

Company Registration No. 03358043 (England and Wales)

**CITADEL HOLDINGS PLC**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**



# CITADEL HOLDINGS PLC

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# CITADEL HOLDINGS PLC

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Directors present the strategic report, annual report and financial statements for the year ended 31 December 2016.

### **Review of the business**

The results for the year are set out on page 6.

The principal activities of the Company during the year were to hold investments, earn income therefrom and to provide services to its subsidiaries. The Directors expect the principal activities of the Company to remain unchanged for the foreseeable future.

The financial statements have been prepared on a going concern basis as described in note 1.

### **Principal risks and uncertainties**

The Directors consider there are a number of potential risks and uncertainties which could have a material impact on the Company's performance and could cause the actual results to differ materially from expected and historical results. Management and mitigation of these risks is the responsibility of the Directors of the Company.

#### *Loss in value of subsidiary undertakings*

Subsidiaries include the French property division of the CLS Holdings plc Group which are well established and positioned for long-term supportable organic growth.

#### *Potential loss on intercompany lending*

Lending on an arm's length basis to subsidiaries with excellent covenant strength.

#### *Political and Economic Risk*

The exit of the United Kingdom from the European Union remains an adverse risk to the overall economy, which may impact net asset values and profitability. It is the Directors' view that the United Kingdom's economy remains sufficiently robust to weather any immediate adverse economic effects.

Further discussion of these risks and uncertainties, in the context of the Group as a whole, is provided in the Group's annual report which does not form part of this report and can be found on [www.clsholdings.com](http://www.clsholdings.com).

### **Key performance indicators**

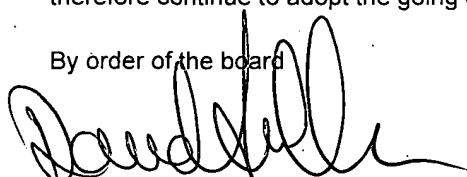
The following are key performance indicators of the business:

- Revenue for the year £2,541,826 (2015: £2,190,269)
- Operating profit for the year £1,651,910 (2015: £1,536,473)
- Net assets at the balance sheet date £57,813,386 (2015: £44,361,283)

### **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 and therefore continue to adopt the going concern basis in preparing the financial statements.

By order of the board



David Fuller

Secretary

22 June 2017

# **CITADEL HOLDINGS PLC**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Directors present their annual report and financial statements for the year ended 31 December 2016.

The Directors' Report has been prepared in accordance with the special provisions relating to medium sized companies under sections 465 - 467 of the Companies Act 2006.

Disclosure in respect of a Review of the Business required in the Directors' Report as per section 416 (4) of the Companies Act 2006 has been included in the Strategic Report.

#### **Results and dividends**

The Company did not pay a dividend during the year ended 31 December 2016 (2015: £5,529,839).

#### **Directors**

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Henry Klotz

Mr Alain Millet

Mr John Whiteley

Mr Fredrik Widlund

Mr Simon Wigzell

Qualifying third-party indemnity provisions (as defined in section 234 of the Companies Act 2006) are in force for the benefit of the Directors who held office in 2016.

# CITADEL HOLDINGS PLC

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 *Reduced Disclosure Framework*. 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 at the balance sheet date and of the profit or loss of the Company for the period ending on that date. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

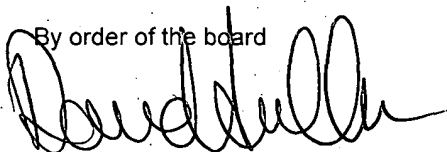
### Auditor

In accordance with the Company's articles, a resolution proposing that Deloitte LLP be reappointed as auditor of the Company will be put at a General Meeting.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

By order of the board



David Fuller

Secretary

22 June 2017

# **CITADEL HOLDINGS PLC**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF CITADEL HOLDINGS PLC**

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We have audited the financial statements of Citadel Holdings Plc for the year ended 31 December 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes 1 to 20. 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), including FRS 101 "Reduced Disclosure Framework".

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 Statement of Directors' Responsibilities, 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 annual 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 2016 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

# **CITADEL HOLDINGS PLC**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF CITADEL HOLDINGS PLC**

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#### **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.



