

Silvertown Land Holdings Limited

Annual report and financial statements

Registered number 05234779

For the year ended 31 December 2017

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Directors' report

The directors present their directors' report and the financial statements of Silvertown Land Holdings Limited (the "Company") for the year ended 31 December 2017.

Strategic report

The Company has taken advantage of the exemption contained in section 414B of the Companies Act 2006 not to prepare a Strategic Report as it is eligible to prepare its financial statements in accordance with the small companies regime.

Small companies provision statement

The Company qualifies as small in terms of sections 382 and 383 of the Companies Act 2006. This report has been prepared in accordance with part 15 of the Companies Act 2006 applicable to the small companies regime. **Business review**
The principal activity of the Company during the year was the letting of own property.

Silvertown Land Holdings Limited was acquired by allnex in September 2016 and subsequently changed its accounting reference date to 31 December Period.

Turnover from property rental was lower than the previous year due to the 18 month reporting period in 2016 and the termination of an existing tenant lease in the 2nd quarter of 2017.

Future developments

The Company's overall business and income is expected to continue in the same direction as 2017.

Review of financial performance and key performance indicators

The key financial performance indicators used for performance analysis are turnover and operating profit, which were as follows:

Turnover for the period decreased to £207,000 compared with £443,000 in the previous period, mainly due to the 18 months period in 2016 and the termination of an existing tenant lease in the 2nd quarter of 2017. The operating profit before taxation for the financial period was £327,000 compared with £426,000 for the period ended 31 December 2016.

Net assets increased to £52,057,000 as at 31 December 2017 from £1,311,000 as at 31 December 2016 mainly because of the revaluation of the land at fair value as a result of the transition to FRS 102.

The loss for the financial year was £962,000 (2016: profit of: £419,000). The loss is mainly due to the impairment of intercompany positions.

Principal risks and uncertainties

As much of the property is tailored to the existing tenant, should they choose not to renew or give notice of termination, then it would likely result in a loss of income due to the length of time it would take to secure a new tenant.

Financial risk management

During the year, the Company has not entered into any derivative transactions and the Company does not invest liquidity in financial products including hedge funds or similar vehicles.

The Company conducts business in British Pounds and presently has no significant currency risk.

Directors' report *(continued)*

The Company's exposure to the customer defaulting on the payment of their debts is managed by credit control procedures.

Proposed dividend

The Company did not pay any dividend during the year (2016: £nil). The directors do not propose the payment of a dividend (2016: £nil).

Directors and directors' interests

The directors who held office during the period and up to the date of signing this report were as follows:

Clive Cuthell (resigned 12 July 2017)

Evan James Williams (resigned 12 July 2017)

Marie Van In (appointed 12 July 2017)

Duncan Adrian Taylor (appointed 12 July 2017)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditures during the year (2016: £nil).

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Going concern

The directors, having considered the Company's position and forecasts for a period of at least 12 months from signing these financial statements have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disclosure of information to independent auditors

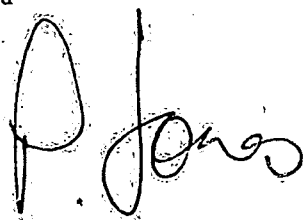
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

By order of the board

Paul Jones
Secretary

A handwritten signature in black ink, appearing to read 'P. Jones', with a large, stylized initial 'P'.

North Woolwich Road
London
E16 2AF

27 September 2018

Statement of 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SILVERTOWN LAND HOLDINGS LIMITED

Opinion

We have audited the financial statements of Silvertown Land Holdings Limited ("the company") for the year ended 31 December 2017, which comprise the Statement of Income and Retained Earnings, the Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Toby Odell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom

28 September 2018

Profit and loss account
For the year ended 31 December 2017

	Note	31 December 2017 £ 000	18 months to 31 December 2016 £ 000
Turnover	2	207	443
Administrative expenses		120	(17)
Operating profit on ordinary activities before taxation	3	<u>327</u>	<u>426</u>
Income tax expense	6	(79)	(7)
Operating profit after taxation		<u>248</u>	<u>419</u>
Extraordinary non taxable expense	7	(1,210)	0
(Loss) Profit for the financial year		<u>(962)</u>	<u>419</u>
Other comprehensive income			
Revaluation of tangible fixed assets		51,708	-
Other comprehensive income for the year net of income tax		<u>51,708</u>	<u>-</u>
Total comprehensive income for the year		<u>50,746</u>	<u>419</u>

The Company had no recognised gains or losses in either year other than the loss shown in the profit and loss account.

