

REGISTERED NUMBER: 01797570 (England and Wales)

COROB CONSOLIDATED LIMITED
DIRECTORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017



COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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COROB CONSOLIDATED LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017

DIRECTORS:

F Cook
Ms T A Corob
Mrs L E Corob
Mrs A L Corob
J V Hajnal

SECRETARY:

J G Radford, FCCA

REGISTERED OFFICE:

62 Grosvenor Street
London
W1K 3JF

REGISTERED NUMBER:

01797570 (England and Wales)

AUDITORS:

Wilkins Kennedy Audit Services
Statutory Auditor
Bridge House
London
SE1 9QR

COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

**CONSOLIDATED BALANCE SHEET
31 DECEMBER 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	5	80,407	101,308
Investments	6	28,649,999	26,846,666
Investment property	7	28,933,775	29,165,514
		<u>57,664,181</u>	<u>56,113,488</u>
CURRENT ASSETS			
Stocks		381,593	381,593
Debtors	8	46,589,538	46,936,159
Current asset investments	9	968,407	1,120,635
Cash at bank		1,620,065	944,329
		49,559,602	49,382,716
CREDITORS			
Amounts falling due within one year	10	(33,930,854)	(32,854,634)
NET CURRENT ASSETS		<u>15,628,748</u>	<u>16,528,082</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		73,292,929	72,641,570
CREDITORS			
Amounts falling due after more than one year	11	(20,123,558)	(20,218,556)
PROVISIONS FOR LIABILITIES		(15,707)	16,925
PENSION LIABILITY		(992,000)	(912,800)
NET ASSETS		<u>52,161,664</u>	<u>51,527,139</u>
CAPITAL AND RESERVES			
Called up share capital		5,000,000	5,000,000
Foreign exchange reserve	12	137,312	339,067
Investments reserve	12	23,178,991	23,360,676
Other reserves	12	29,155,695	29,155,695
Retained earnings	12	(5,310,334)	(6,328,299)
		<u>52,161,664</u>	<u>51,527,139</u>

The notes form part of these financial statements

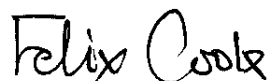
COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

**CONSOLIDATED BALANCE SHEET - continued
31 DECEMBER 2017**

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 06 SEPTEMBER 2018 and were signed on its behalf by:



.....
F Cook - Director

The notes form part of these financial statements

COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

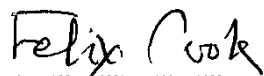
**COMPANY BALANCE SHEET
31 DECEMBER 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Investments	6	<u>46,476,864</u>	<u>46,476,864</u>
		46,476,864	46,476,864
CURRENT ASSETS			
Cash at bank		<u>19</u>	<u>19</u>
		19	19
CREDITORS			
Amounts falling due within one year	10	<u>(1,803,641)</u>	<u>(1,803,641)</u>
NET CURRENT LIABILITIES		<u>(1,803,622)</u>	<u>(1,803,622)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>44,673,242</u>	<u>44,673,242</u>
CAPITAL AND RESERVES			
Called up share capital		5,000,000	5,000,000
Investments reserve	12	39,930,269	39,930,269
Retained earnings		<u>(257,027)</u>	<u>(257,027)</u>
		<u>44,673,242</u>	<u>44,673,242</u>
Company's profit for the financial year		<u>-</u>	<u>-</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 06 September 2018 and were signed on its behalf by:



.....
F Cook - Director

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. **STATUTORY INFORMATION**

Corob Consolidated Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all subsidiary undertakings, together with the group's share of net assets and results of associated undertakings. Acquisitions are accounted for under the acquisition method. The results of companies acquired and disposed of are included in the group statement of comprehensive income from or up to the date that control passes respectively.

In respect of the associates, the group recognises its share of losses to the extent that it reduces the carrying amount of the investment in associates to zero. Further losses are recognised as a provision only to the extent that the investor has incurred a legal or constructive obligation or has made payments on behalf of the associate.

Cash flow exemption

The Company has taken advantage of the exemption in FRS 102 7.1B to not present a statement of cash flows.

Going concern

After reviewing the group's forecasts and projections, the Directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles	- 25% on written down value
Fixtures and fittings	- 5% to 20% on cost or written down value

Investments in subsidiaries and associates

Investments in subsidiary and associated undertakings are valued at cost less provision for impairment in the parent company. An associate is an entity over which the investor has significant influence. The presumption is rebutted where it can be demonstrated significant influence does not exist.