**Mark Beddy FCA (Senior statutory auditor)**

**for and on behalf of Deloitte LLP**

**Statutory Auditor**

**London, United Kingdom**

**22 June 2017**

# CITADEL HOLDINGS PLC

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Revenue	3	2,541,826	2,190,269
Administrative expenses		(890,514)	(653,796)
Other operating income		598	-
<b>Operating profit</b>		<b>1,651,910</b>	<b>1,536,473</b>
Dividends received	7	12,765,852	5,529,839
Investment income	8	71,543	(11,595)
Interest payable	9	(865,639)	(756,478)
<b>Profit before taxation</b>		<b>13,623,666</b>	<b>6,298,239</b>
Tax on profit	10	(171,563)	(155,601)
<b>Profit for the financial year</b>		<b>13,452,103</b>	<b>6,142,638</b>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

There were no items of other comprehensive income other than those stated above for either period.

The notes 1 to 20 form part of these financial statements.



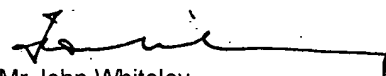
# CITADEL HOLDINGS PLC

## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Investments	12	9,947,766	9,947,766
<b>Current assets</b>			
Trade and other receivables	13	86,504,802	72,219,969
Cash at bank and in hand		303,100	221,185
		86,807,902	72,441,154
<b>Creditors: amounts falling due within one year</b>			
Trade and other payables	14	(38,770,719)	(37,872,036)
Current tax payable		(171,563)	(155,601)
		(38,942,282)	(38,027,637)
<b>Net current assets</b>		47,865,620	34,413,517
<b>Total assets less current liabilities</b>		57,813,386	44,361,283
<b>Net assets</b>		57,813,386	44,361,283
<b>Equity</b>			
Called up share capital	15	8,379,014	8,379,014
Share premium account	16	24,012,900	24,012,900
Retained earnings		25,421,472	11,969,369
<b>Total equity</b>		57,813,386	44,361,283

The financial statements were approved by the Board of Directors and authorised for issue on 22 June 2017 and are signed on its behalf by:

  
Mr. John Whiteley  
Director

Company Registration No. 03358043

# CITADEL HOLDINGS PLC

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
<b>Balance at 1 January 2015</b>		8,379,014	24,012,900	11,356,570	43,748,484
<b>Year ended 31 December 2015:</b>					
Profit and total comprehensive income for the year		-	-	6,142,638	6,142,638
Dividends	11	-	-	(5,529,839)	(5,529,839)
<b>Balance at 31 December 2015</b>		8,379,014	24,012,900	11,969,369	44,361,283
<b>Year ended 31 December 2016:</b>					
Profit and total comprehensive income for the year		-	-	13,452,103	13,452,103
<b>Balance at 31 December 2016</b>		8,379,014	24,012,900	25,421,472	57,813,386

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Company information

Citadel Holdings Plc is a private company limited by shares and incorporated in Great Britain under the Companies Act 2006, and is registered in England. The registered office is 86 Bondway, London, SW8 1SF.

#### 1.1 Accounting convention

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 *Reduced Disclosure Framework* as issued by the Financial Reporting Council.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations and related party transactions.

Where required, equivalent disclosures are given in the group accounts of CLS Holdings plc. The group accounts of CLS Holdings plc are available to the public and can be obtained as set out in note 20.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the Company as an individual entity and not about its Group.

#### 1.2 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 at 31 December 2016. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Revenue

Revenue comprises income earned from funds provided to subsidiaries together with fees charged to recover costs for services provided to subsidiaries and interest receivable on loans to group companies. Revenue is recognised when the underlying service (or measurable part thereof) has been provided.

#### 1.4 Investments in associates and subsidiaries

Investments in subsidiaries are held at cost less provisions for any permanent diminution in value.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits and other short-term highly liquid investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.6 Financial assets

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

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets, and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

##### **Loans and receivables**

Trade and other receivables are recognised initially at fair value. An impairment provision is created where there is objective evidence that the Company will not be able to collect the receivable in full.

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

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each balance sheet 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 of the investment have been affected.

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

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

#### 1.7 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities. Trade and other payables are stated at cost, which equates to fair value.

##### **Other financial liabilities**

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Company's obligations are discharged or cancelled, or when they expire.

#### 1.8 Equity instruments

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

#### 1.9 Taxation

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

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 1 Accounting policies

(Continued)

##### **Current tax**

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

##### **Deferred tax**

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, and is calculated using 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 arriving at profit after tax, except when it relates to items recognised in other comprehensive income, in which case the deferred tax is recognised in other comprehensive income.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be used. The deferred tax assets and liabilities are only offset if there is a legally enforceable right of set-off and the Company intends to settle its current tax assets and liabilities on a net basis.

##### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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

##### **1.11 Retirement benefits**

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

##### **1.12 Foreign exchange**

Transactions in foreign currencies are translated into sterling using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the exchange rate ruling at that date, and differences arising on translation are recognised in profit before tax.

#### 2 Critical accounting estimates and judgements

The Directors have considered the judgements that have been made in the process of applying the Company's accounting policies, which are described in note 1, and which of those judgements have the most significant effect on amounts recognised in the financial statements.

In the Directors' opinion for the year ended 31 December 2016 there are no accounting judgements that are material to the financial statements.

##### **Impairment of investments in subsidiaries**

Determining whether the Company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. Value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the balance sheet date was £9,947,766 (2015: £9,947,766) with no impairment loss recognised in either year.

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 3 Revenue

An analysis of the Company's revenue is as follows:

	2016 £	2015 £
Interest receivable on loans to group - United Kingdom	1,801,480	1,611,250
Fees - France (including Luxembourg)	740,346	579,019
	<u>2,541,826</u>	<u>2,190,269</u>

#### 4 Operating profit for the year

	2016 £	2015 £
This is stated after charging		
Staff costs - United Kingdom	<u>28,132</u>	<u>79,695</u>

#### 5 Auditor's remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and associates:		
<b>For audit services</b>		
Audit of the Company's financial statements	<u>4,000</u>	<u>4,000</u>

No fees were payable to Deloitte LLP and its associates for non-audit services to the Company during the current or preceding year.

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 6 Employees

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

	2016 Number	2015 Number
Administration	1	1

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	23,296	65,984
Social security costs	3,013	7,786
Pension costs	1,823	5,925
	<u>28,132</u>	<u>79,695</u>

No fees or other emoluments were paid to the Directors of the Company during either the current or preceding year in respect of their service to the Company. The Directors are paid by another entity within the ultimate parent company's group.

### 7 Dividends received

	2016 £	2015 £
Dividends received from shares in group undertakings	<u>12,765,852</u>	<u>5,529,839</u>

### 8 Investment income

	2016 £	2015 £
<b>Interest income</b>		
Interest on bank deposits	537	137
<b>Other income from investments</b>		
Exchange differences	<u>71,006</u>	<u>(11,732)</u>
Total income	<u>71,543</u>	<u>(11,595)</u>

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 9 Interest payable and similar expenses

	2016 £	2015 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest payable to group undertakings	865,639	756,478

### 10 Income tax expense

	2016 £	2015 £
<b>Current tax</b>		
Current year taxation	171,563	155,601

The tax charge/(credit) for the year can be reconciled to the profit on ordinary activities as follows:

	2016 £	2015 £
Profit before taxation	13,623,666	6,298,239
Expected tax charge/(credit) based on a corporation tax rate of 2016: 20.00% (2015: 20.25%)	2,724,733	1,275,393
Non-taxable dividends received	(2,553,170)	(1,119,792)
Tax charge for the year	171,563	155,601

The rate of corporation tax for the financial years beginning 1 April 2015 and 1 April 2016 was 20.00%. This fell to 19.00% on 1 April 2017 and will reduce to 17.00% on 1 April 2020 under legislation substantively enacted at the balance sheet date. The weighted average corporation tax rate for the year ended 31 December 2016 was 20.00% (2015: 20.25%). Deferred tax has been calculated at a rate of 17.00% (2015: 18.00%), being the rate expected to apply in the period when the liability is settled or the asset is realised.

### 11 Dividends

	2016 £ per share	2015 £ per share	2016 £	2015 £
Amounts recognised as distributions to equity holders:				
<b>Ordinary shares</b>				
Final dividend paid	-	0.17	-	5,529,839



# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 12 Investments

	2016 £	2015 £
Investments in subsidiaries	9,947,766	9,947,766

The Company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

At 31 December 2016 all investments were reviewed for impairment and no provision was required.

#### Movements in fixed asset investments

	Shares £
Cost At 31 December 2015 & 2016	9,947,766

### 13 Trade and other receivables

	Current 2016 £	2015 £
VAT recoverable	135,363	52,074
Amounts due from fellow group undertakings	86,369,439	72,167,895
	86,504,802	72,219,969

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Included in amounts due from fellow group undertakings is a balance of £83,550,756 (2015: £71,600,241). This is a short term loan with interest charged at the Royal Bank of Scotland plc base rate plus a margin of 1.80% (2015: 1.80%).

