

**Centurion (Parc Tawe I) Limited**  
**Annual Report and Unaudited Financial Statements**  
**Year Ended 31 December 2020**

**Registration number: 05535742**

**Centurion (Parc Tawe I) Limited**

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# Centurion (Parc Tawe I) Limited

## Balance Sheet

31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	6,187	-
Investment property	<u>5</u>	20,000,000	22,255,000
		<u>20,006,187</u>	<u>22,255,000</u>
<b>Current assets</b>			
Debtors	<u>6</u>	738,964	178,183
Cash at bank and in hand		<u>308,610</u>	<u>260,718</u>
		1,047,574	438,901
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(22,530,824)</u>	<u>(22,630,853)</u>
<b>Net current liabilities</b>		<u>(21,483,250)</u>	<u>(22,191,952)</u>
<b>Total assets less current liabilities</b>		(1,477,063)	63,048
<b>Provisions for liabilities</b>		<u>(53,820)</u>	-
<b>Net (liabilities)/assets</b>		<u><u>(1,530,883)</u></u>	<u><u>63,048</u></u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	27,000,000	27,000,000
Capital contributions		1,200,000	1,200,000
Profit and loss account		<u>(29,730,883)</u>	<u>(28,136,952)</u>
Shareholders' (deficit)/funds		<u><u>(1,530,883)</u></u>	<u><u>63,048</u></u>

# Centurion (Parc Tawe I) Limited

## Balance Sheet

31 December 2020

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 28 September 2021 and signed on its behalf by:

Mr F F Whitcomb  
Director

Company Registration Number: 05535742

# **Centurion (Parc Tawe I) Limited**

## **Notes to the Unaudited Financial Statements**

**Year Ended 31 December 2020**

### **1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The company was formerly known as Hammerson (Parc Tawe I) Limited.

The address of its registered office is:

51 Newton Road

Mumbles

Swansea

SA3 4BD

Wales

These financial statements were authorised for issue by the Board on 28 September 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

The financial statements have been prepared on a going concern basis. At the balance sheet date the company has net liabilities of £1,530,883 and net current liabilities of £21,483,250, of which liabilities of £21,417,384 are due to the company's immediate parent company.

The company is dependent on the support of its parent company. The parent company has provided confirmation that it would not request repayment of this balance until the business has sufficient resources to make a repayment. For most of the year the company's tenants were adversely impacted due to Covid-19. This continues to have an impact on the tenant's ability to pay rents. The business has seen some tenants go into administration and has supported others by offering rental deferrals. This has had an adverse impact on rents receivable in 2020 and 2021. However, due to the way the business is financed the directors, whilst recognising that there can be no certainty, are satisfied that the company will continue to operate for the foreseeable future, being a period of no less than twelve months from the date of approval of these financial statements.

# Centurion (Parc Tawe I) Limited

## Notes to the Unaudited Financial Statements

### Year Ended 31 December 2020

#### Key sources of estimation uncertainty

In the application of the company's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based upon historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

- Management estimate the amount of rent expected to be received over the period of a lease. Where that lease includes rental steps or holiday periods the minimum contracted rents expected to be received are spread evenly over the period of the lease.
- Management also use judgement in considering whether outstanding trade debtors will be recoverable and provide against these debts where recoverability is considered uncertain

- The company's investment property is carried in the balance sheet at fair value. At 15 February 2021 an external independent valuation was undertaken by a professionally qualified external valuer and the directors do not consider the valuation at this date to be materially different to the valuation of the investment property as at 31 December 2020. The property was valued using the 'investment method of valuation. This approach involves applying market-derived capitalisation yields to future income streams with appropriate adjustments for income voids arising from vacancies or rent free periods. The capitalisation yields were derived from comparable property and leasing transactions and were considered key inputs. Other factors taken into account include the tenure of the property, tenancy details and structural conditions.

#### Revenue recognition

Rental income from investment property leased out under an operating lease is recognised in the profit and loss on a straight-line basis over the lease term. Non- rental income such as car park or commercialisation income or contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the period in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

Lease incentives and costs associated with entering into tenant leases are amortised over the lease term.

