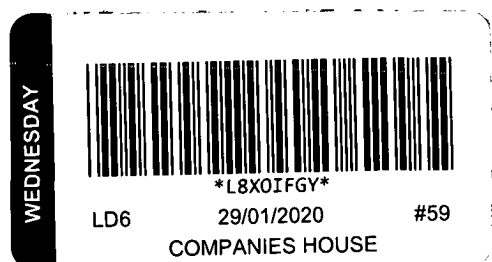


Company Registration No. 10644654 (England and Wales)

**LIBERTY STEEL PROPERTY NEWPORT LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2019**



# LIBERTY STEEL PROPERTY NEWPORT LTD

## COMPANY INFORMATION

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<b>Director</b>	Mr S Gupta
<b>Company number</b>	10644654
<b>Registered office</b>	Corporation Road Newport Gwent NP19 4XE
<b>Auditor</b>	Slaven Jeffcote LLP 5th Floor, 1 Lumley Street Mayfair London W1K 6TT

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# LIBERTY STEEL PROPERTY NEWPORT LTD

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# LIBERTY STEEL PROPERTY NEWPORT LTD

## DIRECTOR'S REPORT

**FOR THE PERIOD ENDED 31 MARCH 2019**

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The director presents his annual report and financial statements for the Period ended 31 March 2019.

### Principal activities

The principal activity of the company during the period was that of an investment property holding company.

### Director

The director who held office during the Period and up to the date of signature of the financial statements was as follows:

Mr S Gupta

### Auditor

In accordance with the company's articles, a resolution proposing that Slaven Jeffcote 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.

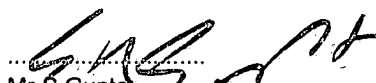
### Going Concern

The Company's investment property has been offered as security to Metro Bank PLC against a loan taken out by GFG Estates Investments 1 Limited, a company incorporated in the Isle of Man, that is under common control. As a result of entering into this arrangement, Liberty Steel Property Newport Limited, is bound by the covenants and restrictions laid down in the financing agreement with Metro bank. Due to breaches of these covenants and restrictions, Metro bank have called in the facility and have stipulated that full repayment must be made by GFG Estates Investments 1 Limited by 31 March 2020.

The director is confident that new financing will be in place to repay the Metro bank loan in full by this date. If loan finance is not obtained, other members of the Liberty Group have confirmed that they will offer support to repay the loan. As such, the director is confident that the investment property included in these financial statements is not at risk and that the Company is a going concern.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

  
.....  
Mr S Gupta  
Director

Date: 21/01/20.....

# **LIBERTY STEEL PROPERTY NEWPORT LTD**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

***FOR THE PERIOD ENDED 31 MARCH 2019***

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The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

# LIBERTY STEEL PROPERTY NEWPORT LTD

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF LIBERTY STEEL PROPERTY NEWPORT LTD

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#### Opinion

We have audited the financial statements of Liberty Steel Property Newport Ltd (the 'company') for the Period ended 31 March 2019 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the Period 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

Without qualifying our opinion, we draw your attention to both the directors report and note 1.2 of the financial statements concerning the Company's ability to continue as a going concern. The Company has entered into an arrangement with Metro Bank PLC, whereby it has offered its asset as security in order for a connected company to obtain financing. This facility has been called in due to breaches of covenants and restrictions contained within the facility agreement and the bank has stipulated that repayment in full must be made no later than 31 March 2020. The director has assessed the impact of this and is confident that new financing will be obtained to repay the Metro bank loan in full and that if this is not in place by the required date, other members of the Liberty Steel Group will provide the necessary funding to settle this amount. The director is therefore of the opinion that there will be no issues for Liberty Steel Property Newport Limited and that its investment property is not at risk. On this basis the financial statements have been prepared using the going concern basis and no adjustments have been made to the financial statements should this cease to be the case.

#### Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# LIBERTY STEEL PROPERTY NEWPORT LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF LIBERTY STEEL PROPERTY NEWPORT LTD

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the director's report for the financial Period for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

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 material misstatements in the director's report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **LIBERTY STEEL PROPERTY NEWPORT LTD**

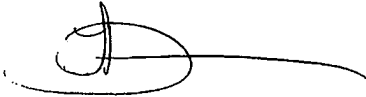
## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF LIBERTY STEEL PROPERTY NEWPORT LTD**

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#### **Use of our report**

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 him 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.



**Joanne Louise Denman FCCA (Senior Statutory Auditor)**  
**for and on behalf of Slaven Jeffcote LLP**

21 January 2020

**Chartered Accountants**  
**Statutory Auditor**

5th Floor, 1 Lumley Street  
Mayfair  
London  
W1K 6TT



# LIBERTY STEEL PROPERTY NEWPORT LTD

## PROFIT AND LOSS ACCOUNT

**FOR THE PERIOD ENDED 31 MARCH 2019**

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	year ended 31 March 2019 £	period ended 31 March 2018 £
Turnover	2,500,000	1,922,554
Administrative expenses	(521,752)	(65,000)
	<hr/>	<hr/>
Operating profit	1,978,248	1,857,554
Interest receivable and similar income	3	-
Interest payable and similar expenses	(2,211,040)	(1,881,417)
	<hr/>	<hr/>
Loss before taxation	(232,789)	(23,863)
Tax on loss	-	-
	<hr/>	<hr/>
Loss for the financial Period	(232,789)	(23,863)
	<hr/>	<hr/>