### 14 Trade and other payables

	Current 2016 £	2015 £
Amounts due to fellow group undertakings	38,770,719	37,871,489
Other creditors	-	547
	38,770,719	37,872,036

Payables include a balance for £33,616,507 (2015: £33,616,507) due to a fellow group undertaking. This is a short term loan with interest charged at the Royal Bank of Scotland plc base rate plus a margin of 1.75% (2015: 1.75%).

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

15	Share capital	2016 £	2015 £
	Ordinary share capital		
	<i>Authorised, issued and fully paid</i>		
	33,516,056 ordinary shares of 25p each	8,379,014	8,379,014

#### 16 Share premium account

At 31 December 2015 & at 31 December 2016 24,012,900

#### 17 Retirement benefit schemes

##### Defined contribution schemes

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £1,823 (2015: £5,925).

#### 18 Contingent liabilities

At 31 December 2016 the Company had guaranteed certain group companies' liabilities, primarily in relation to group borrowings, interest and amortisation payments under banking facilities. Since the possibility of payment by the Company under any of these guarantees is considered remote, no provisions in relation to these have been made in the Company's financial statements and no reportable contingent liability exists.

# CITADEL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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### 19 Subsidiaries

These financial statements are separate company financial statements for Citadel Holdings Plc.

Details of the Company's subsidiaries at 31 December 2016 are listed below. All are 100% owned:

#### Luxembourg

(Registered Office 55 Avenue de la Gare, Luxembourg, L-1611 Luxembourg)

Hermalux Sàrl

#### UK

(Registered Office 86 Bondway, London SW8 1SF)

Brent House Limited

#### Netherlands

(Registered Office Burgemeester van Reenensingel 101, 2803 Da Gouda, Netherlands)

120 Jean Jaures BV  
CLS Management BV  
Mission Marchand BV  
Petits Hotels BV  
Sigma BV

Capitaine Guynemer BV  
Forum d'Aubigny BV  
Parc Avenue du Park BV  
Rhone Alpes BV  
Stockport Investments BV

Chorus BV  
Immobilière 8 BV  
Petits Champs BV  
Runton Holdings BV

#### France

(Registered Office 120 Jean Jures, 92300, Levallois, Paris, France)

120 Jean Jaures Holding Sàrl  
BV France Sàrl  
Citadel Sevices Sàrl  
EPP Levallois Sàrl  
Forum France SCI  
Immobilière V SA  
Immobilière 10 Sàrl  
Le D'Aubigny SCI  
Leclerc SCI  
Parc SCI  
Rhone Alpes Sàrl  
SCI Frères Peugeot  
Solferino SCI

120 Jean Jaures Sàrl  
Capitaine Guynemer Sàrl  
Debussy SCI  
Euralille 2 Sàrl  
Georges Clemenceau Sàrl  
Immobilière 6 Sàrl  
Immobilière 12 Sàrl  
Le Quatuor SCI  
Mission Marchand Sàrl  
Petits Champs Sàrl  
Rue Stephenson Sàrl  
SCI Pierre Valette

Avenue du Park SCI  
Chorus Sàrl  
De Musset Sàrl  
Foch SCI  
HE France Sàrl  
Immobilière 8 Sàrl  
Immobilière 13 Sàrl  
Le Sigma Sàrl  
Panten Sàrl  
Petits Hotels Sàrl  
Scala Sàrl  
Sego Sàrl

# **CITADEL HOLDINGS PLC**

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

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **20 Controlling party**

The Directors consider that the immediate parent undertaking is CLS One Limited with registered address of 86 Bondway, London, SW8 1SF and the smallest group into which the Company is consolidated for the year ended 31 December 2016. The financial statements of CLS One Limited are not publicly available. The ultimate parent undertaking and controlling party is CLS Holdings plc, which is incorporated in Great Britain. The financial statements of the Company are consolidated into the CLS Holdings plc group accounts for the year ended 31 December 2016, being the largest and only group into which the Company is consolidated. Copies of the group financial statements are publicly available and may be obtained from The Secretary, CLS Holdings plc, 86 Bondway, London, SW8 1SF.