

Company No. 01593542

Currie & Brown (Japan) Limited

**Report and Financial Statements
For the year ended 31 December 2014**

MONDAY



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Company information

Company registration number	01593542
Registered office	Dashwood House 69 Old Broad Street London EC2M 1QS
Directors	Mr D A Broomer Mr R Fuller Mr E Tan
Secretary	Miss S Hogg
Bankers	Citibank 2F Hiroo Plaza 5-6-6 Hiroo Shibuya-ku Tokyo 150-0012
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

Index

Strategic Report	3-4
Report of the directors	5-6
Report of the independent auditor	7-8
Profit and loss account	9
Balance sheet	10
Notes to the financial statements	11-18

Strategic report

The directors present their strategic report for Currie & Brown (Japan) Limited (the “company”) for the year ended 31 December 2014.

Principal activities

The principal activities of the company continue to be that of carrying on the business of Quantity Surveyors, Cost Consultants, Material Controllers and Project Managers in Japan, Australia and the Far East.

Results

The profit for the year after taxation is £1,615 (2013: profit of £55,032). The decrease in profitability was partly due to the conclusion of a major project in the oil industry; a subsequent fall in oil prices significantly reduced opportunities within this industry sector. The company is now focussing on winning work in the Japanese domestic market.

Principal Risks and Uncertainties

During the year, the company operated as part of the Currie & Brown group of companies, and the directors identified the following risks and uncertainties:

Delivery risk

The company manages the delivery of its services to its clients by implementing controls to monitor project progress and profitability.

Credit risk

In order to manage credit risk, all significant new clients are required to be referred to the company’s Credit Control function for financial reference. In addition, Credit Control will also review overdue balances on a weekly basis with monthly reports sent to the board.

Currency risk

The company is exposed to foreign exchange risk. Transactions exposures, including those associated with forecast transactions are hedged when known, by holding designated foreign currency cash balances against future known commitments.

Liquidity risk

The Company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs.

Strategic report (continued)

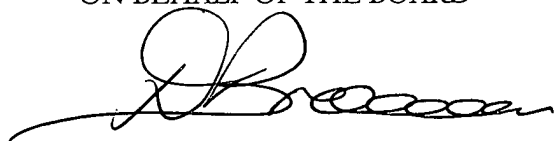
Key Performance Indicators

Key performance measures have been identified to bring focus to the delivery of the company's objectives, including the following:

- Turnover growth
- Gross and net margins
- Cash generation and working capital control
- Training and delivery uptake

The long-term objective continues to be to grow profits, margins and cash. The Board continues to monitor performance and to take action wherever necessary to ensure that revenues and costs are appropriately matched.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'D A Broome', with a long horizontal flourish extending to the left.

D A Broome
Director
24 September 2015

Report of the directors

The directors present their report and financial statements of the company for the year ended 31 December 2014.

Directors

The directors who served the company during the year are set out below. All served on the Board up to the date of signing this report.

Mr D A Broomer
Mr R Fuller
Mr E Tan

Indemnity Insurance

The company (via its parent undertaking) has purchased insurance for the directors and officers of the company against liability arising for wrongful acts in relation to the company, subject to the conditions set out in s234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

Going concern

As at 31 December 2014, the company has net liabilities of £68,829 (2013: net liabilities of £70,444). However, no material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. In making this assessment the directors note that the company has access to the financial resources of its intermediate parent undertaking, Currie & Brown Holdings Limited ('CBH'). CBH has confirmed its ongoing financial support in writing for a period of at least twelve months from the date of approval of the financial statements. On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Future Developments

The long term objective continues to be to grow profits, margins and cash. The Board continues to monitor performance and to take action wherever necessary to ensure that revenues and costs are appropriately matched.

Directors' responsibilities

The directors are responsible for preparing the Strategic Report, Report of the Directors and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Laws). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent

Report of the directors (continued)

Directors' responsibilities (continued)

- state whether the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

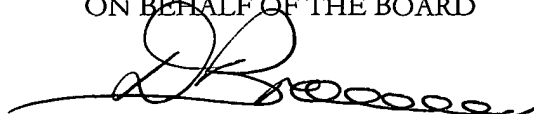
Auditor

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at The Board of Directors meeting to approve the financial statements and for the reappointment of Ernst & Young LLP as auditors of the company.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

ON BEHALF OF THE BOARD



D A Broome
Director

24 September 2015

Independent auditor's report to the members of Currie & Brown (Japan) Limited

We have audited the financial statements of Currie & Brown (Japan) Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account and the Balance Sheet, and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement on pages 5-6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

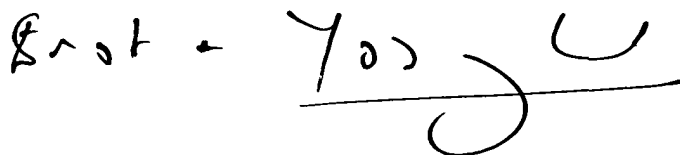
Independent auditor's report to the members of Currie & Brown (Japan) Limited (continued)

8

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

A handwritten signature in black ink, appearing to read 'Ernst & Young' with a stylized flourish at the end.

