Registered number: 06333333

# ACS (GB) LTD

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2017

**ACS (GB) LTD**

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**ACS (GB) LTD**

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | C Heathcote<br>A Stables |
| **Company secretary** | T Swift |
| **Registered number** | 06333333 |
| **Registered office** | Market Harborough Road<br>Clifton-Upon-Dunsmore<br>Rugby<br>Warwickshire<br>CV23 0AN |
| **Independent auditors** | PricewaterhouseCoopers LLP<br>Chartered Accountants and Statutory Auditors<br>Donington Court<br>Pegasus Business Park<br>East Midlands<br>DE74 2UZ |

## DIRECTORS' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their annual report and the audited financial statements of ACS (GB) LTD (the "Company") for the year ended 31 December 2017.

### Principal activities, business review and future developments

The principal activities of ACS (GB) LTD (the "Company"), registered number 06333333, during the year was that of a property holding company.

Turnover for the year ended 31 December 2017 was £1,192,000 (2016: £1,192,000) giving a profit before taxation of £970,157 (2016: £939,378).

The company's profitability during the year was in line with forecast expectations. It is anticipated that the company will remain profitable in 2018.

The tax on profit for the year was £187,506 (2016: £189,124) and a reconciliation of the total tax charge to the standard rate of corporation tax is set out in note 10 to these financial statements.

### Strategic Report

The company has taken the exemption from preparing a strategic report as it is entitled to prepare financial statements in accordance with the section 414b of the Companies Act 2006.

### Principal risks and uncertainties

There is a possible risk of further long term diminution in market value of the property held, however this is unlikely given its location in the UK and intentions to develop the site within the next few years.

### Going concern

The balance sheet shows the company has net current liabilities of £6,519,301 (2016: £7,306,451) which includes loans repayable to a related group undertaking, PERI GmbH, of £6,390,820 (2016: £7,165,820). PERI GmbH has confirmed its intention not to call for repayment of this loan balance, for a period of 12 months following the date of approval of these financial statements, if such repayment would prejudice the ability of the company to repay its other liabilities as they fall due. Accordingly the directors have prepared the financial statements on a going concern basis, and do not consider there is any significant uncertainty in this regard.

### Dividends

The directors do not recommend the payment of a dividend (2016: £Nil).

### Directors

The directors who served during the year and up to the date of signing the financial statements were:

C Heathcote
A Stables

### Directors' liability

The company has arranged adequate Directors' and Officers' liability insurance, for one or more of its directors and officers. Such insurance was in force during the financial year and also at the date of approving the directors' report.

### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to 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.

### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

### Small companies' exemption

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

**DIRECTORS' REPORT (CONTINUED)**
**FOR THE YEAR ENDED 31 DECEMBER 2017**

This report was approved by the board and signed by its order by:

**T Swift**
Secretary

Date: 12 June 2018

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACS (GB) LTD**

# Report on the audit of the financial statements

## Opinion

In our opinion, ACS (GB) Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACS (GB) LTD (CONTINUED)

*Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

### Responsibilities for the financial statements and the audit

*Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

*Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

*Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACS (GB) LTD (CONTINUED)

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Matt Palmer

Matt Palmer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
12 June 2018

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 DECEMBER 2017

| | Note | 2017 £ | 2016 £ |
|---|---|---|---|
| Turnover | 4 | **1,192,000** | 1,192,000 |
| **Gross profit** | | **1,192,000** | 1,192,000 |
| Administrative expenses | | **(12,365)** | (14,518) |
| **Operating profit** | 5 | **1,179,635** | 1,177,482 |
| Interest receivable and similar income | 8 | **-** | 4 |
| Interest payable and similar expenses | 9 | **(209,478)** | (238,108) |
| **Profit before taxation** | | **970,157** | 939,378 |
| Tax on profit | 10 | **(187,506)** | (189,124) |
| **Profit for the financial year** | | **782,651** | 750,254 |
| **Total comprehensive income for the financial year** | | **782,651** | 750,254 |

The notes on pages 11 to 20 form part of these financial statements.