#### Government grants

Government grants receivable comprises monetary assistance received from the government, government agencies and similar bodies whether local, national or international. Grants receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, is recognised in income in the period in which it becomes receivable.

Grants are recognised when there is reasonable assurance that:

- The entity will adhere to the conditions which are attached to the grant, and
- The grant will be received.

Government grants received:

- Coronavirus Job Retention Scheme

Government assistance received:

- Business Rates Relief

# Centurion (Parc Tawe I) Limited

## Notes to the Unaudited Financial Statements

### Year Ended 31 December 2020

#### Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer and office equipment	25% straight line
Plant and machinery	20% straight line

#### Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# **Centurion (Parc Tawe I) Limited**

## **Notes to the Unaudited Financial Statements**

**Year Ended 31 December 2020**

### **Financial instruments**

#### ***Classification***

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Short term intra group debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

#### ***Recognition and measurement***

##### **Basic financial assets**

Basic financial assets comprise short term trade and other debtors and cash and bank balances. Basic financial liabilities comprise short term trade and other creditors. Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

##### **Financial liabilities and equity instruments**

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 net assets of the company.

### **3 Staff numbers**

The average number of persons employed by the company during the year, was 1 (2019 - 0).



# Centurion (Parc Tawe I) Limited

## Notes to the Unaudited Financial Statements

Year Ended 31 December 2020

### 4 Tangible assets

	Computer and office equipment £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
Additions	1,339	6,480	7,819
At 31 December 2020	1,339	6,480	7,819
<b>Depreciation</b>			
Charge for the year	335	1,297	1,632
At 31 December 2020	335	1,297	1,632
<b>Carrying amount</b>			
At 31 December 2020	1,004	5,183	6,187

### 5 Investment properties

	2020 £
At 1 January	22,255,000
Additions	318,004
Fair value adjustments	(2,573,004)
At 31 December	20,000,000

A valuation of the investment property was undertaken on 15 February 2021 by an external independent valuer. The directors do not consider the valuation at this date to be materially different to the valuation of the investment property as at 31 December 2020. The historic cost of the investment properties at 31 December 2020 was £36,794,517 (2019 - £36,476,513).

### 6 Debtors

	2020 £	2019 £
Trade debtors	679,144	102,800
Prepayments	823	7,830
Other debtors	58,997	67,553
	738,964	178,183
Less non-current portion	(279,636)	-
	459,328	178,183

# Centurion (Parc Tawe I) Limited

## Notes to the Unaudited Financial Statements

### Year Ended 31 December 2020

#### Details of non-current trade and other debtors

£279,636 (2019 - £Nil) of trade debtors is classified as non current.

#### 7 Creditors

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

	2020 £	2019 £
<b>Due within one year</b>		
Trade creditors	59,141	26,094
Taxation and social security	176,192	1,247
Accruals and deferred income	379,428	424,926
Other creditors	498,679	248,909
Amounts due to group undertakings	21,417,384	21,929,677
	<u>22,530,824</u>	<u>22,630,853</u>

#### 8 Share capital

##### Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Ordinary of £1 each	27,000,000	27,000,000	27,000,000	27,000,000

#### 9 Reserves

The capital contribution reserve is derived from the value of the waiver of an intercompany debt.

#### 10 Financial commitments, guarantees and contingencies

##### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £11,091,208 (2019 - £12,093,487) in respect of rent receivable under non-cancellable operating leases.

# **Centurion (Parc Tawe I) Limited**

## **Notes to the Unaudited Financial Statements**

**Year Ended 31 December 2020**

### **11 Related party transactions**

#### **Summary of transactions with parent**

At the year end the company owed £21,417,384 (2019 - £21,929,677) to its parent. Interest accrues on the loan at 3% and the loan is repayable on demand.

In the prior year the company was charged interest of £504,379 by its previous parent.

In addition, in the prior year, the company paid management fees to related companies of its previous parent of £292,021.

At the year end the company owed £450,000 (2019 - £nil) to an entity connected by virtue of common control. The loan is interest free and repayable on demand.

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.