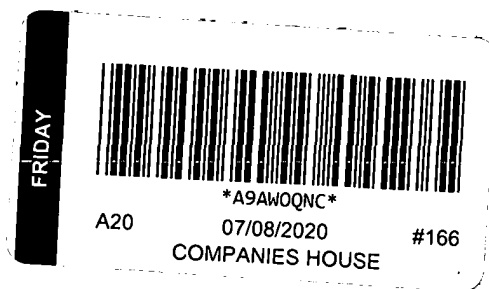


Registration number: 00052665

**SIMON GROUP LIMITED**  
Financial Statements  
for the Year Ended 31 December 2019



**BREBNERS**  
Chartered Accountants & Statutory Auditor  
130 Shaftesbury Avenue  
London  
W1D 5AR

# SIMON GROUP LIMITED

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# SIMON GROUP LIMITED

## Company Information

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<b>Directors</b>	G J Bruers P Grout D J D Hooybergs
<b>Registered office</b>	130 Shaftesbury Avenue 2nd Floor London W1D 5EU
<b>Auditors</b>	Brebners Chartered Accountants & Statutory Auditor 130 Shaftesbury Avenue London W1D 5AR

# SIMON GROUP LIMITED

## Strategic Report for the Year Ended 31 December 2019

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The directors present their strategic report for the year ended 31 December 2019.

### Principal activity

The principal activity of the company during the year was that of an investment holding company.

### Fair review of the business

The company's subsidiaries own and operate terminal land on the south bank of the River Humber and at Sifton Bridge.

The Directors wish to highlight a proposed reorganisation of the company and its subsidiary, C,RO Ports Killingholme Limited. At present, C,RO Ports Killingholme Limited engages in the business of roll-on-roll-off port operations and equally holds interests in freehold and leasehold land at the Killingholme port. Risk-wise, this set-up is suboptimal.

Brexit is a clear potential threat to the businesses carried out by C,RO Ports Killingholme, given that its operations depend on overseas traffic with continental Europe. Accordingly, it is proposed that steps should be taken to safeguard the company's long term interests.

### Development and performance of the company's business during the financial year

Given the nature of its business, the company has no turnover of its own. The changes in the statement of income and retained earnings are mainly changes relating to the Simon Group Pension Fund, of which the company is the sponsoring employer.

### Key performance indicators

The company's key financial and other performance indicators during the year were as follows:

	Unit	2019	2018
Fixed assets	£	67,684,357	65,077,050
Capital and reserves	£	81,580,612	89,543,801
Equity to fixed asset ratio	%	120	138

There are other non-financial performance indicators used by the directors but none are considered to be key.

# SIMON GROUP LIMITED

## Strategic Report for the Year Ended 31 December 2019

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### Principal risks and uncertainties

The Board of Directors is of the opinion that the group is not exposed to tangible, financial or non-financial risks other than those inherent to the group's line of business.

Through its subsidiaries, the company faces various internal and external risks. These include market risks, legislative and regulatory risks and environmental risks all of which could conceivably have an impact on the company's long term performance.

Brexit is an obvious potential threat to the company. The United Kingdom left the EU on 31 January 2020. Both sides are now challenged to agree on a trade agreement before the end of the current transition phase, by 31 December 2020. The impact of a "hard" or "soft" Brexit is unknown. The Group continues its efforts to prepare for any possible outcome by making its customers aware of potential additional customs formalities and liabilities, by adjusting IT systems to enable customers to fulfil their obligations and obtaining the necessary licences for the port operators at customs level. The developments are followed vigilantly to make sure prompt decisions can be made when necessary.

A poor economic climate will naturally have an impact on the demand for the company's services.

Additional risks the company faces:

- Effects of the global economic downturn
- Safety risks involving the operation of the various port and terminal facilities
- Legal risks involving the laws and regulations to which the company is required to adhere

# SIMON GROUP LIMITED

## Strategic Report for the Year Ended 31 December 2019

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### COVID-19

According to the World Health Organisation:

- A pneumonia of unknown cause detected in Wuhan, China was first reported to the WHO Country Office in China on 31 December 2019.
- The outbreak was declared a Public Health Emergency of International Concern on 30 January 2020.
- On 11 February 2020, WHO announced a name for the new coronavirus disease: COVID-19.
- On 11 March 2020, the coronavirus outbreak has been labelled a pandemic by the WHO.
- By mid-April 2020, over 2.3 million cases and over 150,000 deaths were confirmed.

