

**D.U.K.E. Real Estate Limited**  
**Unaudited financial statements**  
**For the year ended 31 December 2021**



**D.U.K.E. Real Estate Limited**  
(Company Registration Number SC257226)  
For the year ended 31 December 2021

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**D.U.K.E. Real Estate Limited**  
(Company Registration Number SC257226)  
Directors, Officers and Professional Service Providers  
For the year ended 31 December 2021

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**COMPANY REGISTRATION NUMBER**

SC257226

**THE BOARD OF DIRECTORS**

A Hulme  
M Daly  
J Maddy

(resigned 18 December 2021)  
(appointed 11 May 2022)

**COMPANY SECRETARY**

Cromwell Corporate Secretarial Limited

**REGISTERED OFFICE**

1<sup>st</sup> Floor Exchange Place 3  
3 Semple Street  
Edinburgh  
EH3 8BL

**BANKERS**

Lloyds Banking Group  
4<sup>th</sup> Floor  
New Uberior House  
11 Earl Grey Street  
Edinburgh  
EH3 9BN

**D.U.K.E. Real Estate Limited**  
(Company Registration Number SC257226)  
Directors' Report  
For the year ended 31 December 2021

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The Directors present their annual report and the unaudited financial statements of the Company for the year ended 31 December 2021.

**PRINCIPAL ACTIVITIES**

The principal activity of the Company is that of a holding company. The Company's remaining subsidiaries are in the process of being liquidated and carry out no trade.

**Business review**

During the period the Company has continued to exist as the parent company for the D.U.K.E. Real Estate Group (the Group).

As at 31 December 2021 the Group's assets consisted of a cash balance of £0.1m held in the Company's direct subsidiary D.U.K.E Property Holdings (UK) Limited. Given the Group and Company meets the definition of a small group as defined by section 383 of the Companies Act 2006 the directors have therefore taken advantage of the exemption available under section 399 of the Companies Act 2006 to not prepare consolidated accounts for the Group.

The amount due to Group undertakings is expected to be settled as part of the liquidation process of its subsidiary D.U.K.E Property Holdings (UK) Limited which will allow the directors to solvently liquidate the Company.

**RESULTS AND DIVIDENDS**

The Company's loss for the period is £0.07m (2020: loss £0.07m).

The Directors have not recommended a dividend (2020: £nil).

**DIRECTORS**

The Directors who served the Group during the year and up to the date of signing these financial statements were as follows:

A Hulme (resigned 18 December 2021)  
M Daly (appointed 11 May 2022)  
J Maddy

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD**



James Maddy  
Director

26 September 2022

D.U.K.E. Real Estate Limited  
(Company Registration Number SC257226)  
Income Statement  
For the year ended 31 December 2021

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	Note	Year to 31 December 2021	Year to 31 December 2020
		£'000	£'000
Turnover		-	-
Other operating income		-	-
Admin expenses		(1)	(69)
Impairment of receivables		(46)	-
<b>OPERATING LOSS</b>	<b>2</b>	<b>(47)</b>	<b>(69)</b>
Finance costs		-	-
Finance income		-	-
<b>LOSS BEFORE INCOME TAX</b>		<b>(47)</b>	<b>(69)</b>
Income tax	4	-	-
<b>LOSS FOR THE PERIOD</b>		<b>(47)</b>	<b>(69)</b>

D.U.K.E. Real Estate Limited  
(Company Registration Number SC257226)  
Statement of Comprehensive Income  
For the year ended 31 December 2021

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	Year to 31 December 2021 £'000	Year to 31 December 2020 £'000
Loss for the period	(47)	(69)
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(47)</b>	<b>(69)</b>

Items in the statement above are disclosed net of tax.

**D.U.K.E. Real Estate Limited**  
 (Company Registration Number SC257226)  
 Statement of Changes in Equity  
 As at 31 December 2021

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	Ordinary shares £'000	Share premium reserve £'000	Accumulated Losses £'000	Total deficit £'000
<b>Balance at 1 January 2020</b>	490	37,231	(40,409)	(2,688)
<b>Comprehensive income</b>				
Loss for the period	-	-	(69)	(69)
<b>Total comprehensive income</b>	-	-	(40,669)	(2,948)
<b>Balance at 31 December 2020</b>	490	37,231	(40,669)	(2,948)
<b>Balance at 1 January 2021</b>	490	37,231	(40,669)	(2,948)
<b>Comprehensive income</b>				
Loss for the year	-	-	(47)	(47)
<b>Total comprehensive income</b>	-	-	(40,716)	(2,995)
<b>Balance at 31 December 2021</b>	490	37,231	(40,716)	(2,995)

