

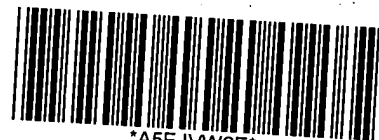
Registration number: 07549543

# Scarborough Overseas Holdings Limited

Annual Report and Financial Statements

for the Year Ended 29 February 2016

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# **Scarborough Overseas Holdings Limited**

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# **Scarborough Overseas Holdings Limited**

## **Company Information**

<b>Directors</b>	S R McCabe
	S C McCabe
	Esplanade Director Limited
<b>Company secretary</b>	Esplanade Secretarial Services Limited
<b>Registered office</b>	Europa House 20 Esplanade Scarborough North Yorkshire YO11 2AQ
<b>Auditors</b>	Mazars LLP Mazars House Gelderd Road Gildersome Leeds West Yorkshire LS27 7JN

## **Scarborough Overseas Holdings Limited**

### **Directors' Report for the Year Ended 29 February 2016**

The Directors present their report and the financial statements for the year ended 29 February 2016.

#### **Directors of the Company**

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

S R McCabe

S C McCabe

Esplanade Director Limited

#### **Dividends**

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 29 February 2016.

#### **Disclosure of information to the auditors**

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 auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

Mazars LLP continue in office in accordance with section 487(2) Companies Act 2006.

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

Approved by the Board on 26 August 2016 and signed on its behalf by:



J J Tutton

For and on behalf of Esplanade Secretarial Services Limited  
Company secretary

## **Scarborough Overseas Holdings Limited**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual 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;
- state whether applicable UK Accounting Standards has 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 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.

## **Scarborough Overseas Holdings Limited**

### **Independent Auditor's Report to the Members of Scarborough Overseas Holdings Limited**

We have audited the financial statements of Scarborough Overseas Holdings Limited for the year ended 29 February 2016 which comprises the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland".

#### **Respective responsibilities of Directors and auditor**

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 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 Ethical Standards for Auditors. 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.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 29 February 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Scarborough Overseas Holdings Limited**

### **Independent Auditor's Report to the Members of Scarborough Overseas Holdings Limited**

#### **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 take advantage of the small companies' exemption in preparing the Director's report and take advantage of the small companies exemption from the requirement to prepare a Strategic report.



Richard Metcalfe (Senior Statutory Auditor)  
For and on behalf of Mazars LLP,  
Chartered Accountants and Statutory Auditor

Mazars House  
Gelderd Road  
Gildersome  
Leeds  
West Yorkshire  
LS27 7JN

26 August 2016

# **Scarborough Overseas Holdings Limited**

## **Profit and Loss Account for the Year Ended 29 February 2016**

	Note	2016 £	2015 £
Turnover		-	-
Administrative expenses	3	<u>(944,305)</u>	<u>23,161,543</u>
Operating (loss)/profit	4	(944,305)	23,161,543
Income from shares in group undertakings		-	20,000,000
Interest receivable and similar income	5	912,781	1,198,269
Interest payable and similar charges	6	<u>(942,018)</u>	<u>(2,196,400)</u>
(Loss)/profit before tax		(973,542)	42,163,412
Taxation	9	<u>-</u>	<u>69,748</u>
(Loss)/profit for the financial year		<u><u>(973,542)</u></u>	<u><u>42,233,160</u></u>

The above results were derived from continuing operations.

The notes on pages 10 to 15 form an integral part of these financial statements.



## **Scarborough Overseas Holdings Limited**

### **Statement of Comprehensive Income for the Year Ended 29 February 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
(Loss)/profit for the year		<u>(973,542)</u>	<u>42,233,160</u>
Total comprehensive income for the year		<u><u>(973,542)</u></u>	<u><u>42,233,160</u></u>

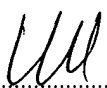
The notes on pages 10 to 15 form an integral part of these financial statements.