The Company recognised other comprehensive income of £51,708,000 from the revaluation of the land at fair value resulting from the transition to FRS 102.

All activity in each year arose from continuing operations.

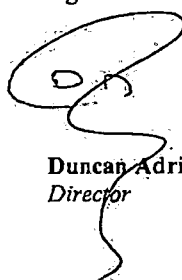
The notes on pages 10 to 14 form part of these financial statements.

Balance Sheet
At 31 December 2017

	<i>Note</i>	31 December 2017 £ 000	31 December 2016 £ 000
Fixed assets			
Tangible fixed assets	8	52,000	298
Current assets			
Debtors	9	455	2,823
Cash at bank		-	43
Creditors:			
Amounts falling due within one year	10	(398)	(1,853)
Net current assets		<u>57</u>	<u>1,013</u>
Total assets less current liabilities		<u>52,057</u>	<u>1,311</u>
Net assets		<u>52,057</u>	<u>1,311</u>
Capital and reserves			
Called up share capital	11	515	515
Share premium account	12	1,613	1,613
Revaluation reserve	12	51,708	0
Profit and loss account	12	(1,779)	(817)
Total shareholders' funds		<u>52,057</u>	<u>1,311</u>

The notes on pages 10 to 14 form part of these financial statements.

These financial statements on pages 9 to 10 were approved by the board of directors on 27 September 2018 and were signed on its behalf by:


Duncan Adrian Taylor
Director

Statement of Changes in Equity
For the year ended 31 December 2017

	Share capital £000	Share premium £000	Revaluation reserve £000	Profit & loss £000	Total shareholders' funds £000
At the beginning of the year – 1 January 2017	515	1,613	-	(817)	1,311
Profit (Loss) in the period	-	-	-	(962)	(962)
Other comprehensive income	-	-	51,708	-	51,708
At the end of the year – 31 December 2017	<u>515</u>	<u>1,613</u>	<u>51,708</u>	<u>(1,779)</u>	<u>52,057</u>

	Share capital £000	Share premium £000	Revaluation reserve £000	Profit & loss £000	Total shareholders' funds £000
At the beginning of the year – 1 July 2015	515	1,613	-	(1,236)	892
Profit (Loss) in the period	-	-	-	419	419
Other comprehensive income	-	-	-	-	-
At the end of the year – 31 December 2016	<u>515</u>	<u>1,613</u>	<u>-</u>	<u>(817)</u>	<u>1,311</u>

The notes on pages 10 to 14 form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2017

(Forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

As a first adoption, these financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principle accounting policies, which have been applied consistently throughout the year, are set out below. Silvertown Land Holdings Limited ("the Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with the Financial Reporting Standard FRS 102 applicable in the UK and Republic of Ireland.

Tangible fixed assets and depreciation

The cost of tangible fixed assets includes expenditures that are incurred during construction, delivery and modification. The commencement date for capitalisation of costs occurs when the Company first incurs expenditures for the qualifying assets and undertakes the required activities to prepare the assets for their intended use.

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings 50 - 65 years

No depreciation is provided on freehold land.

Taxation

The charge for taxation is based on the profit for the year and takes into account deferred tax because of timing differences between the treatments of certain items for taxation and accounting purposes.

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 otherwise required by FRS.

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of leasing own property to customers. Rental income is recognised on a straight line basis over the life of the related lease agreement.

Notes to the financial statements *(continued)*

2 Turnover

All turnover has been derived in the UK through the leasing of own property.