Adrian Mulea
Senior Statutory Auditor
for and on behalf of Ernst & Young LLP
Statutory Auditor
London

24 SEP 2015

Profit and loss account

For the year ended 31 December 2014

		12 Months to 31/12/2014 £	12 Months to 30/12/2013 £
	Note		
Turnover	2	1,290,121	1,868,108
Cost of sales		(1,138,429)	(1,644,630)
Gross profit		151,692	223,478
Administrative expenses		(146,710)	(160,221)
Operating profit	3	4,982	63,257
Interest receivable		2	(1,055)
Interest payable		-	(1,055)
Profit on ordinary activities before taxation		4,984	62,202
Tax on profit on ordinary activities	5	(3,369)	(7,170)
Profit for the financial year	13	1,615	55,032

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year and previous year as set out above.

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

As at 31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	6	1,506	1,127
Current assets			
Debtors	8	343,686	376,130
Cash at bank and in hand		167,350	175,935
		<u>511,036</u>	<u>552,065</u>
Creditors: amounts falling due within one year	9	<u>(581,371)</u>	<u>(623,636)</u>
Net current liabilities		<u>(70,335)</u>	<u>(71,571)</u>
Net liabilities		<u>(68,829)</u>	<u>(70,444)</u>
Capital and reserves			
Called-up equity share capital	12	25,000	25,000
Profit and loss account	13	<u>(93,829)</u>	<u>(95,444)</u>
Equity shareholders' deficit		<u>(68,829)</u>	<u>(70,444)</u>

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

These financial statements were approved by the board on 24 September 2015 and are signed on their behalf by:



D A Broome
Director

Company number 01593542

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements (continued)

1 Principal accounting policies

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has taken advantage of the exemption in FRS 1 (revised) *Cash Flow Statements* from the requirement to produce a cash flow statement on the grounds that its intermediate parent undertaking, Currie & Brown Holdings Limited ('CBH'), produces publicly available financial statements that include a consolidated cash flow statement which includes the company.

The company is exempt from preparing consolidated accounts under section 400 of the Companies Act 2006, on the basis that the group headed by Currie & Brown (Japan) Limited is a small group.

As such information in these financial statements is only with regard to the company as an individual undertaking and not about its group.

Going concern

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. In making this assessment the directors note that the company has access to the financial resources of its intermediate parent undertaking, CBH. CBH has confirmed its ongoing financial support in writing for a period of at least twelve months from the date of approval of the financial statements. On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover is the total amount receivable by the company during the period for the performance of services.

Turnover for services without current contracts or services that are contractually contingent is not recognised until acceptance by the customer.

Turnover on time and fee based contracts is recognised over the period of the contract based upon the proportion of work completed.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the period, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion. Where the company anticipates losses in the delivery of services, these are recognised in full in the accounting year they are foreseen.

Notes to the financial statements (continued)

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 10% - 25% straight line

The Directors review the carrying value of assets regularly for indicators of impairment.

Operating lease agreements

Rentals applicable to operating leases where the company is the lessee and substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease. Lease incentives are recognised over the shorter of the lease term and the period to the date of the next rent review.

Deferred taxation

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

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. All exchange differences are recognised in the profit & loss account.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Notes to the financial statements (continued)

Financial instruments (continued)

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2014	2013
	£	£
Japan	<u>1,290,121</u>	<u>1,868,108</u>

3 Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Depreciation of owned fixed assets	843	49
Net loss on foreign currency translation	29,725	28,421
Operating lease rentals – land and buildings	<u>25,186</u>	<u>30,581</u>

The fee for the audit of the company's financial statements for the year of £3,000 (2013: £3,000) is borne by Currie & Brown International Limited.

4 Directors and employees

Remuneration in respect of directors was as follows:

	2014	2013
	£	£
Emoluments	<u>148,407</u>	<u>158,717</u>

None of the directors accrued benefits under a company pension scheme.

Notes to the financial statements (continued)

Directors and employees (continued)

The average number of staff employed during the year amounted to:

	2014	2013
	No	No
Number of fee earning staff	9	16
Number of administrative staff	2	2
	<u>11</u>	<u>18</u>

The aggregate payroll costs of the employees were:

	2014	2013
	£	£
Wages and salaries	<u>898,677</u>	<u>1,434,165</u>

5 Taxation on ordinary activities

(a) Analysis of charge on profit on ordinary activities in the year

	2014	2013
	£	£
Current tax:		
UK corporation tax based on the results for the year at 21.49% (2013: 23.25%)	<u>—</u>	<u>—</u>
Total UK corporation tax	<u>—</u>	<u>—</u>
Overseas taxation:		
Current year	<u>3,369</u>	<u>7,170</u>
Total overseas tax and tax on profit on ordinary activities	<u>3,369</u>	<u>7,170</u>

Notes to the financial statements (continued)

Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is difference from the standard rate of corporation tax in the UK of 21.49% (2013: 23.25%). The differences are explained below.

