

Company Registration No. 01797570 (England and Wales)

**COROB CONSOLIDATED LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# COROB CONSOLIDATED LIMITED

## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	4		57,477		63,730
Investment properties	5		28,743,556		28,057,498
Investments	6		18,642,532		20,867,532
			<u>47,443,565</u>		<u>48,988,760</u>
<b>Current assets</b>					
Stocks			381,593		381,593
Debtors	7		43,936,634		44,765,230
Investments	8		893,920		726,299
Cash at bank and in hand			5,401,280		8,168,799
			<u>50,613,427</u>		<u>54,041,921</u>
<b>Creditors: amounts falling due within one year</b>	9		(31,118,605)		(33,587,773)
<b>Net current assets</b>			<u>19,494,822</u>		<u>20,454,148</u>
<b>Total assets less current liabilities</b>			66,938,387		69,442,908
<b>Creditors: amounts falling due after more than one year</b>	10		(20,048,372)		(20,000,000)
<b>Provisions for liabilities</b>			(357,235)		(378,723)
<b>Net assets excluding pension liability</b>			46,532,780		49,064,185
<b>Defined benefit pension liability</b>			(459,270)		(454,410)
<b>Net assets</b>			<u>46,073,510</u>		<u>48,609,775</u>
<b>Capital and reserves</b>					
Called up share capital			5,000,000		5,000,000
Foreign exchange reserve			137,311		137,311
Non distributable reserve	12		22,989,990		22,298,990
Other reserves			29,155,695		29,155,695
Retained earnings			(11,209,486)		(7,982,221)
<b>Total equity</b>			<u>46,073,510</u>		<u>48,609,775</u>

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

## **COROB CONSOLIDATED LIMITED**

### **GROUP BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2019***

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The financial statements were approved by the board of directors and authorised for issue on 3 December 2020 and are signed on its behalf by:

F Cook  
**Director**

# COROB CONSOLIDATED LIMITED

## COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2019

		2019		2018	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	6		46,476,864		46,476,864
<b>Current assets</b>					
Cash at bank and in hand			19		19
<b>Creditors: amounts falling due within one year</b>	9	(1,803,641)		(1,803,641)	
<b>Net current liabilities</b>			(1,803,622)		(1,803,622)
<b>Total assets less current liabilities</b>			44,673,242		44,673,242
<b>Capital and reserves</b>					
Called up share capital			5,000,000		5,000,000
Non distributable reserve	12		39,930,269		39,930,269
Retained earnings			(257,027)		(257,027)
<b>Total equity</b>			44,673,242		44,673,242

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2018 - £0 profit).

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

The financial statements were approved by the board of directors and authorised for issue on 3 December 2020 and are signed on its behalf by:

F Cook  
Director

Company Registration No. 01797570

# **COROB CONSOLIDATED LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

#### **Company information**

Corob Consolidated Limited ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is 62 Grosvenor Street, London, England, W1K 3JF.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

#### **1.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated financial statements incorporate those of Corob Consolidated Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

#### **1.3 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.4 Turnover

Group turnover is represented by rental income, service charges, management commissions and dividends receivable on investments held.

Rental and service charge income is recognised on a receivable basis, exclusive of VAT. 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.

Management commissions are recognised when, and to the extent that, the company obtains the right to consideration in exchange for performance of management services.

Dividend income is recognised in the income statement on a receivable basis.

#### 1.5 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:

Plant and equipment	5% to 20% on cost or written down value
Fixtures and fittings	5% to 20% on cost or written down value
Motor vehicles	25% on written down value

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 recognised in the profit and loss account.

#### 1.6 Investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the income statement and accumulated in the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the income statement for the year. The fair value is determined annually by valuation specialists employed by the Group.

The valuer used a valuation technique based on a discounted cash flow model using inputs derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in location. The key assumptions used to determine the fair value of investment property are further explained in note 2.

#### 1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

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 group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

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

### 1.8 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 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.

#### 1.11 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.



# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **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 group 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.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### 1.12 Equity instruments

Equity instruments issued by the group 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 group.

#### 1.13 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *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 if, and only if, there is 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.

#### 1.14 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.

# **COROB CONSOLIDATED LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

**(Continued)**

#### **1.15 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.

#### **1.16 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 2 Judgements and key sources of estimation uncertainty

#### Investment properties

The fair value of the group's investment property as at 31 December 2019 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.

#### Interest rate swap

The fair value of interest rate swap contracts are determined by calculating the present value of the estimated future cash flows based on observable yield curves.