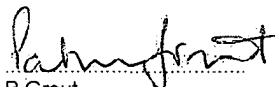
The company is a member of a group of companies that provides transportation services, via its network of ports, ferry and door-to-door operators. These activities have the benefit of being considered as essential: no transport means no supplies, hence a further breakdown of society. In that sense, the group operates fundamentally in an industry which is likely to continue to operate throughout the pandemic (together with the food industry, the health sector and the banks).

The next relevant question is whether the company has sufficient cash reserves to survive a liquidity shock (collapse of turnover hitting fixed costs with cash drain as a result). One has to assess the length of the crisis in order to have a view on this. Data from China shows that Chinese factories are up and running to 80% capacity after more or less 3 months since the start of lockdown. If this time period is doubled for safety and stress testing, it is a reasonable assumption that the group will be operational after the crisis.

Like any other year, some of the financings within the group will come to an end and need refinancing. During Q1 and Q2 the group has succeeded to refinance some of its assets with solid financial counterparts, despite the expected credit crunch and higher credit demand levels banks are currently faced with. This has strengthened the liquidity position of the group during the crisis period. For the coming months, more asset refinancing is planned, which is currently being reviewed for credit committee decision. Up until now, the group has not been required to count on a debt rescheduling or state aid.

At the date of these financial statements, it is still impossible to evaluate the full impact of the Coronavirus on the group's operations given that the full extent of possible restrictions is unknown. It is certain that the group operates in an essential sector that has stayed operational since the outbreak of the virus and has not been asked to close down. Nonetheless, the Board of Directors believes, to the best of its knowledge and belief, that the impact of the virus and the measures taken to limit its spread do not have a material impact upon the ability of the company to continue as a going concern.

Approved by the Board on 01 July 2020 and signed on its behalf by:



P Grout  
Director

# SIMON GROUP LIMITED

## Directors' Report for the Year Ended 31 December 2019

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The directors present their report and the financial statements for the year ended 31 December 2019.

### Directors of the company

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

G J Bruins

P Grout

D J D Hooyberghs

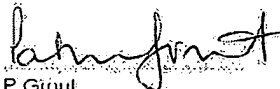
### Disclosure of information in the Strategic Report

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

### 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.

Approved by the Board on 01 July 2020 and signed on its behalf by:



P Grout  
Director

# SIMON GROUP LIMITED

## Statement of Directors' Responsibilities

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The directors acknowledge their responsibilities 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 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 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.



# SIMON GROUP LIMITED

## Independent Auditor's Report to the Members of Simon Group Limited for the Year Ended 31 December 2019

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### Opinion

We have audited the financial statements of Simon Group Limited (the 'company') for the year ended 31 December 2019, which comprise the Income Statement, Statement of Financial Position, 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 31 December 2019 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

# SIMON GROUP LIMITED

## Independent Auditor's Report to the Members of Simon Group Limited for the Year Ended 31 December 2019

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### 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have 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 Strategic Report and 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.

### Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), 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.

### 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

# SIMON GROUP LIMITED

## Independent Auditor's Report to the Members of Simon Group Limited for the Year Ended 31 December 2019

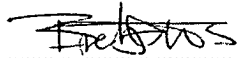
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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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.



Martin Widdowson (Senior Statutory Auditor)  
For and on behalf of

Brebners, Statutory Auditor  
130 Shaftesbury Avenue  
London  
W1D 5AR

Date: 5 August 2020

# SIMON GROUP LIMITED

## Income Statement for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover		-	-
Administrative expenses		<u>(518,196)</u>	<u>(4,059,916)</u>
<b>Operating loss</b>	<b>3</b>	<b><u>(518,196)</u></b>	<b><u>(4,059,916)</u></b>
Loss on financial assets at fair value through profit and loss account		(220,579)	-
Other interest receivable and similar income	4	1,039,019	916,804
Interest payable and similar expenses	5	<u>(947,000)</u>	<u>(841,000)</u>
		<u>(128,560)</u>	<u>75,804</u>
<b>Loss before tax</b>		<b><u>(646,756)</u></b>	<b><u>(3,984,112)</u></b>
Taxation	8	<u>110,652</u>	<u>682,301</u>
<b>Loss for the financial year</b>		<b><u>(536,104)</u></b>	<b><u>(3,301,811)</u></b>

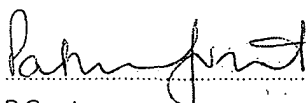
The notes on pages 13 to 25 form an integral part of these financial statements.

