

Astraea Europe Investment Limited
Filleted Unaudited Financial Statements
31 December 2017



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03/08/2018 #248
COMPANIES HOUSE

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Astraea Europe Investment Limited

Financial Statements

Year ended 31 December 2017

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Astraea Europe Investment Limited

Balance Sheet

31 December 2017

	Note	2017 ZAR	2016 ZAR
Fixed assets			
Tangible assets	6	22,372,566	20,179,459
Current assets			
Debtors	7	3,848,245	1,755,053
Creditors: amounts falling due within one year	8	225,612	379,145
Net current assets		<u>3,622,633</u>	<u>1,375,908</u>
Total assets less current liabilities		25,995,199	21,555,367
Provisions			
Deferred tax		598,581	—
Net assets		<u>25,396,618</u>	<u>21,555,367</u>
Capital and reserves			
Share capital		22,400,245	22,400,245
Revaluation reserve	9	3,865,155	—
Profit & loss account	9	(868,782)	(844,878)
Total equity		<u>25,396,618</u>	<u>21,555,367</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The balance sheet
continues on the following page.

The notes on pages 3 to 8 form part of these financial statements.

Astraea Europe Investment Limited

Balance Sheet *(continued)*

31 December 2017

These financial statements were approved by the board of directors and authorised for issue on 25 July 2018, and are signed on behalf of the board by:



D J Bull
Director

Company registration number: 08983196

The notes on pages 3 to 8 form part of these financial statements.

Astraea Europe Investment Limited

Notes to the Financial Statements

Year ended 31 December 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Fore Royal, Gorley Road, Ringwood, Hampshire, BH24 3LD.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investment property measured at fair value through profit or loss.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The financial statements are prepared in South African Rand (ZAR), which is the functional currency of the entity. Financial statements have previously been presented in euro.

The statutory financial information as previously reported in the financial statements for the year ended 31 December 2016 has been restated from euro into South African Rand using the procedures outlined below:

- Assets and liabilities denominated in South African Rand have been included at their actual value in South African Rand.
- All other assets and liabilities have been converted at the closing rate of exchange at 31 December 2016 of 14.3784.
- Profit and loss account items denominated in South African Rand have been included at their actual value in South African Rand.
- All other profit and loss account items have been translated at the spot rate of exchange at the date of the transaction.
- Exchange differences arising on the above have been reflected through the statement of comprehensive income for the year ended 31 December 2016.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgement that management has made in the process of applying the entity's accounting policies and that has the most significant effect on the amounts recognised in the financial statements is the fair value estimate by the director of the freehold investment property as at 31 December 2017. This estimate is based on informal advice taken from the local lettings agent who is engaged by the company to rent the property and the director's own detailed knowledge of the property and local market conditions. However, if the property was sold then the amount realised could be higher or lower than this estimate potentially generating a material profit or loss on disposal depending on the circumstances of any future sales.

Astraea Europe Investment Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Revenue recognition

Turnover represents gross rents receivable from the letting of the company's freehold investment property, excluding Value-Added Tax.

Rental income is recognised in the financial statements in the periods to which the rental income actually relates.

Taxation

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, to the extent that the director believes such an amount to be material, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit (or loss).

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Tangible assets

The freehold investment property is initially recorded at cost and subsequently shown at fair value. Any surplus or deficit on revaluation is recognised in profit or loss. Any cumulative aggregate surplus is shown in capital and reserves as a non-distributable reserve.

All other tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses.

Astraea Europe Investment Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated to allocate the cost of assets to their residual values over their estimated useful lives as follows:

Fixtures and fittings - straight line basis over six years

Depreciation on fixtures and fittings has previously been charged at 25% per annum on a straight line basis, but has been adjusted to reflect the rates of depreciation charged in South Africa. The depreciation charge for the previous year has been adjusted to reflect the revised rate and the adjustment is included within the depreciation charge for the current year as the change of rate is not considered by the directors to be material.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

4. Staff numbers

The average number of persons employed by the company during the year, including the directors, amounted to 2 (2016: 2).

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

5. Tax on profit

	2017 ZAR	2016 ZAR
Current tax:		
UK current tax charge	13,144	63,227
Deferred tax:		
Origination and reversal of timing differences	598,581	—
Tax on profit from ordinary activities	<u>611,725</u>	<u>63,227</u>

6. Tangible assets

	Freehold Investment Property ZAR	Fixtures and fittings ZAR	Total ZAR
Cost or fair value			
At 1 January 2017	19,731,916	623,830	20,355,746
Additions	(2,195,652)	—	(2,195,652)
Revaluation	4,463,736	—	4,463,736
At 31 December 2017	<u>22,000,000</u>	<u>623,830</u>	<u>22,623,830</u>
Depreciation			
At 1 January 2017	—	176,287	176,287
Charge for the year	—	74,977	74,977
At 31 December 2017	<u>—</u>	<u>251,264</u>	<u>251,264</u>
Carrying amount			
At 31 December 2017	<u>22,000,000</u>	<u>372,566</u>	<u>22,372,566</u>
At 31 December 2016	<u>19,731,916</u>	<u>447,543</u>	<u>20,179,459</u>

The freehold investment property was valued by the directors as at 31 December 2017 at fair value based upon their own assessment assisted by informal valuation advice from local property professionals.

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

6. Tangible assets *(continued)*

Tangible assets held at valuation

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold investment property ZAR
At 31 December 2017	
Aggregate cost	17,536,264
Aggregate depreciation	—
Carrying value	17,536,264
At 31 December 2016	
Aggregate cost	19,731,916
Aggregate depreciation	—
Carrying value	19,731,916

7. Debtors

	2017 ZAR	2016 ZAR
Trade debtors	1,562,819	1,333,404
Amounts owed by group undertakings	265,406	257,854
Prepayments and accrued income	67,599	53,411
Other debtors	1,952,421	110,384
	3,848,245	1,755,053

8. Creditors: amounts falling due within one year

	2017 ZAR	2016 ZAR
Accruals and deferred income	211,336	315,918
Corporation tax	13,144	63,227
Other creditors	1,132	—
	225,612	379,145

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

9. Reserves

Revaluation reserve - This is a non-distributable reserve and represents the cumulative amount of fair value revaluations of the company's investment property, net of provision for deferred taxation thereon.

Profit and loss account - This is a distributable reserve and represents cumulative profits and losses net of dividends.

10. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

Entities with control, joint control or significant influence over the company:

	2017 ZAR	2016 ZAR
Loan owed to the company at 31 December	<u>265,406</u>	<u>257,854</u>

All amounts owing to the company are unsecured.

11. Controlling party

Since 14 April 2015 Beta6 Sp z.o.o, a company registered in Poland, has been regarded as the company's immediate parent undertaking. Beta6 Sp z.o.o is controlled by Angloconsult SA which is regarded as the company's ultimate parent undertaking.

The shares in Beta6 Sp z.o.o are held in a fiduciary capacity by Angloconsult SA and the directors do not believe there to be any overall controlling party.

Group financial statements are not drawn up by either Beta6 Sp z.o.o or by Angloconsult SA.