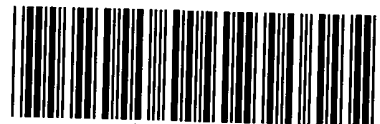


Registered number: 08357628

Geely PropCo UK Limited  
Report and financial statements  
for the year ended 31 December 2015

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# Geely PropCo UK Limited

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## Company registration number

08357628

## Directors

P Johansen  
Yifan (Frank) Li  
Jianqun Zhou

## Secretary

Mark Devin

## Registered office

Holyhead Road  
Coventry  
West Midlands  
CV5 8JJ

## Auditor

Mazars LLP  
45 Church Street  
Birmingham  
B3 2RT

## Strategic report for the year ended 31 December 2015

The directors present their strategic report for the year ended 31 December 2015.

### Review of the business during the current period

The company was incorporated on 11 January 2013 and has not traded since its incorporation.

On 1 February 2013, the Company purchased a freehold and a leasehold property from the Administrator of Manganese Bronze Property Services Limited (company number 00049488). Since incorporation, the directors have chosen not to formalise an intra-group rental arrangements nor open a bank account. During the year, therefore, the Company has earned no intra-group rental income and has borne no external rentals or property management costs. These costs have been borne by the fellow group undertaking that operates from the premises concerned.

During 2014, the board reviewed the status of the Company and the freehold property was marketed for sale. The sale eventually completed on 18 May 2015. On 16 September 2015, the Company transferred the remaining (leasehold) property to a fellow group undertaking that operates from the premises concerned in order to simplify the ownership structure of UK operating assets.

### Financial position at the reporting date

The statement of financial position shows that the Company's net assets at the year end were £530,010.

### Principal risks and uncertainties facing the business

Following the sale and transfer of properties during this financial year, the Company has become dormant. Consequently, any risks and uncertainties have been extinguished or have been transferred to fellow group undertakings.

### Approval

This report was approved by the board on 9 March 2016 and signed on its behalf by:



**Peter Johansen**  
Director

Holyhead Road  
Coventry  
West Midlands  
CV5 8JJ

## Directors' report for the year ended 31 December 2015

The directors present their report and the financial statements for Geely PropCo UK Limited for the year ended 31 December 2015.

### Principal activity

At the start of the year, the Company held title to properties from which a fellow group undertaking operated. During the year these properties were sold or transferred. At the end of the year the Company is therefore dormant.

### Directors and their interests

The directors, who held office throughout the year, unless indicated otherwise, were as follows:

Peter Johansen

Frank Li                      appointed 16 September 2015

Ian Zhang                     resigned 16 September 2015

Jianqun Zhou

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 incorporating Financial Reporting Standard 102.

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 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 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; 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 responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement as to disclosure of information to auditors

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information. As far as the directors are aware, there is no relevant audit information of which the directors are unaware.

## Auditors

A resolution to reappoint Mazars LLP as auditors will be put to the members at the Annual General Meeting.

## Approval

This report was approved by the board on 9 March 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P. Johansen', written in a cursive style.

**Peter Johansen**  
Director

Holyhead Road  
Coventry  
West Midlands  
CV5 8JJ

## Independent Auditor's Report to the Members of Geely PropCo UK Limited

We have audited the financial statements of Geely PropCo Limited for the year ended 31 December 2015 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

### Respective responsibilities of directors and auditor

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.

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 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters 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.

**Independent Auditor's Report to the Members of  
Geely PropCo UK Limited (continued)**

**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.



**Paul Lucas** (Senior Statutory Auditor)  
**for and on behalf of Mazars LLP**  
Chartered Accountants & Statutory Auditor

45 Church Street, Birmingham B3 2RT

20 March 2016

**Statement of Comprehensive Income**  
for the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover		-	-
Operating (costs) / income:			
Amortisation of negative goodwill	5	<b>530,000</b>	50,000
Impairment of freehold property	6	-	(50,000)
		<hr/>	<hr/>
Result for the financial year		<b>530,000</b>	-
Other comprehensive income		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the financial year</b>		<b>530,000</b>	-
		<hr/> <hr/>	<hr/> <hr/>



**Statement of Financial Position  
as at 31 December 2015**

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	5	-	(530,000)
Tangible assets	6	-	3,030,000
		<hr/>	<hr/>
		-	2,500,000
<b>Current Assets</b>			
<b>Debtors:</b> amounts owed by group undertakings		<b>3,030,000</b>	-
<b>Creditors:</b> amounts falling due within one year - amounts owed to group undertakings		<b>(2,499,990)</b>	<b>(2,499,990)</b>
		<hr/>	<hr/>
<b>Net assets</b>		<b>530,010</b>	10
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Share capital	7	10	10
Retained earnings		530,000	-
		<hr/>	<hr/>
<b>Shareholders' funds</b>		<b>530,010</b>	10
		<hr/>	<hr/>

The financial statements of Geely PropCo UK Limited, registered number 08357628, were approved and authorised for issue by the board on 9 March 2016 and signed on its behalf by:



**Peter Johansen**  
Director

The accompanying notes form an integral part of this statement of financial position.