# SIMON GROUP LIMITED

## Statement of Financial Position as at 31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	9	1,386	1,873
Investments	10	58,156,993	58,156,993
Other financial assets	11	9,525,978	6,919,083
		<u>67,684,357</u>	<u>65,077,949</u>
<b>Current assets</b>			
Debtors	12	55,075,608	52,804,565
Cash at bank and in hand	13	1,823,873	4,655,707
		56,899,481	57,460,272
<b>Creditors: Amounts falling due within one year</b>	14	<u>(459,226)</u>	<u>(338,420)</u>
<b>Net current assets</b>		<u>56,440,255</u>	<u>57,121,852</u>
<b>Net assets excluding pension asset/(liability)</b>		<b>124,124,612</b>	<b>122,199,801</b>
Net pension liability	15	<u>(42,544,000)</u>	<u>(32,656,000)</u>
<b>Net assets</b>		<u>81,580,612</u>	<u>89,543,801</u>
<b>Capital and reserves</b>			
Called up share capital	16	52,079,921	52,079,921
Share premium reserve		13,672,909	13,672,909
Other reserves		41,014,767	41,014,767
Profit and loss account		<u>(25,186,985)</u>	<u>(17,223,796)</u>
<b>Total equity</b>		<u>81,580,612</u>	<u>89,543,801</u>

Approved and authorised by the Board on 01 July 2020 and signed on its behalf by:



P Grout

Director

Company registration number: 00052665

The notes on pages 13 to 25 form an integral part of these financial statements.

## SIMON GROUP LIMITED

### Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £	Share premium £	Other reserves £	Profit and loss account £	Total £
At 1 January 2019	52,079,921	13,672,909	41,014,767	(17,223,796)	89,543,801
Loss for the year	-	-	-	(536,104)	(536,104)
Other comprehensive income	-	-	-	(7,427,085)	(7,427,085)
Total comprehensive income	-	-	-	(7,963,189)	(7,963,189)
<b>At 31 December 2019</b>	<b><u>52,079,921</u></b>	<b><u>13,672,909</u></b>	<b><u>41,014,767</u></b>	<b><u>(25,186,985)</u></b>	<b><u>81,580,612</u></b>
	Share capital £	Share premium £	Other reserves £	Profit and loss account £	Total £
At 1 January 2018	52,079,921	13,672,909	41,014,767	(16,345,405)	90,422,192
Loss for the year	-	-	-	(3,301,811)	(3,301,811)
Other comprehensive income	-	-	-	2,423,420	2,423,420
Total comprehensive income	-	-	-	(878,391)	(878,391)
<b>At 31 December 2018</b>	<b><u>52,079,921</u></b>	<b><u>13,672,909</u></b>	<b><u>41,014,767</u></b>	<b><u>(17,223,796)</u></b>	<b><u>89,543,801</u></b>

The notes on pages 13 to 25 form an integral part of these financial statements.

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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### 1 GENERAL INFORMATION

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

The address of its registered office is:

130 Shaftesbury Avenue  
2nd Floor  
London  
W1D 5EU

The principal activity of the company during the year was that of an investment holding company.

The principal place of business is:

Long Reach House  
London Road  
Purfleet  
Essex  
RM19 1PD

### 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 any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

#### Summary of disclosure exemptions

Advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company
- (b) Disclosures in respect of financial instruments have not been presented
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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### 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 judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

The company exercises judgement to determine useful lives and residual values of tangible assets. The assets are depreciated to their estimated residual values over their estimated useful lives.

### Group accounts not prepared

The company was at the end of the year a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with section 400 of the Companies Act 2006 it is not required to produce and has not published consolidated accounts. Therefore the accounts disclose information about the individual company and not its group.

### Going concern

The company had net assets at 31 December 2019 amounting to £81,580,612. The company finances its operations on a group basis from a combined treasury function as disclosed in note 18 to the financial statements.

The directors have considered the potential impact of COVID-19 which was declared a pandemic by the World Health Organisation.

