

Registered number
SC268024

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CENTROS UK LIMITED
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

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CENTROS UK LIMITED
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CENTROS UK LIMITED
COMPANY INFORMATION

Directors

Mr C J Geaves
Mr T Haden-Scott
Mr J C Marsh
Mr J M La Frenais
Mrs J M Bearman

Registered office

C/O Irwin Mitchell
5th Floor
150 St. Vincent Street
Glasgow
G2 5NE

Auditor

Kreston Reeves LLP
A2 Yeoman Gate
Yeoman Way
Worthing
West Sussex
BN13 3QZ

CENTROS UK LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the audited financial statements for the year ended 31 March 2016.

Principal activity

The principal activity of the company is that of property development management services.

Directors of the company

The directors who held office during the year were as follows:

Mr T J Binnington (Resigned 1 September 2016)

Mr C J Geaves

Mr T Haden-Scott

Mr J C Marsh

Mr J M La Frenais

Mrs J M Bearman

Directors' responsibilities

The directors are responsible for preparing the Directors' 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). 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 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.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

CENTROS UK LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on **04.10.16** and signed on its behalf by:

.....
Mr C J Geaves
Director

A handwritten signature in black ink, appearing to be 'C J Geaves', written over a dotted line.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CENTROS UK LIMITED**

We have audited the financial statements of Centros UK Limited for the year ended 31 March 2016 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 the auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 2), 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/auditscopeukprivate

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; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime.

Opinion on the 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 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



.....
Stephen Kirkham FCA (Senior Statutory Auditor)

For and on behalf of Kreston Reeves LLP Chartered Accountants and Statutory Auditor

Date:.....30 March 2017

A2 Yeoman Gate
Yeoman Way
Worthing
West Sussex
BN13 3QZ

CENTROS UK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
Turnover		1,835,233	1,275,766
Cost of sales		<u>(515,991)</u>	<u>(68,821)</u>
Gross profit		1,319,242	1,206,945
Administrative expenses		<u>(1,235,053)</u>	<u>(1,128,145)</u>
Operating profit	2	84,189	78,800
Other interest receivable and similar income		<u>200</u>	<u>147</u>
Profit on ordinary activities before taxation		84,389	78,947
Tax on profit on ordinary activities	4	<u>68,960</u>	<u>(30)</u>
Profit for the financial year	10	<u><u>153,349</u></u>	<u><u>78,917</u></u>

CENTROS UK LIMITED
(REGISTERED NUMBER: SC268024)
BALANCE SHEET AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible fixed assets	5		1,475		2,901
Investments	6		<u>1</u>		<u>1</u>
			1,476		2,902
Current assets					
Debtors	7	670,745		559,147	
Cash at bank and in hand		<u>115,026</u>		<u>97,594</u>	
		785,771		656,741	
Creditors: Amounts falling due within one year	8	<u>(164,509)</u>		<u>(190,254)</u>	
Net current assets			<u>621,262</u>		<u>466,487</u>
Net assets			<u>622,738</u>		<u>469,389</u>
Capital and reserves					
Called up share capital	9	102		102	
Profit and loss account	10	<u>622,636</u>		<u>469,287</u>	
Shareholders' funds			<u>622,738</u>		<u>469,389</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board and authorised for issue on 04.10.16 and signed on its behalf by:

.....
Mr C J Geaves
Director



CENTROS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Exemption from preparing group accounts

The company is part of a small group. The company has taken advantage of the exemption provided by Section 399 of the Companies Act 2006 and has not prepared group accounts.