**ACS (GB) LTD**
**REGISTERED NUMBER: 06333333**

**BALANCE SHEET**
**AS AT 31 DECEMBER 2017**

| | Note | | 2017 £ | | 2016 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | | **5,477,507** | | 5,482,006 |
| **Current assets** | | | | | |
| Debtors | 12 | **2,605** | | 3,177 | |
| Cash at bank and in hand | 13 | **917** | | 8,190 | |
| | | **3,522** | | 11,367 | |
| Creditors: amounts falling due within one year | 14 | **(6,522,823)** | | (7,317,818) | |
| **Net current liabilities** | | | **(6,519,301)** | | (7,306,451) |
| **Total assets less current liabilities** | | | **(1,041,794)** | | (1,824,445) |
| **Capital and reserves** | | | | | |
| Called up share capital | 17 | | **1** | | 1 |
| Profit and loss account | 18 | | **(1,041,795)** | | (1,824,446) |
| **Total shareholders' deficit** | | | **(1,041,794)** | | (1,824,445) |

The financial statements on pages 8 to 20 were approved and authorised for issue by the board and were signed on its behalf by:

**A Stables**
Director

Date: 12 June 2018

The notes on pages 11 to 20 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 DECEMBER 2017

| | Called up share capital | Profit and loss account | Total shareholders' deficit |
|---|---|---|---|
| | £ | £ | £ |
| **At 1 January 2016** | 1 | (2,574,700) | (2,574,699) |
| **Comprehensive income for the financial year** | | | |
| Profit for the financial year | - | 750,254 | 750,254 |
| **Total comprehensive income for the financial year** | - | 750,254 | 750,254 |
| **At 31 December 2016** | 1 | (1,824,446) | (1,824,445) |
| **Comprehensive income for the year** | | | |
| Profit for the financial year | - | 782,651 | 782,651 |
| **Total comprehensive income for the financial year** | - | 782,651 | 782,651 |
| **At 31 December 2017** | 1 | (1,041,795) | (1,041,794) |

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

## 1. General information

ACS (GB) Ltd (the "Company") is a property holding company.

The company is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is: Market Harborough Road, Clifton Upon Dunsmore, Rugby, Warwickshire, CV23 0AN, where it is domiciled.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
    - paragraph 79(a)(iv) of IAS 1;
    - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

### 2.3 Turnover

Turnover relates exclusively to rental income excluding value added tax. Rental revenue is invoiced monthly in advance and is recognised on an accruals basis, over the period of rental. All turnover arises in the and relates to the continuing principal activity.

## 2. Accounting policies (continued)

### 2.4 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

| | |
|---|---|
| Investment properties | - 50 years |
| Plant and machinery | - 5 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

### 2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## 2. Accounting policies (continued)

### 2.7 Financial instruments

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instruments transactions are explained below:

**Financial assets**

The company classifies all of its financial assets as loans and receivables.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

**Financial liabilities**

The company classifies all of its financial liabilities as liabilities at amortised cost.

**At amortised cost**

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance Sheet.

### 2.8 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

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

## 2. Accounting policies (continued)

### 2.9 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 in the proceeds of the associated capital instrument.

### 2.10 Interest income

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

### 2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## 3. Judgements in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, When preparing the financial statements, the directors have made a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The most significant judgements are as follows:

**Tangible Assets**

The remaining useful lives of depreciable assets are estimated at the reporting date. Assets of a technological nature are the least certain in terms of remaining useful life. Depreciation rates are used which are deemed to be appropriate for the class of assets.

**Property Valuation**

The property was professionally valued in 2013 to account for the significant drop in property values since acquisition in 2007. The directors use their judgement to determine when further valuations need to be conducted.

## 4. Turnover

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

## 5. Operating profit

The operating profit is stated after charging:

| | **2017** | 2016 |
|---|---|---|
| | **£** | £ |
| Depreciation of tangible assets | **4,499** | 6,059 |

## 6. Auditors' remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the company:

| | **2017** | 2016 |
|---|---|---|
| | **£** | £ |
| Fees for the audit of the company | **2,817** | 2,324 |
| Audit related assurance services | **938** | 910 |
| Fees for tax compliance services | **-** | 2,550 |
| | **3,755** | 5,784 |

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

## 7. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016: £Nil). The emoluments of the directors are paid by fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of these entities.

