

Financial Statements CRS Technologies (Europe) Limited

For the Year Ended 31 December 2016



Registered number: 07282158

CRS Technologies (Europe) Limited

Company Information

Directors	C J Niarchos A Kirkaldy S C Goodwin
Registered number	07282158
Registered office	Studio 320 Highgate Studio 53-79 Highgate Road London NW5 1TL
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

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Directors' Report

For the Year Ended 31 December 2016

The directors present their report and the audited financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the Company during the year was the sale of services relating to a motor racing simulator.

Directors

The directors who were in office during the year and up to the date of signing the financial statements were:

C J Niarchos
A Kirkaldy
S C Goodwin

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 - Section 1A - Small Entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 and profit or loss of the company for that period. In preparing these audited financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited 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 audited 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.

Funding, liquidity and going concern

The company has reported a loss for the year of £5,656 (2015: £21,287 profit) and has net liabilities of £288,153 (2015: £282,497). The group has undertaken to provide financial support to enable the company to pay its debts as and when they fall due, the group does not intend to call in any debt. The directors therefore consider it appropriate to prepare financial statements on the going concern basis, which assumes that the company will remain in existence for the foreseeable future.

Directors' Report (continued)

For the Year Ended 31 December 2016

Results and dividends

The loss for the year, after taxation, amounted to £5,656 (2015 - profit £21,287).

No interim dividends were paid during the year (2015: £NIL) and the directors are unable to recommend the payment of a final dividend.

Future developments

The directors are considering future strategy.

Qualifying third party indemnity provisions

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Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware;
- the directors have taken all the steps that ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the Company is therefore exempt from the requirement to prepare a Strategic Report.

This report was approved by the board on 29 September 2017 and signed on its behalf.



C J Niarchos
Director



Independent Auditor's Report to the Members of CRS Technologies (Europe) Limited

We have audited the financial statements of CRS Technologies (Europe) Limited for the year ended 31 December 2016, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), (United Kingdom Generally Accepted Accounting Practice) including 'FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland' Section 1A Small Entities.

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.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement on page 1, 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.

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 website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 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.



Independent Auditor's Report to the Members of CRS Technologies (Europe) Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during 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 those financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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.

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.

Grant Thornton UK LLP

Matthew Stroh (Register of Statutory Auditors)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London Euston

29 September 2017

Statement of Comprehensive Income

For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover		-	15,000
Gross profit		-	15,000
Administrative expenses		(3,685)	(3,847)
Other operating income		-	6
Operating (loss)/profit		(3,685)	11,159
Interest receivable and similar income	6	2,401	3,315
Interest payable and similar charges	7	(4,372)	(8,652)
(Loss)/profit before tax		(5,656)	5,822
Tax on (loss)/profit	8	-	15,465
(Loss)/profit for the year		(5,656)	21,287
Total comprehensive (loss)/income for the year		(5,656)	21,287

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 8 to 15 form part of these financial statements.

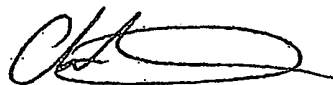
Statement of Financial Position

As at 31 December 2016

	Note	2016 £	2015 £
Current assets			
Debtors: amounts falling due within one year	10	818	160,330
Cash at bank and in hand	11	-	2,502
		<u>818</u>	<u>162,832</u>
Creditors: amounts falling due within one year	12	(8,383)	(12,714)
Net current (liabilities)/assets		<u>(7,565)</u>	<u>150,118</u>
Total assets less current liabilities		<u>(7,565)</u>	<u>150,118</u>
Creditors: amounts falling due after more than one year	13	(280,588)	(432,615)
		<u>(288,153)</u>	<u>(282,497)</u>
Net liabilities		<u>(288,153)</u>	<u>(282,497)</u>
Capital and reserves			
Called up share capital	16	10,000	10,000
Profit and loss account	15	(298,153)	(292,497)
		<u>(288,153)</u>	<u>(282,497)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29.9.17



C J Niarchos
Director

The notes on pages 8 to 15 form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	10,000	(292,497)	(282,497)
Comprehensive income for the year			
Loss for the year	-	(5,656)	(5,656)
Total comprehensive income for the year	-	(5,656)	(5,656)
At 31 December 2016	10,000	(298,153)	(288,153)

Statement of Changes in Equity

For the Year Ended 31 December 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	10,000	(313,784)	(303,784)
Comprehensive income for the year			
Profit for the year	-	21,287	21,287
Total comprehensive income for the year	-	21,287	21,287
At 31 December 2015	10,000	(292,497)	(282,497)

The notes on pages 8 to 15 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2016

1. General information

CRS Technologies (Europe) Limited is a private company, limited by shares, and is incorporated and domiciled in England and Wales, with a registration number of 07282158. The registered office is Studio 320, Highgate Studio, 53 - 79 Highgate Road, London, NW5 1TL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention on a going concern basis and in accordance with the provisions of Financial Reporting Standard 102 Section 1A Small Entities, and Companies Act 2006. There were no material departures from that standard.

