041 (England and Wales)

COROB HOLDINGS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

COROB HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		8,150		8,150
Investment properties	6		10,400,000		12,540,000
Investments	5		34,033,926		34,033,926
			<u>44,442,076</u>		<u>46,582,076</u>
Current assets					
Debtors	7	48,475,987		46,303,726	
Cash at bank and in hand		1,931,833		1,388,795	
		<u>50,407,820</u>		<u>47,692,521</u>	
Creditors: amounts falling due within one year	8	(49,653,382)		(26,568,018)	
Net current assets			<u>754,438</u>		<u>21,124,503</u>
Total assets less current liabilities			<u>45,196,514</u>		<u>67,706,579</u>
Creditors: amounts falling due after more than one year	9		-	(20,004,806)	
Provisions for liabilities			<u>(347,750)</u>		<u>(874,000)</u>
Net assets excluding pension surplus/(deficit)			<u>44,848,764</u>		<u>46,827,773</u>
Defined benefit pension surplus/(deficit)			<u>1,391,000</u>		<u>-</u>
Net assets			<u><u>46,239,764</u></u>		<u><u>46,827,773</u></u>
Capital and reserves					
Called up share capital			10,000,000		10,000,000
Non-distributable reserve			11,775,200		13,915,200
Capital reserve			18,099,978		18,099,978
Profit and loss reserves			6,364,586		4,812,595
Total equity			<u><u>46,239,764</u></u>		<u><u>46,827,773</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

COROB HOLDINGS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The financial statements were approved by the board of directors and authorised for issue on 20 September 2023 and are signed on its behalf by:

S J Wiseman
Director

Company Registration No. 00749041

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Corob Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is 62 Grosvenor Street, London, United Kingdom, W1K 3JF.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Turnover

Revenue comprises rent and other property related income invoiced to tenants, exclusive of Value Added Tax. Rental income and service charges are recognised in the period to which they relate.

The cost of lease incentives is offset against the total rents due and the net income is then spread evenly over the duration of the lease.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	5% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Hedge accounting

The company uses variable to fixed interest swaps to manage its exposure to fair value risk on its loans. These derivatives are measured at fair value at each balance sheet date. To the extent that the cash flow hedge is effective, movement in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movement are recognised in profit and loss for the year.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.14 Pensions

The Company, as an employer, contributes to a money purchase pension scheme for the benefit of certain employees and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company operates a final salary defined benefit pension scheme under which retirement benefits are funded by contributions from the Company and its employees. Payment is made to the pension trust in accordance with calculations made periodically by consulting actuaries.

The company applies the provisions of FRS 102.28 'Retirement Benefits'. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the company. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the current service cost of providing the benefits, curtailment and settlement gains and losses and financial returns on the pension fund, all reflected in the period to which they relate. The current service cost and costs from settlements and curtailments are charged against operating profit. Interest on the scheme liabilities and the expected return on scheme assets are included in other finance costs. Actuarial gains and losses are recorded through the statement of recognised gains and losses. Disclosure has been made of the assets and liabilities of the scheme under FRS 102.28 in the notes to the accounts.

2 Judgements and key sources of estimation uncertainty

Investment properties

The fair value of the company's investment property as at 31 December 2022 was determined by the Directors. The valuations are in accordance with the Royal Institution of Chartered Surveyors ('RICS') Valuation - Professional Standards ("The Red Book") and the International Valuation Standards and were arrived at by reference to market transactions for similar properties. Fair values for investment properties are calculated using the present value income approach. The main assumptions underlying the valuations are in relation to rent profile and yields. A key driver of the property valuations is the terms of the leases in place at the valuation date. These determine the cash flow profile of the property for a number of years. The valuation assumes adjustments from these rental values to current market rent at the time of the next rent review (where a typical lease allows only for upward adjustment) and as leases expire and are replaced by new leases. The current market level of rent is assessed based on evidence provided by the most recent relevant leasing transactions and negotiations. The nominal equivalent yield is applied as a discount rate to the rental cash flows which, after taking into account other input assumptions such as vacancies and costs, generates the market value of the property. The equivalent yield applied is assessed by reference to market transactions for similar properties and takes into account, amongst other things, any risks associated with the rent uplift assumptions.

The net initial yield is calculated as the current net income over the gross market value of the asset and is used as a sense check and to compare against market transactions for similar properties. The valuation output, along with inputs and assumptions, are reviewed to ensure these are in line with what a market participant would use when pricing each asset.

There are inter relationships between all inputs as they are determined by market conditions. The existence of an increase in more than one input would be to magnify the input on the valuation. The impact on the valuation will be mitigated by the interrelationship of two inputs in opposite directions.

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	11	10

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2022 and 31 December 2022	61,902
Depreciation and impairment	
At 1 January 2022 and 31 December 2022	53,752
Carrying amount	
At 31 December 2022	8,150
At 31 December 2021	8,150

5 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	34,033,926	34,033,926

6 Investment property

			2022 £
Fair value			
At 1 January 2022			12,540,000
Revaluations			(2,140,000)
			<hr/>
At 31 December 2022			10,400,000
			<hr/> <hr/>
	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 January 2022	9,200,000	3,340,000	12,540,000
Revaluations	(1,710,000)	(430,000)	(2,140,000)
At 31 December 2022	7,490,000	2,910,000	10,400,000

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Investment property

(Continued)

Fair value at 31 December 2022 is represented by:

	Freehold investment property £	Long term leasehold investment property £	Total £
Cost	10,428,619	4,288,000	14,716,619
Valuation movement to 2015	(2,423,619)	342,000	(2,081,619)
Valuation movement in 2016	(525,000)	(225,000)	(750,000)
Valuation movement in 2017	190,000	(385,000)	(195,000)
Valuation movement in 2018	405,000	(300,000)	105,000
Valuation movement in 2019	1,165,000	(245,000)	920,000
Valuation movement in 2020	(300,000)	(255,000)	(555,000)
Valuation movement in 2021	260,000	120,000	380,000
Valuation movement in 2022	(1,710,000)	(430,000)	(2,140,000)
Valuation at 31 December 2022	7,490,000	2,910,000	10,400,000

Investment properties were valued on an open market basis on 31 December 2022 by W Gear, a member of RICS, an employee of the company.