#### Market value of interest

The directors are required to make judgements in determining a market rate of interest on the intercompany and related party loans and how they are classified (ie as non-financing or financing). The directors have assessed the market rate of interest on these loans to equate to 2.5% above base rate. This judgement has been made based on rates of similar transactions the Group has entered into.

#### Recoverability of loans to associates

The directors remain in regular contact with Redress Solutions plc and are satisfied that the investment is represented at fair value as at the Statement of Financial position date and the loan provided to the company is recoverable.

### 3 Employees

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

Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
11	12	-	-
==	==	==	==

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Tangible fixed assets

Group	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2019	148,206	82,891	40,472	271,569
Additions	4,616	1,460	-	6,076
At 31 December 2019	152,822	84,351	40,472	277,645
<b>Depreciation and impairment</b>				
At 1 January 2019	102,071	80,196	25,572	207,839
Depreciation charged in the year	6,390	2,214	3,725	12,329
At 31 December 2019	108,461	82,410	29,297	220,168
<b>Carrying amount</b>				
At 31 December 2019	44,361	1,941	11,175	57,477
At 31 December 2018	46,135	2,695	14,900	63,730

The company had no tangible fixed assets at 31 December 2019 or 31 December 2018.

### 5 Investment property

	Group 2019 £	Company 2019 £
<b>Fair value</b>		
At 1 January 2019	28,052,556	-
Net gains or losses through fair value adjustments	691,000	-
At 31 December 2019	28,743,556	-

The 2019 valuations were made by W Gear, a member of RICS.

Security is held over the Group's freehold investment property in respect of the bank loan.

The historical cost value of the investment property is £19,710,736 (2018: £19,710,736).

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 6 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries		-	-	46,476,864	46,476,864
Investments in associates		18,027,532	19,975,488	-	-
Loans to associates and participating interests		615,000	892,044	-	-
		<u>18,642,532</u>	<u>20,867,532</u>	<u>46,476,864</u>	<u>46,476,864</u>

### Movements in fixed asset investments Group

	Investments in associates	Loans to associates and participating interests	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 January 2019	19,975,488	892,044	20,867,532
Valuation changes	(1,947,956)	-	(1,947,956)
At 31 December 2019	<u>18,027,532</u>	<u>892,044</u>	<u>18,919,576</u>
<b>Impairment</b>			
At 1 January 2019	-	-	-
Impairment losses	-	277,044	277,044
At 31 December 2019	<u>-</u>	<u>277,044</u>	<u>277,044</u>
<b>Carrying amount</b>			
At 31 December 2019	<u>18,027,532</u>	<u>615,000</u>	<u>18,642,532</u>
At 31 December 2018	<u>19,975,488</u>	<u>892,044</u>	<u>20,867,532</u>

### Investments in associates

The investment in associates comprise of a 47.7% shareholding in Corob (West One) Limited, a company incorporated in England and Wales.

### Loans to participating interests

The group has advanced monies to a related undertaking, Redress Solutions Plc, an associated company that had a director in common with the group or its subsidiaries in the prior year.

During the year, the group was repaid £Nil (2018: £250,000) by the company and the loan was impaired by £277,044 (2018: £Nil), to bring the total invested to £615,000 (2018: £892,044). The loan is interest free and repayable on demand.

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 6 Fixed asset investments (Continued)

Movements in fixed asset investments		Shares in group undertakings
Company		£
<b>Cost or valuation</b>		
At 1 January 2019 and 31 December 2019		46,476,864
<b>Carrying amount</b>		
At 31 December 2019		46,476,864
At 31 December 2018		46,476,864

### 7 Debtors

	Group 2019 £	2018 £	Company 2019 £	2018 £
<b>Amounts falling due within one year:</b>				
Trade debtors	116,170	150,341	-	-
Amounts owed by associates	42,303,080	42,432,685	-	-
Amounts owed by related parties	-	100,000	-	-
Other debtors	1,517,383	2,082,204	-	-
	43,936,633	44,765,230	-	-

### 8 Current asset investments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Listed investments	893,920	726,299	-	-

### 9 Creditors: amounts falling due within one year

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Other loans	11	-	24,786	-	-
Trade creditors		37,477	19,738	-	-
Amounts owed to group undertakings		-	-	1,803,641	1,803,641
Amounts owed to related parties		22,952,016	24,084,600	-	-
Other taxation and social security		453,242	392,028	-	-
Other creditors		7,675,870	9,066,621	-	-
		31,118,605	33,587,773	1,803,641	1,803,641

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 10 Creditors: amounts falling due after more than one year

		Group 2019 £	2018 £	Company 2019 £	2018 £
	Notes				
Bank loans and overdrafts	11	20,000,000	20,000,000	-	-
Other loans	11	48,372	-	-	-
		<u>20,048,372</u>	<u>20,000,000</u>	<u>-</u>	<u>-</u>

Corob Holdings Limited has a loan facility with National Westminster Bank plc for £20 million. The amount drawn down at 31 December 2019 was £20 million (2018: £20 million). This loan is repayable on 9 August 2023.