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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

The Group has also entered into a non-basic derivative financial instrument transaction that is initially measured at fair value on the date on which the contract is entered into and is subsequently measured at fair value through profit or loss.

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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

Current asset investments

Current asset investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through profit or loss). Subsequently, they are measured at fair value through profit or loss except for those 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 measurement of fair value becomes available

If a reliable measure of fair value is no longer available, the investment's fair value on the last date the instrument was reliably measured is treated as cost of the investment.

Debtors

Trade and other debtors are measured at transaction price less any impairment, unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of future receipts discounted at the prevailing market rate of interest.

Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Cash at bank

Cash at bank in the balance sheet comprises cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Creditors

Trade and other creditors are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of future payments discounted at the prevailing market rate of interest.

Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Pensions

The Group, 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 Group to the fund in respect of the year.

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

The Group 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 note 14 to the accounts.

Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction of the associated capital instrument

Interest income

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

3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Investment properties

The fair value of the group's investment property as at 31 December 2017 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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 migrated 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.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 12 (2016 - 12).

COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. TANGIBLE FIXED ASSETS

Group

	Fixtures & Fittings etc £
COST	
At 1 January 2017	255,858
Additions	9,546
Disposals	<u>-</u>
At 31 December 2017	<u>265,404</u>
DEPRECIATION	
At 1 January 2017	154,550
Charge for year	30,447
Eliminated on disposal	<u>-</u>
At 31 December 2017	<u>184,997</u>
NET BOOK VALUE	
At 31 December 2017	<u>80,407</u>
At 31 December 2016	<u>101,308</u>

6. FIXED ASSET INVESTMENTS

Group

	Investment in associates £	Loans to investments £	Totals £
COST OR VALUATION			
At 1 January 2017	25,704,622	1,142,044	26,846,666
Share of profit	<u>1,803,333</u>	<u>-</u>	<u>1,803,333</u>
At 31 December 2017	<u>27,507,955</u>	<u>1,142,044</u>	<u>28,649,999</u>
NET BOOK VALUE			
At 31 December 2017	<u>27,507,955</u>	<u>1,142,044</u>	<u>28,649,999</u>
At 31 December 2016	25,704,622	1,142,044	26,846,666

Investment in associates

The shares in the related undertakings are represented by the following:

Corob Retail Investments Limited – 49%
Corob Mayfair Holdings Limited – 40%
Corob Central Properties Limited – 40%
Corob Noho Properties Limited – 40%

COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

These companies are all property investment companies and are incorporated in England and Wales. Corob Retail Investments Limited prepares accounts to 30 June and Corob Mayfair Holdings Limited, Corob Central Properties Limited and Corob Noho Properties Limited to 31 December respectively.

The group's share of the results of these undertakings for the years ended 30 June 2017 and 31 December 2017 respectively have been included in the consolidated accounts.

Loans to investments

The group has advanced monies to a related undertaking, Redress Solutions Plc, an associated company that also has certain directors in common with the group or its subsidiaries.

During the year, the group increased this loan to the company by a further £Nil (2016: £15,000) in the year into the company, to bring the total invested to £1,142,044 (2016: £1,142,044). The loan is interest free and repayable on demand.

Company

	Total £
FAIR VALUE	
At 1 January 2017	<u>46,476,864</u>
At 31 December 2017	<u>46,476,864</u>
NET BOOK VALUE	
At 31 December 2017	<u>46,476,864</u>
At 31 December 2016	<u>46,476,864</u>

7. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 January 2017	<u>29,165,514</u>
Revaluations	<u>(231,739)</u>
At 31 December 2017	<u>28,933,775</u>
NET BOOK VALUE	
At 31 December 2017	<u>28,933,775</u>
At 31 December 2016	<u>29,165,514</u>

The 2017 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 £19,707,013 (2016: £19,707,013).

COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Amounts owed by associates	43,509,330	43,344,353	-	-
Other debtors	3,080,208	3,591,806	-	-
	<u>46,589,538</u>	<u>46,936,159</u>	<u>-</u>	<u>-</u>

9. CURRENT ASSET INVESTMENTS

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Listed investments	968,407	1,120,635	-	-
	<u>968,407</u>	<u>1,120,635</u>	<u>-</u>	<u>-</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Amounts owed to group undertakings	-	-	1,803,641	1,803,641
Amounts owed to related parties	14,746,599	14,725,899	-	-
Amounts owed to associates	2,785,784	2,785,869	-	-
Taxation and social security	561,695	356,102	-	-
Other creditors	15,836,777	14,986,764	-	-
	<u>33,930,855</u>	<u>32,854,634</u>	<u>1,803,641</u>	<u>1,803,641</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2017	2016
	£	£
Bank loans	20,000,000	20,000,000
Other creditors	123,558	218,556
	<u>20,123,558</u>	<u>20,218,556</u>

Corob Holdings Limited has a loan facility with National Westminster Bank plc for £20,000,000. The amount drawn down at 31 December 2017 was £20,000,000 (2016: £20,000,000). This loan is repayable on 31 January 2019.

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

The group has purchase 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 £123,558 (2016: £218,556). This amount has been included in the group's balance sheet in line with its accounting policy.

12. RESERVES**Investment property reserve**

The investment property revaluation 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.

13. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Auditors' Report was unqualified.

Timothy Collerton ACA FCCA CTA (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services

14. EMPLOYEE BENEFIT OBLIGATIONS

The group 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 2017 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 group will make annual contributions of at least the minimum funding requirement certified by the scheme's actuary.

Reconciliation of present value of plan liabilities:

	2017 £	2016 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	4,273,000	3,022,000
Current service cost	39,000	39,000
Interest cost	115,000	141,000
Actuarial (gains) / losses	196,000	359,000
Benefits paid	(94,000)	(88,000)
At the end of the year	4,529,000	4,273,000

COROB CONSOLIDATED LIMITED (REGISTERED NUMBER: 01797570)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	£	£
At the beginning of the year	3,132,000	2,970,000
Interest income	86,000	112,000
Scheme expenses	(29,000)	-
Actuarial losses	(19,000)	(53,000)
Contributions by employer	213,000	191,000
Benefits paid	(94,000)	(88,000)
At the end of the year	3,289,000	3,132,000

Composition of plan assets:

	2017	2016
	£	£
Fixed interest	106,000	222,000
Equities and managed funds	636,000	455,000
Cash	2,547,000	2,455,000
Total plan assets	3,289,000	3,132,000

	2017	2016
	£	£
Fair value of plan assets	3,289,000	3,132,000
Present value of plan liabilities	(4,529,000)	(4,273,000)
Related deferred tax asset	248,000	228,200
Net pension scheme liability	(992,000)	(912,800)

The amounts recognised in profit and loss are as follows:

	2017	2016
	£	£
Current service cost	(39,000)	(39,000)
Interest on obligation	(29,000)	-
Total	(68,000)	(39,000)

Reconciliation of scheme obligations were as follows:

	2017	2016
	£	£
Opening defined benefit obligation	(1,141,000)	(852,000)
Current service cost	(39,000)	(39,000)
Scheme expenses	(29,000)	-
Contributions by scheme participants	213,000	191,000
Interest cost	(29,000)	(29,000)
Actuarial gains / (losses)	(215,000)	(412,000)
Closing defined benefit obligation	(1,240,000)	(1,141,000)

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

	2017	2016
Discount rate	2.6% pa	2.7% pa
Retail price inflation	3.3% pa	3.4% pa
Mortality rates		
- for a male aged 65 now	21.6	21.6
- future male pensioners at 65	23.0	23.3
- for a female aged 65 now	23.5	23.5
- future female pensioners at 65	25.1	25.3

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

15. RELATED PARTY TRANSACTIONS

A subsidiary undertaking has loaned monies to S J Wiseman, a director of that subsidiary, amounting to £642,882 (2016: £279,305). No interest is being charged on the loan.

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.

16. CONTROLLING PARTY

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

17. POST BALANCE SHEET EVENT

On 9th August 2018 there was a group restructure resulting in Corob Holdings Ltd disposing of its investments in Corob Retail Investments Ltd, Corob Central Properties Ltd, Corob Mayfair Holdings Ltd and Corob Noho Ltd. On the same date it acquired 47.7% of Corob (West One) Ltd which in turn owns 100% of Corob Central Properties Ltd, Corob Mayfair Holdings Ltd and Corob Noho Ltd to 47.7%. The financial impact is a reduction in net assets for the group of £4.7m.