The Company is an intermediate UK holding company and a member of a larger EU group of companies that provides transportation services through its network of ports and ferry and door-to-door operations. These activities have the benefit of being considered as essential services and it is the directors view that the group operates in an industry, which is likely to continue to operate throughout the current restrictions caused by this pandemic. The board believe this will remain especially true for ro-ro lines operating unaccompanied freight (contrary to ro-pax vessels who operate self-drive units) and by their nature put a barrier to infection.

As an intermediate holding company the company has no significant working capital requirements of its own and its continued operational existence is dependent upon the subsidiary undertakings remaining in operational existence.



# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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In order to consider whether the group has sufficient cash reserves to survive a liquidity shock the board have tried to assess the anticipated remaining period of this crisis. In China the factories are up and running at approximately 80% of capacity after more or less 3 months of since start of lockdown. The board have based their cashflow forecasts on an assumption that this period will be double in Europe to provide a prudent measure of the required working capital.

Like any other year, some of the Group financings are approaching their maturity date and will need to be refinanced. Since 31 December 2019 the group has succeeded in refinancing certain of its assets with solid financial counterparts, despite the expected credit crunch and higher credit demand levels banks are currently faced with. This has strengthened the liquidity position of the group during the crisis. In the forthcoming months further asset refinancing is planned, which is currently being reviewed for credit committee decision.

The COVID-19 situation has required changes in the working environment of the Group's administrative and management staff. Following the guidelines of the British government, all staff that has the possibility to work from home, is doing so. In respect of the terminal workers, the group has taken the necessary measures so that all work can continue in a safe environment and with a focus on social distancing.

At the time of preparing the financial statements, it was noted that the group has faced a decrease in shipping of cars and vans, whilst the business of the storing of cars on the terminal has remained constant. The remaining activities have experienced a decline of approx. 20%. This resulted in the furlough of some of the staff, and consequently a reduction in staff costs. In addition to the furlough measures the group is pursuing savings on other volume related costs where possible. Investments that are not considered to be essential are being delayed. Staff have been asked to closely monitor the payment of outgoing invoices, potential payment terms extensions and any incoming new measures. At the date of these financial statements, it is still not possible to evaluate the full impact of the Coronavirus on the Group's operations given that the full extent of possible restrictions is unknown. Nonetheless, the Board of Directors believes, to the best of its knowledge and belief, that the impact of the virus and the measures taken to limit its spread will not have a material impact upon the ability of the Company to continue as a going concern.

Having made sufficient enquiries, and based upon the above, the directors have a reasonable expectation that the company has adequate resources to continue operating in the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

### Foreign currency transactions and balances

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge 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.

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 reporting date and that are expected to apply to the reversal of the timing difference.

### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% - 33% straight line

### 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.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### 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.

### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### Defined benefit pension obligation

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high-quality corporate bonds.

Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in profit or loss.

## 3 OPERATING LOSS

Arrived at after charging/(crediting)

	2019	2018
	£	£
Depreciation expense	487	487
Foreign exchange losses/(gains)	655	(1,202)
	<u>1,142</u>	<u>(715)</u>

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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### 4 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2019	2018
	£	£
Bank interest income	4,541	12,491
Interest receivable from fixed asset investments	19,983	191,081
Other interest	1,014,495	713,232
	<u>1,039,019</u>	<u>916,804</u>

### 5 INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Other finance costs	<u>947,000</u>	<u>841,000</u>

### 6 STAFF COSTS

The aggregate payroll costs were as follows:

	2019	2018
	£	£
Wages and salaries	33,800	46,320
Social security costs	5,508	6,512
Pension costs, defined contribution scheme	1,522	1,603
Other employee expense	19,873	21,562
	<u>60,703</u>	<u>75,997</u>

The average number of persons employed by the company during the year was 0, (2018 - 0).

### 7 AUDITORS' REMUNERATION

	2019	2018
	£	£
Audit of the financial statements	<u>16,000</u>	<u>15,500</u>

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 8 TAXATION

Tax charged/(credited) in the income statement

	2019 £	2018 £
<b>Current taxation</b>		
UK corporation tax	56,390	(49,173)
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>(167,042)</u>	<u>(633,128)</u>
<b>Tax receipt in the income statement</b>	<u><u>(110,652)</u></u>	<u><u>(682,301)</u></u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - higher than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
Loss before tax	<u>(646,756)</u>	<u>(3,984,112)</u>
Corporation tax at standard rate	(122,884)	(756,981)
Effect of expense not deductible in determining taxable profit (tax loss)	180,630	709,482
Tax decrease from effect of capital allowances and depreciation	(1,356)	(1,674)
Tax decrease from other short-term timing differences	<u>(167,042)</u>	<u>(633,128)</u>
<b>Total tax credit</b>	<u><u>(110,652)</u></u>	<u><u>(682,301)</u></u>