Security is held over the Group's investment property in respect of the bank loan from National Westminster Bank plc.

The group has purchased interest rate swaps to manage interest rate risk volatility. The estimate of the fair value of derivatives held as at the statement of financial position date was a liability of £48,372 (2018: £24,786). The amount has been included in the company's balance sheet in line with its accounting policy.

### 11 Loans and overdrafts

	Group 2019 £	2018 £	Company 2019 £	2018 £
Bank loans	20,000,000	20,000,000	-	-
Other loans	48,372	24,786	-	-
	<u>20,048,372</u>	<u>20,024,786</u>	<u>-</u>	<u>-</u>
Payable within one year	-	24,786	-	-
Payable after one year	<u>20,048,372</u>	<u>20,000,000</u>	<u>-</u>	<u>-</u>

### 12 Reserves

#### Non distributable reserve

The non distributable reserve represents the cumulative unrealised valuation movement on investments properties which is transferred from Retained earnings.

#### Other reserves

Other reserves represents the net surplus arising from realised capital profits which, under the company's Articles of Association, is not distributable.

#### Retained Earnings

Includes all current and prior year retained realised profits and losses.

#### Foreign exchange reserve

Includes all foreign exchange movements on translation of overseas subsidiaries.



## **COROB CONSOLIDATED LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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#### **13 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.

The senior statutory auditor was David Green MA (Cantab) ACA.

The auditor was Azets Audit Services.

## COROB CONSOLIDATED LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

#### 14 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 2019 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:

	2019 £	2018 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	4,264,000	4,529,000
Current service cost	27,000	46,000
Interest cost	118,000	118,000
Actuarial (gains) / losses	535,000	(328,000)
Benefits paid	(126,000)	(102,000)
At the end of the year	4,818,000	4,264,000

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

	2019 £	2018 £
At the beginning of the year	3,703,000	3,289,000
Interest income	109,000	91,000
Scheme expenses	(13,000)	(30,000)
Actuarial losses	35,000	(75,000)
Contributions by employer	543,000	530,000
Benefits paid	(126,000)	(102,000)
At the end of the year	4,251,000	3,703,000

Composition of plan assets:

	2019 £	2018 £
Fixed interest	51,000	52,000
Property	114,000	-
Equities and managed funds	505,000	525,000
Cash	3,581,000	3,126,000
Total plan assets	4,251,000	3,703,000

# COROB CONSOLIDATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 14 Employee benefit obligations

(Continued)

	2019	2018
	£	£
Fair value of plan assets	4,251,000	3,703,000
Present value of plan liabilities	(4,818,000)	(4,264,000)
Related deferred tax asset	(107,730)	(106,590)
Net pension scheme liability	(459,270)	(454,410)

The amounts recognised in profit and loss are as follows:

	2019	2018
	£	£
Current service cost	(27,000)	(46,000)
Interest on obligation	(9,000)	(27,000)
Scheme expenses	(13,000)	(30,000)
Total	(49,000)	(103,000)

Reconciliation of scheme obligations were as follows:

	2019	2018
	£	£
Opening defined benefit obligation	(561,000)	(1,240,000)
Current service cost	(27,000)	(46,000)
Scheme expenses	(13,000)	(30,000)
Contributions by scheme participants	543,000	530,000
Interest cost	(9,000)	(27,000)
Actuarial gains / (losses)	(500,000)	252,000
Closing defined benefit obligation	(567,000)	(561,000)

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

	2019	2018
Discount rate	2.0% pa	2.8% pa
Retail price inflation	3.1% pa	3.3% 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

### 15 Post balance sheet events

On January 30, 2020, the World Health Organization declared the outbreak of coronavirus ("COVID-19") to be a public health emergency of international concern.

The Group continues to carry out regular detailed reviews of the potential impacts of COVID-19 and monitor developments closely. As at the date of this report, the group's position continues to remain strong and acknowledges that the full effect on the group's income and property assets remains to be seen.

The Group has assessed the coronavirus pandemic as a non-adjusting post balance sheet event for these Financial Statements.

## **COROB CONSOLIDATED LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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**16 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.

**17 Controlling party**

In the view of the directors, the group does not have a controlling party.

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.