Turnover

Turnover represents management fees, net of VAT, receivable from development and asset management projects in the UK. Turnover is recognised in the accounting period in which the services are rendered and a right to consideration exists.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Asset class	Depreciation method and rate
Furniture and Office equipment	10 or 5 years straight line per annum
Computer equipment	3 years straight line per annum

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

CENTROS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2 Operating profit

Operating profit is stated after charging:

	2016 £	2015 £
Auditor's remuneration - The audit of the company's annual accounts	11,505	10,000
Depreciation of tangible fixed assets	<u>1,426</u>	<u>1,395</u>

3 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration (including money purchase pension scheme contributions)	<u>278,000</u>	<u>227,520</u>

4 Taxation

Tax on profit on ordinary activities

	2016 £	2015 £
Current tax		
Corporation tax charge	40	30
Deferred tax		
Origination and reversal of timing differences	<u>(69,000)</u>	<u>-</u>
Total tax on profit on ordinary activities	<u>(68,960)</u>	<u>30</u>

CENTROS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

5 Tangible fixed assets

	Furniture and office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2015	123,374	29,407	152,781
Disposals	(26,093)	(29,407)	(55,500)
At 31 March 2016	97,281	-	97,281
Depreciation			
At 1 April 2015	120,473	29,407	149,880
Charge for the year	1,426	-	1,426
Eliminated on disposals	(26,093)	(29,407)	(55,500)
At 31 March 2016	95,806	-	95,806
Net book value			
At 31 March 2016	1,475	-	1,475
At 31 March 2015	2,901	-	2,901

CENTROS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

6 Investments held as fixed assets

	2016 £	2015 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2015	<u>1</u>	<u>1</u>
At 31 March 2016	<u>1</u>	<u>1</u>
Net book value		
At 31 March 2016	<u>1</u>	<u>1</u>
At 31 March 2015	<u>1</u>	<u>1</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Centros Management Limited	Ordinary	100%	that of property development and asset management services

The profit for the financial period of Centros Management Limited was £nil and the aggregate amount of capital and reserves at the end of the period was £nil.

CENTROS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

7 Debtors

	2016	2015
	£	£
Trade debtors	151,720	201,148
Amounts owed by group undertakings	448,503	356,510
Other debtors	1,522	1,489
Deferred tax	69,000	-
	<u>670,745</u>	<u>559,147</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	£
Deferred tax credited to the profit and loss account	<u>69,000</u>

Analysis of deferred tax

	2016	2015
	£	£
Tax losses available	<u>69,000</u>	-
	<u>69,000</u>	-

8 Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	84,587	11,415
Corporation tax	40	101
Other taxes and social security	68,382	113,806
Other creditors	<u>11,500</u>	<u>64,932</u>
	<u>164,509</u>	<u>190,254</u>

9 Share capital

Allotted, called up and fully paid shares

			2016		2015	
			No.	£	No.	£
Ordinary shares of	£0.01	each	10,200	102	10,200	102

CENTROS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

10 Reserves

	Profit and loss account £	Total £
At 1 April 2015	469,287	469,287
Profit for the year	<u>153,349</u>	<u>153,349</u>
At 31 March 2016	<u><u>622,636</u></u>	<u><u>622,636</u></u>

11 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £25,900 (2015 - £32,574).

12 Related party transactions

During the year the company made the following related party transactions:

Centros Management Limited

(Subsidiary company)

During the year the company received management fees of £618,656 (2015 - £159,144) from its subsidiary company. At the balance sheet date the amount due to Centros Management Limited was £nil (2015 - £nil).

Sovereign Land (Management) Limited

(A group company)

During the year the company provided an interest free loan which is repayable on demand to Sovereign Land (Management) Limited and was also charged £270,000 (2015 - £230,000) by Sovereign Land (Management) Limited. At the balance sheet date the amount due from Sovereign Land (Management) Limited was £380,507 (2015 - £288,514).

Sovereign Land (Centros) Limited

(Parent company)

During the year the company provided an interest free loan which is repayable on demand to its parent company. At the balance sheet date the amount due from Sovereign Land (Centros) Limited was £67,996 (2015 - £67,996).

13 Control

The company is controlled by Sovereign Land (Centros) Limited (parent company). The company is a subsidiary of Sovereign Land (Management) Limited, which in turn is a subsidiary of Sovereign Land (Holdings) Limited, all of which are incorporated in the United Kingdom. Chris Geaves is the director and majority shareholder of Sovereign Land (Holdings) Limited (ultimate parent undertaking).