#### Deferred tax

Deferred tax assets and liabilities

	Asset £
<b>2019</b>	
Accelerated capital allowances	5,710
Defined benefit pension scheme	<u>7,232,480</u>
	<u><u>7,238,190</u></u>

	Asset £
<b>2018</b>	
Accelerated capital allowances	7,712
Defined benefit pension scheme	<u>5,551,521</u>
	<u><u>5,559,233</u></u>

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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### 9 TANGIBLE ASSETS

	Property, plant and equipment £	Total £
<b>Cost or valuation</b>		
At 1 January 2019	<u>4,298</u>	<u>4,298</u>
At 31 December 2019	<u>4,298</u>	<u>4,298</u>
<b>Depreciation</b>		
At 1 January 2019	2,425	2,425
Charge for the year	<u>487</u>	<u>487</u>
At 31 December 2019	<u>2,912</u>	<u>2,912</u>
<b>Carrying amount</b>		
At 31 December 2019	<u>1,386</u>	<u>1,386</u>
At 31 December 2018	<u>1,873</u>	<u>1,873</u>

### 10 INVESTMENTS IN SUBSIDIARIES

	£
<b>Subsidiaries</b>	
<b>Cost or valuation</b>	
At 1 January 2019 and 31 December 2019	<u>58,156,993</u>
<b>Carrying amount</b>	
At 31 December 2019	<u>58,156,993</u>
At 31 December 2018	<u>58,156,993</u>

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

### DETAILS OF UNDERTAKINGS

Details of the investments (including principal place of business of unincorporated entities) 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	
			2019	2018
C.RO Ports Killingholme Limited	130 Shaftesbury Avenue 2nd Floor London W1D 5EU	Ordinary	100%	100%
C.RO Ports Sutton Bridge Limited*	130 Shaftesbury Avenue 2nd Floor London W1D 5EU	Ordinary	100%	100%
C.RO Ports Sutton Bridge Agencies Limited*	130 Shaftesbury Avenue 2nd Floor London W1D 5EU	Ordinary	100%	100%
Simon Engineering Limited	130 Shaftesbury Avenue 2nd Floor London W1D 5EU	Ordinary	100%	100%
Simon Secretarial Services Limited	130 Shaftesbury Avenue 2nd Floor London W1D 5EU	Ordinary	100%	100%
S C Cheadle Hulme Ltd	130 Shaftesbury Avenue 2nd Floor London W1D 5EU	Ordinary	100%	100%
Simon Pension Fund Limited	130 Shaftesbury Avenue 2nd Floor London W1D 5EU	Ordinary	100%	100%

\*indirect holdings

The principal activity of C.RO Ports Killingholme Ltd is that of roll-on roll-off port operations and associated trades.

The principal activity of C.RO Ports Sutton Bridge Ltd is that of the operation of a load-on load-off shipping port and associated trades.

The principal activity of C.RO Ports Sutton Bridge Agencies Ltd is that of a ships' agent.

The other subsidy undertakings are dormant.

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 11 OTHER FINANCIAL ASSETS (CURRENT AND NON-CURRENT)

	Financial assets at fair value through profit and loss £	Total £
<b>Investment Portfolio</b>		
<b>Fair value</b>		
At 1 January 2019	6,919,083	6,919,083
Fair value adjustments	(220,580)	(220,580)
Additions	6,527,762	6,527,762
Disposals	<u>(3,700,287)</u>	<u>(3,700,287)</u>
At 31 December 2019	<u>9,525,978</u>	<u>9,525,978</u>
<b>Carrying amount</b>		
At 31 December 2019	<u>9,525,978</u>	<u>9,525,978</u>
At 31 December 2018	<u>6,919,083</u>	<u>6,919,083</u>

### 12 DEBTORS

	Note	2019 £	2018 £
Trade debtors		10,095	-
Amounts owed by group undertakings	19	-	49,173
Other debtors		47,817,826	47,111,002
Prepayments		9,443	8,923
Accrued income		54	76,234
Deferred tax assets	8	<u>7,238,190</u>	<u>5,559,233</u>
<b>Total current trade and other debtors</b>		<u>55,075,608</u>	<u>52,804,565</u>