7 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	115,388	16,933
Deferred tax	1,079,155	579,618
Amounts owed by group undertakings	9,503,538	9,503,538
Amounts owed by associates	37,539,329	35,994,329
Other debtors	238,577	209,308
	<u>48,475,987</u>	<u>46,303,726</u>

8 Creditors: amounts falling due within one year

	2022 £	2021 £
Notes		
Bank loans	20,000,000	-
Other loans	359,639	-
Trade creditors	37,073	1,253
Amounts owed to group undertakings	4,178,826	4,612,381
Amounts owed to related parties	24,497,101	21,495,457
Other taxation and social security	291,799	248,827
Other creditors	35,404	26,570
Accruals and deferred income	253,540	183,530
	<u>49,653,382</u>	<u>26,568,018</u>

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans	-	20,000,000
Other loans	-	4,806
	<u>-</u>	<u>20,004,806</u>

10 Loans and overdrafts

	2022 £	2021 £
Bank loans	20,000,000	20,000,000
Other loans	359,639	4,806
	<u>20,359,639</u>	<u>20,004,806</u>
Payable within one year	20,359,639	-
Payable after one year	-	20,004,806

Corob Holdings Limited has a loan facility with National Westminster Bank plc for £20 million. The amount drawn down at 31 December 2022 was £20m (2021: £20m). This loan was repayable on 9 August 2023 and has since been renewed for a further 5 years.

A charge is held on one of the Company's properties which forms part of the security for the National Westminster Bank plc loan.

The group has purchased interest rate swaps to manage interest rate risk volatility. The estimate of the fair value of derivatives held as at statement of financial position date was a liability of £359,639 (2021: £4,806). This amount has been included in the company's balance sheet in line with its accounting policy.

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:
Statutory Auditor:

David Green MA (Cantab) ACA
Azets Audit Services

12 Related party transactions

Transactions with group companies

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Employee benefit obligations

The company operates a defined benefit pension scheme, which is based on final salary. The assets of the scheme are held apart from those of the undertaking in a separately administered fund.

The pension cost and provision for the year ended 31 December 2022 are based on FRS102 calculations provided by FarrSight Solutions Limited.

The scheme is now closed to new members and the age profile of the active members is rising and under the projected unit method the current service costs will increase as the members of the scheme reach retirement.

The directors have decided that the company will make annual contributions of at least the minimum funding requirement certified by the scheme's actuary.

Changes in the present value of the defined benefit obligation are as follows:

	2022 £	2021 £
At the beginning of the year	5,425,000	5,287,000
Current service cost	37,000	38,000
Interest cost	97,000	84,000
Actuarial (gains) / losses	(2,265,000)	159,000
Benefits paid	(148,000)	(143,000)
At the end of the year	3,146,000	5,425,000

Changes in the fair value of Scheme assets are analysed as follows:

	2022 £	2021 £
At the beginning of the year	4,551,000	4,349,000
Interest income	83,000	70,000
Scheme expenses	(26,000)	(23,000)
Actuarial (losses) / gains	(170,000)	104,000
Contributions by employer	247,000	194,000
Benefits paid	(148,000)	(143,000)
At the end of the year	4,537,000	4,551,000

Composition of plan assets:

	2022 £	2021 £
Fixed interest	192,000	126,000
Property	-	-
Equities and managed funds	918,000	1,114,000
Cash	3,427,000	3,311,000
Total plan assets	4,537,000	4,551,000

COROB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Employee benefit obligations

(Continued)

	2022	2021
	£	£
Fair value of plan assets	4,537,000	4,551,000
Present value of plan liabilities	(3,146,000)	(5,425,000)
Pension scheme liability	1,391,000	(874,000)
Related deferred tax asset	347,750	166,060

The amounts recognised in profit and loss are as follows:

	2022	2021
	£	£
Current service cost	(37,000)	(38,000)
Interest on obligation	(14,000)	(14,000)
Scheme expenses	(26,000)	(23,000)
Total	(77,000)	(75,000)

Reconciliation of scheme obligations were as follows:

	2022	2021
	£	£
Opening defined benefit obligation	(874,000)	(938,000)
Current service cost	(37,000)	(38,000)
Scheme expenses	(26,000)	(23,000)
Contributions by scheme participants	247,000	194,000
Interest cost	(14,000)	(14,000)
Actuarial gains / (losses)	2,095,000	(55,000)
Closing defined benefit obligation	1,391,000	(874,000)

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2022	2021
Discount rate	4.9% pa	1.8% pa
Salary growth	3.0% pa	3.0% pa
Retail price inflation	3.6% pa	3.6% pa
Mortality rates		
- for a male aged 65 now	22	22
- future male pensioners at 65	23	23
- for a female aged 65 now	24	24
- future female pensioners at 65	25	25

14 Ultimate controlling party

Corob Consolidated Limited, incorporated in England and Wales, is the company's immediate parent company, ultimate parent company and controlling party.

The largest and smallest group of undertakings for which group accounts are drawn up is that headed by Corob Consolidated Limited, the consolidated accounts for which are available from Companies House.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.