**D.U.K.E. Real Estate Limited**  
 (Company Registration Number SC257226)  
 Company Balance Sheet  
 For the year ended 31 December 2021

	Notes	31 December 2021 £000	31 December 2020 £000
<b>CURRENT ASSETS</b>			
Trade and other receivables	8	-	38
		<b>38</b>	<b>38</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	(2,995)	(2,986)
		<b>(2,995)</b>	<b>(2,986)</b>
<b>NET CURRENT LIABILITIES</b>			
		<b>(2,995)</b>	<b>(2,948)</b>
<b>NET LIABILITIES</b>			
		<b>(2,995)</b>	<b>(2,948)</b>
<b>EQUITY</b>			
Ordinary shares	13	490	490
Share premium reserve		37,231	37,231
Accumulated losses		(40,716)	(40,669)
<b>TOTAL EQUITY DEFICIT</b>		<b>(2,995)</b>	<b>(2,948)</b>

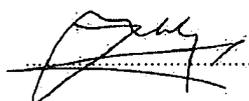
The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- a) Ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 26 September 2022 and were signed on its behalf by:



J Maddy  
 Director

D.U.K.E. Real Estate Limited  
(Company Registration Number SC257226)  
Company Balance Sheet  
For the year ended 31 December 2021

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	Year to 31 December 2021 £000	Year to 31 December 2020 £000
<b>Cash flows from operating activities</b>		
Loss before income tax for the year	(47)	(69)
<b>Cash flow used in operations before working capital</b>	<b>(47)</b>	<b>(69)</b>
Changes in working capital		
- (increase)/decrease in trade and other receivables	38	(21)
- increase/(decrease) in trade and other payables	9	90
<b>Net cash generated from operating activities</b>	<b>47</b>	<b>69</b>
<b>Movement in cash</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at start of year</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of year</b>	<b>-</b>	<b>-</b>

## 1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the Company financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **Basis of preparation**

These financial statements have been prepared in accordance with European Union ("EU") Endorsed International Financial Reporting Standards ("IFRSs"), IFRIC interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties in accordance with IAS 40 'Investment Property'. IFRSs also require an alternative treatment to the historic cost convention in certain circumstances (principally in the area of retirement benefit obligations, share based payments and financial instruments).

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the accounting policies.

### **Preparation of consolidated financial statements**

The company is exempt under section 399 of the Companies Act 2006 from preparing consolidated financial statements on the grounds that it is subject to the small companies regime.

### **General information**

The Company is a limited liability Company incorporated and domiciled in the United Kingdom. The address of its registered office is: 1<sup>st</sup> Floor Exchange Place 3, 3 Sempie Street, Edinburgh, EH3 8B

### **Investments**

Fixed asset investments are stated in the balance sheet at cost less any provision for any impairment. Certain loans to subsidiaries are treated as investments where the underlying substance of the transaction was an investment. Loans treated as investments are stated in the balance sheet at cost less any provision for any impairment.

### **Summary of significant accounting policies**

#### **(a) Foreign currency translation**

##### ***Functional and presentation currency***

Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in British Pounds Sterling, which is the Company's functional and presentation currency.

##### ***Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within other income.

**1. ACCOUNTING POLICIES (CONTINUED)**

**Summary of significant accounting policies (continued)**

**(b) Impairment of assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**(c) Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash at bank.

**(d) Trade and other receivables**

Trade and other receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within "administrative expenses". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

Subsequent recoveries of amounts previously written off are credited against "administrative expenses" in the income statement.

**(e) Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(f) Trade and other payables**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**(g) Revenue and profit recognition**

Revenue is realizable to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received excluding value added tax ("VAT"). The following criteria must also be met before revenue is recognised:

## 1. ACCOUNTING POLICIES (CONTINUED)

### Summary of significant accounting policies (continued)

#### Finance income

Finance income includes bank interest receivable. Finance income is recognised on an accruals basis and disclosed after operating profit in the income statements.

#### Dividend income

Dividend income (profit shares from investments in funds) is recognised in the income statement when the Company's right to receive payment is established and is disclosed separately in the income statement.