### 13 CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank	4,873	20,707
Short-term deposits	<u>1,819,000</u>	<u>4,635,000</u>
	<u>1,823,873</u>	<u>4,655,707</u>



# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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### 14 CREDITORS

	2019 £	2018 £
<b>Due within one year</b>		
Trade creditors	56,099	67,085
Amounts due to group undertakings	338,580	131,840
Accrued expenses	58,046	132,994
Dividends payable	6,501	6,501
	<u>459,226</u>	<u>338,420</u>

### 15 PENSION AND OTHER SCHEMES

#### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,522 (2018 - £1,603).

#### Defined benefit pension schemes

##### Simon Group Pension Fund

The company sponsors the Simon Group Pension Fund which is a defined benefit arrangement in the UK. A full Actuarial valuation was carried out at 31 December 2016 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

Further payments are made by the group to fund the scheme deficit in accordance with the scheme Actuaries' recommendations.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £1,178,345 (2018 - £1,141,056), representing net interest cost and professional costs incurred.

#### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

	2019 £	2018 £
Fair value of scheme assets	143,918,000	141,847,000
Present value of defined benefit obligation	<u>(186,462,000)</u>	<u>(174,503,000)</u>
Defined benefit pension scheme deficit	<u>(42,544,000)</u>	<u>(32,656,000)</u>

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

	2019 £
Present value at start of year	174,503,000
Interest cost	4,985,000
- Impact of experience	(84,000)
- Impact of amended financial assumptions	12,319,000
Benefits paid	<u>(5,261,000)</u>
Present value at end of year	<u><u>186,462,000</u></u>

### *Fair value of scheme assets*

Changes in the fair value of scheme assets are as follows:

	2019 £
Fair value at start of year	141,847,000
Interest income	4,038,000
Return on plan assets, excluding amounts included in interest income/(expense)	3,296,000
Expenses paid	(2,000)
Benefits paid	<u>(5,261,000)</u>
Fair value at end of year	<u><u>143,918,000</u></u>

### *Return on scheme assets*

	2019 £	2018 £
Return on scheme assets	<u>4,038,000</u>	<u>3,821,000</u>

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

### *Principal actuarial assumptions*

The principal actuarial assumptions at the statement of financial position date are as follows:

	2019 %	2018 %
Discount Rate	2	3
RPI Inflation	3	3
CPI Inflation	2	3
Deferred Pension Revaluations	2	3
Post 2000 - RPI	3	3
Post 97 Pre 00 - RPI	4	4
Pre 97 excess - RPI	<u>3</u>	<u>4</u>

# SIMON GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 December 2019

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### 16 SHARE CAPITAL

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £0.25 each	<u>208,319,683</u>	<u>52,079,921</u>	<u>208,319,683</u>	<u>52,079,921</u>

### 17 COMMITMENTS

#### Other financial commitments

Included in cash at bank is an amount of £1,820,299 (2018: £4,640,094) which has been pledged in favour of the Simon Group Pension Fund in respect of the scheme shortfall in accordance with a recovery agreement with the scheme trustees.

The other investments in note 11 are also pledged under this agreement.

### 18 CONTINGENCIES

The company has guaranteed the group bank loan facility. At 31 December 2019 an amount of €109,000,000 had been drawn. The guarantee is secured by a fixed and floating charge over the assets and undertakings of the company. No liability is expected to crystallise from this guarantee.

### 19 RELATED PARTY TRANSACTIONS

Exemption is taken not to disclose transactions and amounts due between companies wholly owned within the group.

A group treasury fund is provided by a company under common control. At 31 December 2019 an amount of £47,805,988 (2018: £47,089,991) was due to the company. During the year interest amounting to £1,014,495 (2018: £713,232) was receivable.

### 20 PARENT AND ULTIMATE PARENT UNDERTAKING

The company's immediate parent is Montauban SA.

The ultimate parent entity is CLdN Lignes SA, incorporated in Luxembourg.

The parent of the largest and smallest group preparing group accounts incorporating the results of the company is CLdN Lignes SA, whose financial statements can be obtained online from Luxembourg Business Registers. The registered address of CLdN Lignes SA is 3-7 Rue Schiller L-2519, Luxembourg.