3 Operating profit and profit on ordinary activities before taxation

	Year ended 31 December 2017 £000	18 months to 31 December 2016 £000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Depreciation of freehold buildings (see note 8)	6	9

4 Remuneration of directors and staff

The directors received no remuneration for their services to the Company for the period (2016: £nil). The present directors are employed by, and receive remuneration for services from Allnex Belgium SA/NV, Belgium and Allnex GmbH, Germany. Both are wholly owned subsidiaries of the ultimate parent undertaking.

There were no employees of the Company during the year (2016: nil).

5 Auditors' remuneration

The auditor's remuneration for the statutory audit of these financial statements is £3,654 (2016: £5,000). In 2016, this was borne by another group company.

Notes to the financial statements (continued)

6 Tax on profit on ordinary activities

Analysis of charge in year

	Year ended 31 December 2017 £000	18 months to 31 December 2016 £000
<u>UK corporation tax:</u>		
Current tax charge on income for the year	79	7
Tax on profit on ordinary activities	<u>79</u>	<u>7</u>

Factors affecting the tax charge for the current year

The current tax charge for the year is calculated on the same basis as the previous year from the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below.

<i>Current tax reconciliation</i>	Year ended 31 December 2017 £000	18 months to 31 December 2016 £000
Profit on ordinary activities before tax	327	426
Current tax at 19.25% (2016: 20%)	<u>63</u>	<u>85</u>
<i>Effects of:</i>		
Expenses not deductible for tax purposes and other permanent differences	1	69
Group relief	(64)	(147)
Prior year adjustments	<u>79</u>	<u>-</u>
Total current tax charge (see above)	<u>79</u>	<u>7</u>

7 Extraordinary expense

The extraordinary expense is related to:

Impairment of intercompany positions	(1,210)	-
Total extraordinary expense	<u>(1,210)</u>	<u>-</u>

Notes to the financial statements (continued)

8 Tangible fixed assets

	Freehold buildings and land £000
<i>Cost</i>	
At beginning of year	377
Revaluation of land	51,708
At end of year	52,085
<i>Accumulated depreciation</i>	
At beginning of year	79
Charge for the year	6
At end of year	85
<i>Net book value</i>	
At end of year	52,000
At beginning of year	298

9 Debtors

	31 December 2017 £000	31 December 2016 £000
Amounts owed by group undertakings	455	2,721
Other receivables	-	61
Corporation tax	-	41
	455	2,823

Amounts owed from group undertakings are unsecured, and are related to cash pooling.

10 Creditors: amounts falling due within one year

	31 December 2017 £000	31 December 2016 £000
Amounts owed to group undertakings	342	1,853
Corporation tax	38	-
Other current liabilities	18	-
	398	1,853

Amounts owed from group undertakings are unsecured, and are related to cash pooling.

Notes to the financial statements (continued)

11 Called up share capital

	31 December 2017 £000	31 December 2016 £000
<i>Allotted, called up and fully paid</i>		
Equity: 515,287 (2015: 515,287) ordinary shares of £1 each	515	515
The Ordinary Shares have an entitlement to one vote per share.		

12 Reserves

	Share premium account £000	Revaluation reserve £000	Profit and loss account £000
At beginning of year	1,613	-	(817)
Loss for the financial year	-	-	(962)
Revaluation of fixed assets	-	51,708	-
At end of year	1,613	51,708	(1,779)

13 Ultimate parent undertaking and controlling party

The immediate parent is Allnex Industries UK Limited.

The ultimate parent undertaking and controlling party is Allnex (Luxembourg) & Cy S.C.A. which operates as part of the allnex Group.

The only group in which the results of the Company are consolidated is Allnex (Luxembourg) & Cy S.C.A. The consolidated financial statements of the group are available to the public and may be obtained from Allnex (Luxembourg) & Cy S.C.A., registered office at 76 Grand Rue, L – 1660 Luxembourg RCS, Luxembourg B172.541.

14 Subsequent event

In March 2018 a settlement was made for the cancellation of a purchase option on the Silvertown land enabling Silvertown Land Holdings Ltd. to sell the land and buildings with a net book value of GBP 0.3 million on 19 September 2018.