

Company Registration No. 05403671 (England and Wales)

**PRIMARIUS PROPERTIES LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**

# **PRIMARIUS PROPERTIES LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Statement of financial position	1
Notes to the financial statements	2 - 8

---

# PRIMARIUS PROPERTIES LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Non-current assets</b>					
Property, plant and equipment	3	3,960,000		-	
Investment properties	4	-		4,000,000	
		<u>3,960,000</u>		<u>4,000,000</u>	
<b>Current assets</b>					
Trade and other receivables	5	339,857		346,629	
Cash and cash equivalents		366		100	
		<u>340,223</u>		<u>346,729</u>	
<b>Current liabilities</b>	6	(3,525,866)		(3,547,371)	
<b>Net current liabilities</b>			(3,185,643)		(3,200,642)
<b>Total assets less current liabilities</b>			<u>774,357</u>		<u>799,358</u>
<b>Equity</b>					
Called up share capital	8		1		1
Retained earnings			774,356		799,357
<b>Total equity</b>			<u>774,357</u>		<u>799,358</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 30 September 2019 and are signed on its behalf by:

H V Cooke  
Director

Company Registration No. 05403671

# PRIMARIUS PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

### **1 Accounting policies**

#### **Company information**

Primarius Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4th Floor, Imperial House, 8 Kean Street, London, WC2B 4AS.

#### **1.1 Accounting convention**

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

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

As permitted under adoption of the amendments, the directors have opted to reclassify properties leased to fellow group members from Investment property to Property, Plant and Equipment.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

These financial statements are prepared on the going concern basis. At the year end the company had net current liabilities of £3,185,643, partly due to a breach in the bank loan covenant that has resulted in this facility of £1,518,550 being disclosed as repayable upon demand.

Following the year end the company renegotiated their loan facility which resulted in the specific covenant being removed from the loan terms for future periods. The directors consider this a formal indication that the breach has been waived by the bank.

The company is also reliant upon the continued support from group and connected companies to provide on going cash flow to meet liabilities as they fall due. The company has received a letter of support from these companies which confirms that financial support will continue for a minimum of 12 months from the date of approval of these financial statements.

The directors therefore believe that the adoption of the going concern basis is justified and accordingly they continue to adopt this basis in preparing the annual financial statements.

#### **1.3 Revenue**

Turnover represents amounts receivable for property rental net of VAT. Revenue is recognised over the rental period in line with agreements.

Rental income is recognised on a monthly basis.

#### **1.4 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# PRIMARIUS PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

---

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% straight line on building cost
-----------------------------	-----------------------------------

#### 1.5 Investment properties

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

#### 1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

# PRIMARIUS PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

---

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

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

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

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

#### **Basic financial liabilities**

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

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

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

### 1.9 Equity instruments

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

### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Employees

The company had no employees in the current or preceding year, other than directors.

No remuneration is paid to key management personnel.

# **PRIMARIUS PROPERTIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

### **3 Property, plant and equipment**

	Land and buildings £
<b>Cost</b>	
At 1 January 2018	-
Transfers	4,000,000
	<hr/>
At 31 December 2018	4,000,000
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2018	-
Depreciation charged in the year	40,000
	<hr/>
At 31 December 2018	40,000
	<hr/>
<b>Carrying amount</b>	
At 31 December 2018	3,960,000
	<hr/> <hr/>
At 31 December 2017	-
	<hr/> <hr/>

During the year the directors elected to reclassify Investment property leased to fellow group entities to Property, Plant and Equipment.

The fair value of the property as at 31 December 2017 is the deemed cost on transfer at 1 January 2018.

### **4 Investment property**

	2018 £
<b>Fair value</b>	
At 1 January 2018	4,000,000
Transfers	(4,000,000)
	<hr/>
At 31 December 2018	-
	<hr/> <hr/>

As noted within accounting policies, during the year the directors elected to reclassify Investment property leased to fellow group members as Property, Plant and Equipment.

### **5 Trade and other receivables**

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	339,857	-
Other receivables	-	346,629
	<hr/>	<hr/>
	339,857	346,629
	<hr/> <hr/>	<hr/> <hr/>

# **PRIMARIUS PROPERTIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

### **6 Current liabilities**

	2018 £	2017 £
Bank loans	1,518,550	1,686,650
Amounts owed to group undertakings	771,369	560,977
Taxation and social security	4,000	6,000
Other payables	1,231,947	1,293,744
	<u>3,525,866</u>	<u>3,547,371</u>

### **7 Borrowings**

	2018 £	2017 £
Bank loans	<u>1,518,550</u>	<u>1,686,650</u>
Payable within one year	<u>1,518,550</u>	<u>1,686,650</u>

Due to a breach of covenant and in accordance with FRS102 the loan is deemed as wholly due within one year. As at 31 December 2018 the loan is technically repayable on demand, however, following the year end the company renegotiated their loan facility which resulted in the specific covenant being removed from the loan terms for future periods. The directors consider this a formal indication that the breach has been waived by the bank.

The bank loans are secured by fixed charges over freehold property belonging to the company.

### **8 Called up share capital**

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

The company has one class of ordinary shares which carry no right to fixed income. Each share carries one voting right.



# PRIMARIUS PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Christopher Mantel.  
The auditor was Alliotts.

### 10 Financial commitments, guarantees and contingent liabilities

The Company is party to a Composite Accounting Agreement with its bankers which provides cross guarantees for borrowing provided to its fellow group companies and connected companies. At 31 December 2018 the total potential amount outstanding under the guarantee amounted to £1,741,849 (2017: £2,131,389).

### 11 Related party transactions

#### Transactions with related parties

The company has taken advantage of the exemption available in Paragraph 33.1A of FRS102 whereby it has not disclosed transactions with other companies that are wholly owned within the Group.

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

	<b>Purchase of goods</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Connected entities	-	3,371

	<b>Expenses recharged</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Connected entities	57,647	-

The following amounts were outstanding at the reporting end date:

<b>Amounts owed to related parties</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fellow subsidiaries	771,369	560,977
Connected entities	-	43,986
Key management personnel	1,223,000	1,223,000

## PRIMARIUS PROPERTIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 11 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2018	2017
Amounts owed by related parties	£	£
Fellow subsidiaries	339,857	-
Connected entities	-	346,629
	<u>          </u>	<u>          </u>

#### 12 Parent company

The immediate parent company is Clast Trading Limited, a company registered in Hong Kong with registered address of 12/F, Two Chinachem Plaza, 68 Connaught Road Central, Hong Kong.

No one party has overall control.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.