#### Profits or losses on disposal

Disposals of properties and other investments are accounted for when legal completion of the sale has occurred or there has been an unconditional exchange of contracts. Profits or losses on disposal arise from deducting the asset's net carrying value from the net proceeds and is recognized separately in the income statement. Net carrying value includes valuation in the case of Investment Properties and historic cost or deemed cost less accumulated depreciation in the case of all other property, plant and equipment.

#### **(h) Dividend distribution**

Dividend distributions to the Company's shareholders are recognised in the financial statements in the year in which the dividends are paid (in the case of interim dividends) or approved by the Company's shareholders (in the case of final dividends).

#### **(i) Taxation**

##### ***Current Tax***

The expense or credit for current tax is based on the results for the year adjusted for items that are either not subject to taxation or for expenditure which cannot be deducted in computing the tax expense or credit. The tax expense or credit is calculated using taxation rates that have been enacted or substantively enacted at the balance sheet date.

##### ***Deferred Tax***

Deferred income tax is provided for in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

The creation of deferred tax assets or liabilities is only relevant for entities that are subject to an income tax charge. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

D.U.K.E. Real Estate Limited  
 (Company Registration Number SC257226)  
 Notes to the Financial Statements  
 For the year ended 31 December 2021

**2. PROFIT BEFORE INCOME TAX**

The profit before income tax is stated after charging/(crediting):

	Year to 31 December 2021 £'000	Year to 31 December 2020 £'000
Reversal of impairment of receivables	-	-
Impairment of investments	-	-
<b>Total administrative expenses</b>	<u>-</u>	<u>-</u>

**3. STAFF COSTS**

The average number of people employed by the Company during the period was nil (2020: nil). The Directors received no remuneration in respect of D.U.K.E. Real Estate Limited (2020: £nil).

**4. INCOME TAX CREDIT/(EXPENSE)**

Components of income tax expense:

	Year to 31 December 2021 £'000	Year to 31 December 2020 £'000
<b>Current tax</b>		
Current tax for current year	-	-
Adjustments in respect of prior years	-	-
<b>Total current tax charge</b>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Deferred tax for current year	-	-
Adjustments in respect of prior years	-	-
<b>Total deferred tax charge</b>	<u>-</u>	<u>-</u>
<b>Total income tax charge</b>	<u>-</u>	<u>-</u>

The tax on the Company's loss before tax for the year is lower (2020: lower) than the average tax rate in the UK of 19.00% (2020: 19.00%). The differences are explained below:

	Year to 31 December 2021 £'000	Year to 31 December 2020 £'000
Profit/(loss) before tax	<u>(47)</u>	<u>(69)</u>
Tax on profit/(loss) at standard UK corporation tax rate of 19.00% (2020: 19.00%)	(9)	(13)
Tax effects of:		
- Utilisation of tax losses	9	13
<b>Income tax (credit)/expense for the year</b>	<u>-</u>	<u>-</u>

**D.U.K.E. Real Estate Limited**  
 (Company Registration Number SC257226)  
 Notes to the Financial Statements  
 For the year ended 31 December 2021

**5. DIVIDENDS PER SHARE**

No dividend was declared for the period ended 31 December 2021 (2020: nil).

**6. INVESTMENTS**

	Shares in Group undertakings £'000	Loans £'000	Total £'000
<b>Cost as at 1 January 2021</b>	9,480	36,081	45,561
Additional units subscribed for in unit trusts	-	-	-
Repayment of loans	-	-	-
<b>Cost as at 31 December 2021</b>	<u>9,480</u>	<u>36,081</u>	<u>45,561</u>
<b>Accumulated impairment at 1 January 2021</b>	(9,480)	(36,081)	(45,561)
Impairment charged during the year	-	-	-
Reversal of impairment charges during the year	-	-	-
<b>Accumulated impairment at 31 December 2021</b>	<u>(9,480)</u>	<u>(36,081)</u>	<u>(45,561)</u>
<b>Net book amount</b>	<u>-</u>	<u>-</u>	<u>-</u>

In the opinion of the Directors, the aggregate value of the Company's investments is not less than the amount at which they are stated in the financial statements.

At 31 December 2021 the following were the subsidiaries and each were held directly by the Company's direct subsidiary, D.U.K.E. Property Holdings (UK) Limited, except where indicated by\*:

<b>Subsidiary Undertakings</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Type of shares</b>	<b>Holding</b>
D.U.K.E. Property Holdings (UK) Limited	England	Holding company	Ordinary	100%
ISIS Management Company Limited*	England	Property management company	Ordinary	100%

The registered office for all subsidiaries is - 1st Floor, Unit 16, Manor Court Business Park, Scarborough, YO11 3TU.

