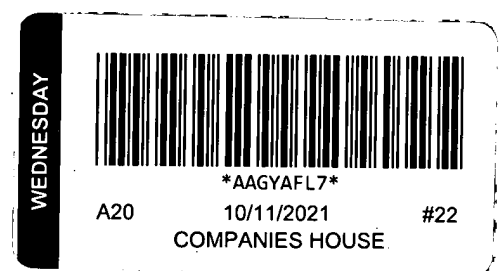


Registration number: 07549543

Scarborough Overseas Holdings Limited

Annual Report and Financial Statements

for the Year Ended 28 February 2021



Scarborough Overseas Holdings Limited

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Scarborough Overseas Holdings Limited

Company Information

Directors	S R McCabe
	S C McCabe
	Esplanade Director Limited
Company secretary	Esplanade Secretarial Services Limited
Registered office	Europa House 20 Esplanade Scarborough North Yorkshire YO11 2AQ
Auditors	Mazars LLP 5th Floor 3 Wellington Place Leeds LS1 4AP

Scarborough Overseas Holdings Limited

Directors' Report for the Year Ended 28 February 2021

The directors present their report and the financial statements for the year ended 28 February 2021.

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 £9,179,735 (2020: £Nil) be made in respect of the financial year ended 28 February 2021.

Impact of Brexit upon the Company

The Directors have considered the impact of the withdrawal of the United Kingdom from the EU and have not identified any significant impact on the business.

Impact of Covid-19 Coronavirus upon the Company

The Directors have considered the impact of the Covid-19 virus upon the company and don't expect there to be any material impact.

Going concern

The Directors consider the company to be a going concern. The Directors' assesment of the going concern status of the company is detailed in note 2 of these financial statements.

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.

Small companies provision statement

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

Nov 2, 2021

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

Jeremy Tutton

Jeremy Tutton (Nov 2, 2021 20:19 GMT)

.....
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 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.

Scarborough Overseas Holdings Limited

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

Opinion

We have audited the financial statements of Scarborough Overseas Holdings Limited (the 'company') for the year ended 28 February 2021, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Scarborough Overseas Holdings Limited

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Scarborough Overseas Holdings Limited

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.


A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Scarborough Overseas Holdings Limited

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

Use of our report

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.


Ashley Barraclough (Nov 3, 2021 15:09 GMT)

.....
Ashley Barraclough (Senior Statutory Auditor)
For and on behalf of Mazars LLP,
Chartered Accountants and Statutory Auditor

5th Floor
3 Wellington Place
Leeds
LS1 4AP

Nov 3, 2021
Date:.....

Scarborough Overseas Holdings Limited

Profit and Loss Account for the Year Ended 28 February 2021

	Note	2021 £	2020 £
Turnover		-	-
Administrative expenses		<u>(851,446)</u>	<u>491,543</u>
Operating (loss)/profit	3	(851,446)	491,543
Income from shares in group undertakings	4	-	14,043,447
Loss on disposal of investment in subsidiaries		-	(13,815,102)
Interest payable and similar charges	5	<u>(3,293)</u>	<u>(3,275)</u>
(Loss)/profit before tax		(854,739)	716,613
Taxation	9	<u>-</u>	<u>-</u>
(Loss)/profit for the financial year		<u><u>(854,739)</u></u>	<u><u>716,613</u></u>

The above results were derived from continuing operations.

Scarborough Overseas Holdings Limited

Statement of Comprehensive Income for the Year Ended 28 February 2021

	2021	2020
	£	£
(Loss)/profit for the year	<u>(854,739)</u>	<u>716,613</u>
Total comprehensive (loss)/income for the year	<u><u>(854,739)</u></u>	<u><u>716,613</u></u>

The notes on pages 12 to 18 form an integral part of these financial statements.

Scarborough Overseas Holdings Limited

(Registration number: 07549543)
Balance Sheet as at 28 February 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	10	1	2
Other financial assets	11	<u>1</u>	<u>1</u>
		<u>2</u>	<u>3</u>
Current assets			
Debtors	12	-	10,031,180
Creditors: Amounts falling due within one year	13	<u>-</u>	<u>(103,114)</u>
Net current assets		<u>-</u>	<u>9,928,066</u>
Net assets		<u>2</u>	<u>9,928,069</u>
Capital and reserves			
Called up share capital	14	2	2
Profit and loss account	15	<u>-</u>	<u>9,928,067</u>
Shareholders' funds		<u>2</u>	<u>9,928,069</u>

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

Nov 2, 2021

Approved and authorised by the Board on and signed on its behalf by:

Jeremy Tutton
Jeremy Tutton (Nov 2, 2021 20:19 GMT)

.....
J J Tutton

For and on behalf of Esplanade Director Limited
Director

The notes on pages 12 to 18 form an integral part of these financial statements.

Scarborough Overseas Holdings Limited

Statement of Changes in Equity for the Year Ended 28 February 2021

	Share capital £	Profit and loss account £	Total £
At 1 March 2020	2	9,928,067	9,928,069
Loss for the year	-	(854,739)	(854,739)
Total comprehensive loss	-	(854,739)	(854,739)
Contribution arising from loan waivers	-	106,407	106,407
Ordinary dividend paid - Current period interim dividend	-	(9,179,735)	(9,179,735)
At 28 February 2021	2	-	2

	Share capital £	Profit and loss account £	Total £
At 1 March 2019	2	9,211,454	9,211,456
Profit for the year	-	716,613	716,613
Total comprehensive income	-	716,613	716,613
At 29 February 2020	2	9,928,067	9,928,069

The notes on pages 12 to 18 form an integral part of these financial statements.

Scarborough Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 28 February 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales, company registration number 7549543.