The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The functional and presentation currency is £ sterling.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions. The company has not taken advantage of any available exemption for qualifying entities.

2.3 Going concern

The company has reported a loss for the year of £5,656 (2015: £21,287 profit) and has net liabilities of £288,153 (2015: £282,497). The group has undertaken to provide financial support to enable the company to pay its debts as and when they fall due, the group does not intend to call in any debt. The directors therefore consider it appropriate to prepare the financial statements on the going concern basis, which assumes that the company will remain in existence for the foreseeable future.

2.4 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to produce a cash flow statement.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

All revenue originates in the United Kingdom.

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

Amortisation is provided on the following bases:

Simulator project	-	33 %
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2.7 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company recognises its financial assets as discussed below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies its financial liabilities as discussed below.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial Position.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Interest payable and similar charges

Finance payable is charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Interest receivable

Interest receivable is recognised in the Statement of Comprehensive Income using the effective interest method.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The accounts contain no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. Auditor's remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	2016 £	2015 £
Fees payable to the Company's auditor and its associates in respect of:		
Fees for the audit of the company	2,000	2,000
Non-audit fees	1,600	1,800
	<u>3,600</u>	<u>3,800</u>

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2015 - £NIL).

Notes to the Financial Statements

For the Year Ended 31 December 2016

6. Interest receivable and similar income

	2016 £	2015 £
Interest receivable from group companies	<u>2,401</u>	<u>3,315</u>

7. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	<u>4,372</u>	<u>8,652</u>

8. Taxation

	2016 £	2015 £
Corporation tax		
UK corporation tax at 20% (2015: 20%)	-	663
Adjustments in respect of previous periods	-	(16,128)
Total current tax	<u>-</u>	<u>(15,465)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before tax	<u>(5,656)</u>	<u>8,322</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	<u>(1,131)</u>	<u>1,664</u>
Effects of:		
Adjustments in respect of previous periods	-	(16,128)
Rate difference - Deferred tax	131	-
Tax losses arising / (utilised)	-	(1,001)
DT not provided	1,000	-
Total tax charge for the year	<u>-</u>	<u>(15,465)</u>

Notes to the Financial Statements

For the Year Ended 31 December 2016

9. Intangible assets

	Simulator project £
Cost	
At 1 January 2016	300,000
At 31 December 2016	<u>300,000</u>
Amortisation	
At 1 January 2016	300,000
At 31 December 2016	<u>300,000</u>
Net book value	
At 31 December 2016	<u>-</u>
At 31 December 2015	<u>-</u>

The intangible fixed assets relate to three year simulator development project, taken jointly with McLaren Automotive Limited.

10. Debtors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed by joint ventures and associated undertakings	818	159,650
Tax recoverable	-	680
	<u>818</u>	<u>160,330</u>

11. Cash at bank and in hand

	2016 £	2015 £
Cash at bank and in hand	-	2,502
	<u>-</u>	<u>2,502</u>

Notes to the Financial Statements

For the Year Ended 31 December 2016

12. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to other participating interests	4,982	8,651
Corporation tax	-	663
Accruals and deferred income	3,401	3,400
	<u>8,383</u>	<u>12,714</u>

13. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Amounts owed to other participating interests	<u>280,588</u>	<u>432,615</u>

14. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>818</u>	<u>162,832</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(8,383)</u>	<u>(444,666)</u>

Financial assets measured at amortised cost comprise of amounts owed by related undertakings, other debtors and cash.

Financial liabilities measured at amortised cost comprise of amounts owed to related undertakings and accruals.

15. Reserves

Profit & loss account

Loss and total comprehensive loss for the year amounted to £5,656 (2015: £21,287 profit)

Notes to the Financial Statements

For the Year Ended 31 December 2016

16. Share capital

	2016 £	2015 £
Shares classified as equity		
Authorised, allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

17. Related party transactions

At 31 December 2016 the company owed £nil (2015: £441,266) to Garage 59 Limited. In the year the company purchased services from Garage 59 Limited of £4,372 (2015: £8,652) paid funds of £445,640 (2015: £nil) to Garage 59 Limited. CJ Niarchos, director, has a beneficial interest in Garage 59 Limited.

At 31 December 2016 the company owed £280,588 (2015: £nil) to The Cobra Group Plc. In the year the company paid funds to The Cobra Group Plc of £nil (2015: £1,944). CJ Niarchos, director, has a beneficial interest in The Cobra Group Plc.

At 31 December 2016 the company owed £4,982 (2015: owed by £159,650) to CRS GT Limited. In the year the company sold services of £nil (2015: £17,622), purchased service of £4,320 (2015: £3,400) and paid funds to CRS GT Limited of £10,239 (2015: £12,000).

18. Controlling party

CRS Technologies (Europe) Ltd is 50% owned by Cobra Group Holdings BV, whose ultimate parent undertaking at 31 December 2016 was the The Cobra Group International (Hong Kong) Limited, incorporated in Hong Kong.

The directors are of the opinion that there is no ultimate controlling party.