D.U.K.E. Real Estate Limited  
 (Company Registration Number SC257226)  
 Notes to the Financial Statements  
 For the year ended 31 December 2021

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**7. TRADE AND OTHER RECEIVABLES**

	31 December 2021 £'000	31 December 2020 £'000
Other receivables	-	38
<b>Current portion</b>	<u>-</u>	<u>38</u>

The carrying amount of the Company's trade and other receivables is approximate to their fair value.

As of 31 December 2021, loans to Group undertakings were impaired and provided for as summarised in the table below. The individually impaired loans were to property and development companies whose financial position has deteriorated due to falling property values. The impaired amounts have no set date for repayment.

	31 December 2021 £'000	31 December 2020 £'000
Loans to Group undertakings	4,283	4,283
Provision for impairment of loans to Group undertakings	<u>(4,283)</u>	<u>(4,283)</u>
	-	-

**8. TRADE AND OTHER PAYABLES**

	31 December 2021 £'000	31 December 2020 £'000
Amounts due to Group undertakings	2,995	2,896
<b>Current portion</b>	<u>2,995</u>	<u>2,896</u>

**9. CASH AND CASH EQUIVALENTS**

	31 December 2021 £'000	31 December 2020 £'000
Cash at bank	<u>-</u>	<u>-</u>

## 10. FINANCIAL INSTRUMENTS

The accounting policies for financial instruments have been applied to the line items below:

Company	31 December 2021		31 December 2020	
	Book value	Fair value	Book value	Fair value
	£000	£000	£000	£000
<b>Assets as per balance sheet</b>				
Trade and other receivables	-	-	38	38
Total	-	-	38	38
<b>Liabilities as per balance sheet</b>				
Trade and other payables	2,995	2,995	2,896	2,896
Total	2,995	2,995	2,896	2,896

In accordance with IAS 39, the Company classifies other investments and derivative financial instruments as 'fair value through profit and loss' and all other assets and liabilities in the above analysis as 'loans and receivables' and 'other financial liabilities', respectively. At the 2020 and 2019 period ends, the Company did not have any 'held to maturity' or 'available for sale' financial assets or 'held for trading' financial assets and liabilities as defined by IAS 39.

The carrying value of long term receivables approximates to fair value. For other financial assets and liabilities, which are all short-term in nature, the carrying value approximates to fair value.

Under IFRS 7 "Financial Instruments : Disclosures" all derivative Financial Instruments are classed as level 2 as they are not traded in an active market and the fair value is determined through discounting future cash flows.

## 11. ORDINARY SHARES

	31 December 2021 £'000	31 December 2020 £'000
Authorised		
24,480,000 (2019: 24,480,000) 'A' Ordinary Shares of 1p each	245	245
24,480,000 (2019: 24,480,000) 'B' Ordinary Shares of 1p each	245	245
	<u>490</u>	<u>490</u>
Allotted, called up and fully paid:		
24,480,000 (2019: 24,480,000) 'A' Ordinary Shares of 1p each	245	245
24,480,000 (2019: 24,480,000) 'B' Ordinary Shares of 1p each	245	245
	<u>490</u>	<u>490</u>

The 'A' Ordinary shares and the 'B' ordinary shares rank equally in every respect.

## 12. RELATED PARTY TRANSACTIONS

### *Key management compensation*

Key management are the Directors and the Company Secretary. The compensation paid or payable to key management for employee services is shown in Note 3.

### **Balances and transactions with shareholders**

Uberior Europe Limited and Cromwell Holdings Europe Limited, part of the Cromwell Property Group, are each 50% shareholders of D.U.K.E. Real Estate Limited. As at 31 December 2022 the Company had no outstanding balances with either Uberior Europe Limited or Cromwell Holdings Europe Limited (2020: £nil).

## 13. ULTIMATE PARENT UNDERTAKING

As at 31 December 2021, the Company was jointly controlled by Uberior Europe Limited (a subsidiary of Lloyds Banking Group – a UK listed entity) and Cromwell Holdings Europe Limited. Cromwell Holdings Europe Limited's ultimate parent entity is Cromwell Corporation Limited, an Australian entity.