# Scarborough Overseas Holdings Limited

(Registration number: 07549543)  
Balance Sheet as at 29 February 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Investments	10	11,287,191	11,287,191
Other financial assets	11	<u>1</u>	<u>1</u>
		<u>11,287,192</u>	<u>11,287,192</u>
<b>Current assets</b>			
Debtors	12	20,063,667	20,492,097
<b>Creditors:</b> Amounts falling due within one year	13	<u>(21,502,221)</u>	<u>(20,957,109)</u>
<b>Net current liabilities</b>		<u>(1,438,554)</u>	<u>(465,012)</u>
<b>Net assets</b>		<u>9,848,638</u>	<u>10,822,180</u>
<b>Capital and reserves</b>			
Called up share capital	14	2	2
Profit and loss account		<u>9,848,636</u>	<u>10,822,178</u>
<b>Total equity</b>		<u>9,848,638</u>	<u>10,822,180</u>

Approved and authorised by the Board on 26 August 2016 and signed on its behalf by:

  
.....  
J J Tutton

For and on behalf of Esplanade Director Limited  
Director

**Scarborough Overseas Holdings Limited**

**Statement of Changes in Equity for the Year Ended 29 February 2016**

	Share capital £	Profit and loss account £	Total £
At 1 March 2015	2	10,822,178	10,822,180
Loss for the year	-	(973,542)	(973,542)
Total comprehensive income	-	(973,542)	(973,542)
At 29 February 2016	2	9,848,636	9,848,638
	Share capital £	Profit and loss account £	Total £
At 1 March 2014	2	(31,410,982)	(31,410,980)
Profit for the year	-	42,233,160	42,233,160
Total comprehensive income	-	42,233,160	42,233,160
At 28 February 2015	2	10,822,178	10,822,180

The notes on pages 10 to 15 form an integral part of these financial statements.

## **Scarborough Overseas Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 29 February 2016**

#### **1 General information**

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

The principal activity of the company is that of a holding company.

The address of its registered office is:

Europa House  
20 Esplanade  
Scarborough  
North Yorkshire  
YO11 2AQ  
UK

The principal place of business is:

Ground Floor RHS  
Building 3150  
Century Way, Thorpe Park  
Leeds  
West Yorkshire  
LS15 8ZB  
UK

These financial statements were authorised for issue by the Board on 26 August 2016.

#### **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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **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.

##### **Summary of disclosure exemptions**

The company has taken advantage of the exemptions, under FRS 102 paragraph 1.12(b) from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International Limited, includes the company's cash flows in its own consolidated financial statements.

The company has taken the exemption under FRS 102 paragraph 1.12(c) from disclosing the carrying value of financial instruments not measured at fair value on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International Limited, discloses the carrying value of financial instruments in its own consolidated financial statements.

##### **Group accounts**

The company has taken advantage of the exemption with Chapter 4 of Part 15 of the Companies Act 2006 not to prepare group accounts. Accordingly, these accounts present information about the company as an individual undertaking and not about its group.

## Scarborough Overseas Holdings Limited

### Notes to the Financial Statements for the Year Ended 29 February 2016

#### Critical accounting estimates and assumptions

No significant judgements have had to be made by management in preparing these financial statements.

#### Going concern

The financial statements have been prepared on a going concern basis as the parent company has confirmed that it will continue to provide financial support for the foreseeable future to the Company and will not seek repayments of amounts due from the Company unless it is able to do so.

#### Tax

The tax expense for the period comprises current 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 income 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.

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### Financial Instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price. Most debt instruments are subsequently measured at amortised cost using the effective interest rate method. Short term payables and receivables are measured at the invoice price.

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price. Short term payables are measured at the invoice price.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### 3 Administrative expenses

	2016 £	2015 £
Administrative expenses excluding exceptional items	31,524	33,624
Provision/(release of provision) against amounts due from group undertakings	912,781	(9,867,179)
Intercompany loan waiver	-	(13,327,988)
	<u>944,305</u>	<u>(23,161,543)</u>

## Scarborough Overseas Holdings Limited

### Notes to the Financial Statements for the Year Ended 29 February 2016

#### 4 Operating loss

Auditors remuneration, in respect of audit services of £750 was borne by Scarborough Management Limited during the year (2015: £750).

Auditors remuneration, in respect of non audit services, has been disclosed within Scarborough Group International Limited.