## 8. Interest receivable and similar income

| | 2017 £ | 2016 £ |
|---|---|---|
| Other interest receivable | - | 4 |

## 9. Interest payable and similar expenses

| | 2017 £ | 2016 £ |
|---|---|---|
| Loans from group undertakings | 209,478 | 238,108 |

## 10. Tax on profit

| | 2017 £ | 2016 £ |
|---|---|---|
| **Corporation tax** | | |
| Current tax on profits for the year | 186,934 | 188,267 |
| **Total current tax** | 186,934 | 188,267 |
| **Deferred tax** | | |
| Current year | 648 | 509 |
| Effect of changes in tax rates | (76) | 348 |
| **Total deferred tax** | 572 | 857 |
| **Tax on profit** | 187,506 | 189,124 |

## 10. Tax on profit (continued)

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%). The differences are explained below:

| | 2017 £ | 2016 £ |
|---|---|---|
| Profit before taxation | **970,157** | 939,378 |
| Profit before taxation multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20.00%) | **186,755** | 187,876 |
| **Effects of:** | | |
| Fixed asset differences | **827** | - |
| Changes to tax rates | **(76)** | 348 |
| Deferred tax not recognised | **-** | 900 |
| **Total tax charge for the year** | **187,506** | 189,124 |

### Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using this enacted tax rate and reflected in these financial statements.

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

## 11. Tangible assets

| | Freehold land £ | Investment properties £ | Plant and machinery £ | Total £ |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 January 2017 | **11,666,977** | **500,000** | **82,826** | **12,249,803** |
| At 31 December 2017 | **11,666,977** | **500,000** | **82,826** | **12,249,803** |
| **Accumulated depreciation** | | | | |
| At 1 January 2017 | **6,369,414** | **315,557** | **82,826** | **6,767,797** |
| Charge for the year | **-** | **4,499** | **-** | **4,499** |
| At 31 December 2017 | **6,369,414** | **320,056** | **82,826** | **6,772,296** |
| **Net book value** | | | | |
| At 31 December 2017 | **5,297,563** | **179,944** | **-** | **5,477,507** |
| At 31 December 2016 | 5,297,563 | 184,443 | - | 5,482,006 |

The freehold land and investment property is in a green-belt area totalling approximately 13.3 acres, located near Brentwood. The site has an office building, large warehouse and open storage concreted area. A formal valuation of the site was performed in 2013. The directors review the valuation each year based on their knowledge of the area. At 31 December 2017, the directors consider the fair value of this site to be £6,200,000 (2016: £6,000,000).

## 12. Debtors

| | 2017 £ | 2016 £ |
|---|---|---|
| Deferred taxation | **2,605** | 3,177 |

## 13. Cash at bank and in hand

| | 2017 £ | 2016 £ |
|---|---|---|
| Cash at bank and in hand | **917** | 8,190 |

## 14. Creditors: amounts falling due within one year

| | 2017 £ | 2016 £ |
|---|---|---|
| Amounts owed to group undertakings | **6,407,568** | 7,184,278 |
| Corporation tax | **90,754** | 108,267 |
| Other taxation and social security | **19,627** | 19,867 |
| Accruals and deferred income | **4,874** | 5,406 |
| | **6,522,823** | 7,317,818 |

Amounts owed to group undertakings are unsecured, interest bearing and repayable on demand.

## 15. Financial instruments

| | 2017 £ | 2016 £ |
|---|---|---|
| **Financial liabilities** | | |
| Financial liabilities measured at amortised cost | **(6,412,442)** | (7,189,684) |

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and accruals.

## 16. Deferred taxation

| | 2017 £ |
|---|---|
| At beginning of year | **3,177** |
| Charged to profit or loss | **(572)** |
| **At end of year** | **2,605** |

The deferred tax asset is made up as follows:

| | 2017 £ | 2016 £ |
|---|---|---|
| Fixed assets | **2,605** | 3,177 |

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

## 17. Called up share capital

| | 2017 £ | 2016 £ |
|---|---|---|
| **Shares classified as equity** | | |
| **Allotted, called up and fully paid** | | |
| 1 (2016: 1) ordinary share of £1 | **1** | 1 |

## 18. Reserves

**Profit and loss account**

The profit and loss account represents the accumulated profits, losses and distributions of the company.

## 19. Ultimate parent company and controlling party

The company's immediate parent company is SFT Holding GmbH, a private company, incorporated in and registered in Germany, Registered Number HRB 11663.

The ultimate parent undertaking and controlling party is PERI Werk Artur Schwoerer GmbH & Co.KG, a private company, incorporated in Germany. This is the parent undertaking of the smallest and largest group of undertakings to consolidate the company's financial statements at 31 December 2017. The consolidated financial statements of PERI Werk Artur Schwoerer GmbH & Co. KG are filed at Handelsregister Memmingen, Registered Number HRA 6051.