The principal place of business is:

Second Floor LHS

Building 3125

Century Way, Thorpe Park

Leeds

West Yorkshire

LS15 8ZB

UK

The address of its registered office is:

Europa House

20 Esplanade

Scarborough

North Yorkshire

YO11 2AQ

UK

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

2 Accounting policies

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. They are presented in GBP and are rounded to the nearest pound.

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.

Summary of disclosure exemptions

The Company has taken advantage of the exemption, 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 FRS102 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.

Scarborough Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 28 February 2021

Group accounts

The Company is a wholly owned subsidiary of Esplanade Group (Scarborough) International Ltd and of its ultimate parent, Scarborough Group International Limited. It is included in the consolidated financial statements of Scarborough Group International Limited which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

Going concern

These financial statements have been prepared on a going concern basis which assumes that the company is able to realise its assets and discharge its liabilities in the normal course of business. The directors have assessed that Covid-19 will not have a material impact on the ability of the company to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Critical accounting estimates and assumptions

Impairment of investments

In considering the carrying value of the investments the directors have assessed the value of the underlying assets to determine if a provision is required. Refer to Note 10 for impairment provisions recognised as the subsidiary is in liquidation.

Recoverability of intercompany receivable balances

The company makes an estimate of the recoverable value of intercompany debtors. When assessing impairment of intercompany debtors, management considers historical experience and knowledge of any other specific factors affecting an intercompany debtor's ability to pay. Refer to Note 3 where provisions have been made against amounts owed by group undertaking, Scarborough China Holdings Limited of £836,740 as the subsidiary has net deficit situation and amount is not considered as recoverable.

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.

Investments

Investments in equity shares which are not publicly traded 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.

Scarborough Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 28 February 2021

Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Operating (loss)/profit

Arrived at after charging/(crediting)

	2021 £	2020 £
(Reversal of)/provision against amounts owed by group undertakings	836,740	(500,176)

4 Income from shares in group undertakings

	2021 £	2020 £
Dividends from shares in subsidiaries	-	14,043,447

5 Interest payable and similar expenses

	2021 £	2020 £
Other interest payable	3,293	3,275

Scarborough Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 28 February 2021

6 Particulars of employees

The average number of employees (excluding directors) during the year was nil (2020: nil).

7 Directors' remuneration

No emoluments were paid to the directors during the year (2020: £nil).

8 Auditor's remuneration

Auditors remuneration, in respect of audit services of £400 was borne by Scarborough Management Limited during the year (2020: £400).

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

9 Taxation

Tax charged/(credited) in the income statement

	2021	2020
	£	£

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2020 - the same as the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021	2020
	£	£
(Loss)/profit before tax	<u>(854,739)</u>	<u>716,613</u>
Corporation tax at standard rate	(162,400)	136,156
Effect of revenues exempt from taxation	-	(2,668,255)
Effect of expense not deductible in determining taxable profit (tax loss)	159,719	2,531,476
Remeasurement of deferred tax credit for changes in tax rates	(16,706)	-
Increase deferred tax not recognised	15,587	-
Tax increase from effect of unrelieved tax losses carried forward	-	4,423
Tax increase/(decrease) from transfer pricing adjustments	<u>3,800</u>	<u>(3,800)</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

Changes to the UK corporation tax rates were announced as part of the Finance Bill 2021. The rate applicable from 1 April 2021 remains at 19% with an increase to 25% from 1 April 2023. These rates have been taken into consideration when calculating tax and any deferred tax balances at the reporting date.

Scarborough Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 28 February 2021

10 Investments

	2021 £	2020 £
Investments in subsidiaries	<u>1</u>	<u>2</u>
Subsidiaries		£
Cost or valuation		
At 1 March 2020		<u>2</u>
At 28 February 2021		<u>2</u>
Provision		
At 1 March 2020		-
Provision		<u>1</u>
At 28 February 2021		<u>1</u>
Carrying amount		
At 28 February 2021		<u>1</u>
At 29 February 2020		<u>2</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	Registered office	Holding	Proportion of voting rights and shares held		
			2021	2020	
Subsidiary undertakings					
Scarborough China Holdings Limited	England and Wales	Ordinary	100%	100%	
Scarborough Property Company Limited	England and Wales	Ordinary	100%	100%	

Subsidiary undertakings

Scarborough China Holdings Limited

The principal activity of Scarborough China Holdings Limited is that of a holding company. The registered office address is Europa House, 20 Esplanade, Scarborough, North Yorkshire, YO11 2AQ.

Scarborough Property Company Limited

The principal activity of Scarborough Property Company Limited is that of a holding company. The registered office address is C/O Redpath Bruce Crown House, 152 West Regent Street, Glasgow, Scotland, G2 2RQ.

Scarborough Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 28 February 2021

11 Other investments

	2021 £	2020 £
Non-current financial assets		
Financial assets at cost less impairment	<u>1</u>	<u>1</u>

12 Debtors

	Note	2021 £	2020 £
Amounts owed by group undertakings	16	<u>-</u>	<u>10,031,180</u>

13 Creditors

	Note	2021 £	2020 £
Due within one year			
Amounts owed to group undertakings	16	<u>-</u>	<u>103,114</u>

14 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

15 Reserves

Profit and loss account reserves represent accumulated profit after tax and contributions arising from loan waivers with group undertakings.

16 Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned, in accordance with Section 33 of FRS 102.

17 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2020: £Nil).

Scarborough Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 28 February 2021

18 Parent and ultimate parent undertaking

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

The ultimate parent undertaking is Scarborough Group International Limited, a company registered in Scotland. Scarborough Group International Limited is also the smallest and largest group for which group 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: c/o Pinsent Masons, 13 Queens Road, Aberdeen AB15 4YL.

The ultimate controlling party is K C McCabe.