#### 5 Interest receivable and similar income

	2016 £	2015 £
Interest receivable from group undertakings	<u>912,781</u>	<u>1,198,269</u>

#### 6 Interest payable and similar charges

	2016 £	2015 £
Interest payable to group undertakings	<u>942,018</u>	<u>2,196,400</u>

#### 7 Particulars of employees

The average number of employees (excluding directors) during the year was nil (2015: nil).

#### 8 Directors' remuneration

No emoluments were paid to the directors during the year (2015: £nil).

# Scarborough Overseas Holdings Limited

## Notes to the Financial Statements for the Year Ended 29 February 2016

### 9 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
<b>Current taxation</b>		
UK corporation tax	-	(214,639)
UK corporation tax adjustment to prior periods	-	144,891
	<u>-</u>	<u>(69,748)</u>

Tax on ordinary activities is different from the standard rate of corporation tax in the UK of 20.08% (2015: 21.17%).

The differences are reconciled below:

	2016 £	2015 £
(Loss)/profit before tax	<u>(973,542)</u>	<u>42,163,412</u>
Corporation tax at standard rate	(195,487)	8,925,994
Effect of expense not deductible in determining taxable profit (tax loss)	189,616	(4,903,457)
Tax increase (decrease) from other short-term timing differences	-	144,891
Tax increase (decrease) from effect of unrelieved tax losses carried forward	8,883	-
Tax increase (decrease) from transfer pricing adjustments	(3,012)	(3,176)
Tax increase (decrease) from effect of dividends from UK companies	-	(4,234,000)
Total tax credit	<u>-</u>	<u>(69,748)</u>

### 10 Investments in subsidiaries, joint ventures and associates

	2016 £	2015 £
Investments in subsidiaries	<u>11,287,191</u>	<u>11,287,191</u>
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 March 2015		30,621,951
At 29 February 2016		30,621,951
<b>Provision</b>		
At 1 March 2015		19,334,760
At 29 February 2016		19,334,760
<b>Carrying amount</b>		
At 29 February 2016		11,287,191
At 28 February 2015		11,287,191

## Scarborough Overseas Holdings Limited

### Notes to the Financial Statements for the Year Ended 29 February 2016

#### 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	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
Esplanade Consultants Limited	England & Wales	Ordinary	100%	100%
Scarborough China Holdings Limited	England & Wales	Ordinary	100%	100%
Scarborough Property Company Limited	England & Wales	Ordinary	100%	100%

The principal activity of Esplanade Consultants Limited is that of a holding company.

The principal activity of Scarborough China Holdings Limited is of a holding company.

The principal activity of Scarborough Property Company Limited is that of a holding company.

#### 11 Other investments

	2016 £	2015 £
<b>Non-current financial assets</b>		
Financial assets at cost less impairment	<u>1</u>	<u>1</u>

#### 12 Debtors

	Note	2016 £	2015 £
Amounts owed by group undertakings	16	20,063,619	20,277,458
Other debtors		48	-
Income tax asset	9	<u>-</u>	<u>214,639</u>
		<u>20,063,667</u>	<u>20,492,097</u>

#### 13 Creditors

	Note	2016 £	2015 £
<b>Due within one year</b>			
Amounts owed to group undertakings	16	21,496,918	20,952,163
Accrued expenses		<u>5,303</u>	<u>4,946</u>
		<u>21,502,221</u>	<u>20,957,109</u>



## Scarborough Overseas Holdings Limited

### Notes to the Financial Statements for the Year Ended 29 February 2016

#### 14 Share capital

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

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

#### 15 Commitments

##### Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2015: £Nil).

#### 16 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

#### 17 Parent and ultimate parent undertaking

The company is controlled by the immediate parent company, Esplanade Group (Scarborough) Limited, a company registered in England and Wales.

The ultimate parent company is Scarborough Group International Limited, a company registered in Scotland. Scarborough Group International Limited is also the parent undertaking of the largest and smallest group for which accounts are drawn up and of which the company is a member. Copies of the accounts of Scarborough Group International Limited can be obtained from: Lomond Court, Castle Business Park, Stirling, FK9 4TU.

The ultimate controlling party is K C McCabe.

#### 18 Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under UK GAAP were for the year ended 28 February 2015. The date of transition to FRS 102 was 1 March 2014. The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.