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>4,984</u>	<u>62,202</u>
Profit on ordinary activities multiplied by rate of tax of 21.49% (2013: 23.25%)	1,071	14,462
Expenses not allowable for tax	261	212
Capital allowances in excess of depreciation	181	11
Losses brought forward	(1,513)	(14,685)
Irrecoverable foreign tax	<u>3,369</u>	<u>7,170</u>
Total current tax	<u>3,369</u>	<u>7,170</u>

The company has a potential deferred tax asset of £74,000 (2013: £75,000) in respect of trading losses carried forward which has not been recognised because of the uncertainty of suitable tax profits from which future reversals can be deducted.

Factors that may change future tax charges

A reduction in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and a further reduction to 20% (effective from 1 April 2015) were substantively enacted on 3 July 2013. Deferred tax assets and liabilities on all timing differences have therefore been calculated at 20% at the balance sheet date.

The UK Summer Budget, announced on 8 July 2015, included a decrease in the rate of corporation tax to 19% and 18%, effective from 1 April 2017 and 1 April 2020 respectively as part of the Summer Finance Bill 2015. These rates are expected to be substantively enacted in October 2015.

Notes to the financial statements (continued)

6 Tangible fixed assets

	Equipment £
Cost	
At 1 January 2014	14,652
Additions	1,221
	<u>15,873</u>
At 31 December 2014	<u>15,873</u>
Depreciation	
At 1 January 2014	13,525
Charge for the year	843
	<u>14,367</u>
At 31 December 2014	<u>14,367</u>
Net book value	
At 31 December 2014	1,506
At 31 December 2013	<u>1,127</u>

7 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 January 2014 and 31 December 2014	53,649
	<u>53,649</u>
Amounts written off	
At 1 January 2014 and 31 December 2014	53,649
	<u>53,649</u>
Net book value	
At 31 December 2014	-
	<u>-</u>
At 31 December 2013	<u>-</u>

Investments in subsidiary undertakings

	Country of incorporation	Proportion owned
Subsidiary company		
CBX-Japan KK	Japan	100%
Description of shareholding	No.	
CBX-Japan KK	200	Ordinary shares of Yen 50,000 each fully paid
CBX-Japan KK is involved in the same activities as the company.		

Notes to the financial statements (continued)

8 Debtors

	2014 £	2013 £
Trade debtors	152,033	191,013
Amounts owed by group undertakings	86,199	86,199
Other taxation	104	—
Prepayments and accrued income	105,350	98,918
	<u>343,686</u>	<u>376,130</u>

All debtors are due within one year.

9 Creditors: amounts falling due within one year

	2014 £	2013 £
Amounts owed to group undertakings	475,053	450,219
Other taxation and social security	23,286	70,731
Other loan	5,750	5,750
Accruals and deferred income	77,282	96,936
	<u>581,371</u>	<u>623,636</u>

10 Commitments under operating leases

At 31 December the company had annual commitments under operating leases as set out below.

	Land and buildings	
	31 December 2014 £	31 December 2013 £
Operating leases which expire		
Within 1 year	21,056	-
Within 2 – 5 years	-	25,186
	<u>21,056</u>	<u>25,186</u>

11 Related Party Transactions

As a wholly owned subsidiary of Currie & Brown International Limited, which in turn is a wholly owned subsidiary of Currie & Brown Holdings Limited, the company is exempt from the requirement of FRS 8 to disclose transactions with other members of the group headed by Currie & Brown Holdings Limited on the grounds that financial statements are publicly available from 12 Dumaresq Street, St Helier, Jersey, JE2 3RL.

Notes to the financial statements (continued)

12 Share capital

Authorised share capital:

	2014 £	2013 £
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2014 £	2013 £
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

13 Profit and loss account

	2014 £	2013 £
Deficit brought forward	(95,444)	(150,476)
Profit for the financial year	<u>1,615</u>	<u>55,032</u>
Deficit carried forward	<u>(93,829)</u>	<u>(95,444)</u>

14 Reconciliation of movements in equity shareholders' deficit

	2014 £	2013 £
Profit for the financial year	1,615	55,032
Opening equity shareholders' deficit	<u>(70,444)</u>	<u>(125,476)</u>
Closing equity shareholders' deficit	<u>(68,829)</u>	<u>(70,444)</u>

15 Immediate and ultimate parent undertakings

The immediate parent undertaking at 31 December 2014 was Currie & Brown International Limited which is incorporated in England and Wales.

The smallest group in which the company is consolidated is headed by Currie & Brown Holdings Limited. The consolidated financial statements are available from 12 Dumaresq Street, St Helier, Jersey, JE2 3RL.

The ultimate parent undertaking and largest group in which the company is consolidated is Dar Al-Handasah Consultants Shair and Partners Holdings Limited. These consolidated financial statements are not available to the public.