# LIBERTY STEEL PROPERTY NEWPORT LTD


## BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Investment properties	2	21,100,000		21,100,000	
<b>Current assets</b>					
Debtors	3	2,835,098		2,621,138	
Cash at bank and in hand		3		-	
		<u>2,835,101</u>		<u>2,621,138</u>	
<b>Creditors: amounts falling due within one year</b>	4	<u>(511,752)</u>		<u>(65,000)</u>	
<b>Net current assets</b>		2,323,349		2,556,138	
<b>Total assets less current liabilities</b>		23,423,349		23,656,138	
<b>Creditors: amounts falling due after more than one year</b>	5	(21,100,000)		(21,100,000)	
<b>Provisions for liabilities</b>		<u>(2,580,000)</u>		<u>(2,580,000)</u>	
<b>Net liabilities</b>		<u>(256,651)</u>		<u>(23,862)</u>	
<b>Capital and reserves</b>					
Called up share capital	7	1		1	
Profit and loss reserves		<u>(256,652)</u>		<u>(23,863)</u>	
<b>Total equity</b>		<u>(256,651)</u>		<u>(23,862)</u>	

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 and signed by the director and authorised for issue on 21/01/20

  
 .....  
 Mr S Gupta  
 Director

Company Registration No. 10644654

# LIBERTY STEEL PROPERTY NEWPORT LTD

## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 March 2017</b>		-	-	-
<b>Period ended 31 March 2018:</b>				
Loss and total comprehensive income for the period		-	(23,863)	(23,863)
Issue of share capital	7	1	-	1
<b>Balance at 31 March 2018</b>		1	(23,863)	(23,862)
<b>Period ended 31 March 2019:</b>				
Loss and total comprehensive income for the period		-	(232,789)	(232,789)
<b>Balance at 31 March 2019</b>		1	(256,652)	(256,651)

# LIBERTY STEEL PROPERTY NEWPORT LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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### 1 Accounting policies

#### Company information

Liberty Steel Property Newport Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Corporation Road, Newport, Gwent, NP19 4XE.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

As described in the directors report there have been breaches of the covenants and restrictions included in loan facility agreements for which the Company has offered its investment property asset as security. As a result, the bank have called in the facility. The director has assessed the situation and is confident that new financing will be put in place to repay the loan in full. Other companies within the Liberty Group have also offered support should this be required to ensure that the loan is settled. On this basis the financial statements have been prepared on a going concern basis and no adjustments have been made should this not be the case.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received for rental income received in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### 1.4 Investment properties

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

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.5 Cash at bank and in hand

Cash at bank and in hand 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.

# LIBERTY STEEL PROPERTY NEWPORT LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 MARCH 2019

#### 1 Accounting policies

(Continued)

##### 1.6 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

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

##### **Classification of financial liabilities**

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

##### **Basic financial liabilities**

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

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

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

##### 1.7 Equity instruments

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

#### 2 Investment property

2019

£

##### **Fair value**

At 1 April 2018 and 31 March 2019

21,100,000

# LIBERTY STEEL PROPERTY NEWPORT LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

### 2 Investment property

(Continued)

In the prior period the Company acquired the investment property known as "Corporation Road" a property situated in Newport Wales, from an entity within the group. This property has been used by another company under common control to raise finance with Metro Bank PLC who have issued a debenture giving Metro Bank PLC a fixed and floating charge over all assets and any future assets of the Company, including the property and its rental income.

The property is carried in the financial statements at what is considered by the director to be its fair value. This valuation was made at the balance sheet date by Jones Lang Lasalle, a globally recognised firm of real estate and property experts. The director believes that this valuation accurately reflects the fair value of the property as at the balance sheet date.

### 3 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	2,835,098	2,621,138

Included in amounts due from group undertakings is an amount of £2,580,000 (2018 - £2,580,000) which relates to tax that would become payable should a gain crystallise in respect of the investment property for which the transferring company and other members of the Liberty Group have agreed to undertake.

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

	2019 £	2018 £
Other creditors	511,752	65,000

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

	2019 £	2018 £
Amounts owed to group undertakings	21,100,000	21,100,000

Amounts due to group undertakings represent a long term loan in respect of the transfer of the investment property. Interest is charged on this loan in accordance with the loan agreement in place between entities.

# LIBERTY STEEL PROPERTY NEWPORT LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 MARCH 2019

#### 6 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Other	2,580,000	2,580,000

There were no deferred tax movements in the Period.

Deferred tax of £2,580,000 (2018 - £2,580,000) has been provided for as the Company has acquired its investment property from another Company within the group at what is considered to be its fair value. However, should a chargeable gain crystallise in respect of this transaction the base cost plus indexation allowance would be used to calculate any gain or loss arising for tax purposes.

#### 7 Called up share capital

	2019 £	2018 £
<b>Ordinary share capital Issued and fully paid</b>		
1 ordinary share of £1 each	1	1

#### 8 Related party transactions

##### Transactions with related parties

During the Period the company entered into the following transactions with related parties:

	Rental Income 2019 £	2018 £	Interest Payable 2019 £	2018 £
Group undertakings	2,500,000	1,922,554	2,211,040	1,881,417

#### 9 Parent company

The smallest Group in which the Company's accounts are included is SKG Property Holdings Pte Limited, a company registered in Singapore, whose registered office is 8 Marina View, #40-06, Asia Square Tower 1, Singapore (018960).

The largest Group in which the Company's accounts are included is SKG Global Holdings Pte Limited, a company registered in Singapore, whose registered office is 8 Marina View, #40-06, Asia Square Tower 1, Singapore (018960).