**Statement of changes in equity  
as at 31 December 2015**

	Share capital £	Retained earnings £	Total equity £
At 31 December 2013	10	-	10
Total comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2014	10	-	10
Profit for the year	-	530,000	530,000
Other comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2015</b>	<b>10</b>	<b>530,000</b>	<b>530,010</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form an integral part of this statement of changes in equity.

## Notes to the financial statements for the year ended 31 December 2015

### 1 General information

Geely PropCo UK Limited is a company incorporated in England and Wales under registration number 08357585. The address of the registered office is Holyhead Road, Coventry, West Midlands, CV5 8JJ. The nature of the Company's operations and its principal activities are set out in the Directors' Report. These financial statements are for the year to 31 December 2015 (2014: year to 31 December 2014). These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

### 2 Significant accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements:

#### Basis of preparation

The Financial Statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland'.

The financial statements have been prepared on the historic cost basis, except for the valuation of certain properties that are measured at fair value. The principal accounting policies adopted are set out below.

#### Disclosure exemptions permitted by FRS102

As a wholly owned subsidiary of Geely UK Limited, which produces publically available consolidated financial statements, the Company has taken advantage of certain disclosure exemptions permitted in FRS 102. A summary of the disclosure exemptions taken are listed below:

- (a) The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
- (b) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- (c) Certain disclosure requirements of Section 11 and Section 12.
- (d) The requirement of Section 33 Related Party Disclosures paragraph 33.7.

For the disclosure exemptions listed in point (c), the equivalent disclosures are included in the consolidated financial statements of the Company's immediate parent undertaking, Geely UK Limited, that are publicly available from Geely UK Limited, Holyhead Road, Coventry, West Midlands, CV5 8JJ.

#### Investment properties

Investment property is stated at fair value. Changes in fair values are recorded in the Statement of Comprehensive Income.

## **Goodwill**

Purchased goodwill (representing the difference between the fair value of the consideration given over the fair value of the separable net assets acquired) arising in respect of acquisitions is capitalised. Goodwill is amortised in line with the useful life of the business acquired. Provision is made for impairment where required.

Negative goodwill is amortised in line with the utilisation of the non-current assets acquired.

## **Taxation**

Current tax including UK corporation tax, is provided at amounts expected to be paid using the rates and laws that have been enacted or substantively enacted by the financial position date.

Deferred tax is provided in full on timing differences which result in an obligation at the financial position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

## **Going concern**

The company is no longer active and has no external creditors. The parent company has received commitments of ongoing support from the wider group which extend to its subsidiaries. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

## **3 Directors' emoluments**

No director received any emoluments during the year. There were no employees during the year.

## **4 Auditors' remuneration**

Auditors' remuneration has been borne by another Group company and no allocation has been made to this Company.

## 5 Intangible assets

	Negative goodwill £
<b>Cost</b>	
At 1 January 2015 and 31 December 2015	(580,000)
<b>Accumulated amortisation</b>	
At 1 January 2015	50,000
Charge for the year	530,000
<b>At 31 December 2015</b>	<b>580,000</b>
<b>Carrying amount</b>	
At 31 December 2015	-
At 31 December 2014	<b>(530,000)</b>

The negative goodwill arose on the acquisition of land and buildings as part of the Geely UK Limited Group's acquisition of the business, trade and assets of Manganese Bronze Holdings Limited from the Administrator on 1 February 2013.

The amortisation of negative goodwill during the year was triggered by the sale and transfer of properties during the year (note 6).

## 6 Tangible assets – investment property

Movements in the fair value of investment properties are as follows:

	Freehold property £	Leasehold property £	Total £
<b>Fair value</b>			
At 1 January 2015	500,000	2,530,000	3,030,000
Disposal	(500,000)	-	(500,000)
Group transfer	-	(2,530,000)	(2,530,000)
<b>At 31 December 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>

The freehold property was sold on 18 May 2015 for £500,000. Costs associated with the disposal amounting to £12,036 were borne by a fellow subsidiary undertaking.

The leasehold property was transferred to a fellow subsidiary undertaking on 16 September 2015 at its carrying value.

## 7 Called up share capital

	2015 £	2014 £
<b>Issued and fully paid:</b>		
10 ordinary shares of £1 each	<b>10</b>	<b>10</b>

The Company has one class of ordinary shares, which carry no rights to fixed income.

**8 Operating lease commitments**

	<b>2015</b>	2014
	<b>£</b>	£
Lease payments recognised as an expense in the period	<b>Nil</b>	Nil

Property rentals were borne by a fellow group undertaking in the period.

At the reporting date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	<b>At 31</b>	At 31
	<b>December</b>	December
	<b>2015</b>	2014
	<b>£</b>	£
After five years	<b>Nil</b>	6,299,750

**9 Related party transactions**

Disclosure is not required of transactions entered into between wholly owned members of the Group.

**10 Parent undertaking and controlling party**

In the directors' opinion the Company's immediate parent undertaking is Geely UK Limited and its ultimate parent undertaking and controlling party is Zhejiang Geely Holding Group Co. Ltd which is incorporated in the People's Republic of China. The results of the Company are consolidated in the financial statements of Geely UK Limited.