

CHERITON RESOURCES 12 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

Registration number: 01978556

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Directors' Report

The directors have pleasure in submitting their report together with the financial statements for the year ended 31 December 2015. The directors have taken the small companies exemption from preparing a Strategic Report provided by the Companies Act 2006:

Going concern

These accounts have been prepared on a non going concern basis. Please see note 1 to the accounts for further explanation. The Company did not trade during the year or the prior year. The principal activity of the Company during the year was the settlement of various administrative matters. The activity of the discontinued company was the provision of leasing finance for film, plant and machinery and other equipment.

Results and dividend

The result for the year ended 31 December 2015 is a loss of £1,592,325 (2014: £73,342) and the Statement of Profit and Loss and Other Comprehensive Income is set out on page 6.

The directors do not recommend payment of a final dividend for the year (2014: £nil).

Directors

The directors who served during the period and to the date of the financial statements were:

K. Morrison

H. Rees

M. Schuller

None of the directors had any material interest in any contract in relation to the business of the Company.

Disclosure of information to auditor

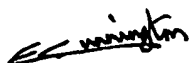
Each of the persons who are a director at the date of approval of this report confirms that:

- as far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

KPMG LLP are deemed to be reappointed as statutory auditors under section 487(2) of the Companies Act 2006 and will therefore continue in office.

By order of the Board,



Emma Cunnington
Company Secretary
29 September 2016

UK Terminal
Ashford Road,
Folkestone,
Kent,
CT18 8XX

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the members of Cheriton Resources 12 Limited

We have audited the financial statements of Cheriton Resources 12 Limited for the year ended 31 December 2015 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 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 (APB'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 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reasons set out in that note.

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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Mark Smith (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
15 Canada Square
London
E14 5GL

30/07/2016

Statement of Profit and Loss and Other Comprehensive Income

£	Notes		Unaudited 2014
Administrative expenses		(6,212)	128
Operating profit	2	(6,212)	(73,470)
Profit before taxation		(6,212)	(73,342)
Income tax expense	3	(1,586,113)	-
Loss after taxation and loss attributable to equity shareholders		(1,592,325)	(73,342)
Total comprehensive income for the year		(1,592,325)	(73,342)

The results in the Statement of Profit and Loss and Other Comprehensive Income relate to continuing operations.

There are no other items of comprehensive income for either the current or the previous year.

The notes on pages 9 to 11 form part of these financial statements.

Balance sheet

£	Notes	31 December 2015	31 December 2014
ASSETS			
Cash and cash equivalents	6	1,586,113	1,601,773
Total current assets		1,586,113	1,601,773
Total assets		1,586,113	1,601,773
EQUITY AND LIABILITIES			
Issued share capital	4	100	100
Retained earnings		(100)	1,592,225
Total equity			1,592,325
Current liabilities			
Other payables	4	1,586,113	9,448
Total current liabilities		1,586,113	9,448
Total equity and liabilities		1,586,113	1,601,773

The notes on pages 9 to 11 form part of these financial statements.

These financial statements were approved by the Board of Directors on 19 September 2016 and signed on its behalf by:



Michael Schuller, Director

Company registration number: 01978556.

Cash flow statement

£	Notes	2015	Unaudited 2014
Loss for the year		(1,592,325)	(73,342)
Adjustments for:			
Decrease in trade and other payables		(9,448)	-
Taxation		1,586,113	-
Net cash outflow from operating activities		(15,660)	(73,342)
Net decrease in cash in the year	6	(15,660)	(73,342)
Cash and cash equivalent at 1 January		1,601,773	1,675,115
Cash and cash equivalent at 31 December		1,586,113	1,601,773

Statement of changes in equity

£	2015			2014		
	Share capital	Retained earnings	Total	Share capital	Retained earnings	Total
As at 1 January	100	1,592,225	1,592,325	100	1,665,567	1,665,667
Loss for the year	-	(1,592,325)	(1,592,325)	-	(73,342)	(73,342)
As at 31 December	100	(100)	-	100	1,592,225	1,592,325

The notes on pages 9 to 11 form part of these financial statements.

Notes to the financial statements

1. Basis of accounting and significant accounting policies

Cheriton Resource 12 Limited (the "Company") is a company incorporated and domiciled in the UK.

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and effective at 31 December 2015. No standards published by the IASB but not yet adopted by the European Union at 31 December 2015 have been applied in anticipation. No significant effect is expected from the future application of these standards.

Going concern

The Company did not trade during the year or the prior year. The principal activity of the Company during the year was the settlement of various administrative matters. The activity of the company, now discontinued, was the provision of leasing finance for film, plant and machinery and other equipment. The directors have not prepared these financial statements on a going concern basis.

Significant accounting policies

i. Leases

Leases are classified as finance leases if they transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recorded in receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment in respect of the leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

ii. Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit and Loss and Other Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

All taxation liabilities of the Company are met by fellow UK Eurotunnel Group undertakings.

iii. Cost of servicing debt

The interest expense is recognised at a constant interest rate over the expected maturity of financial liabilities according to the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the borrowing. The effective interest rate is calculated according to the forecast cash flows to be paid on each series of the financial debt. The calculation includes transaction costs and all other premiums or discounts.

2. Operating result

Operating result is stated excluding audit fees of £800 (2014: £800) borne by another Group company. Fees during the year for non-audit services provided by the auditors, KPMG LLP, and their associates, were £nil (2014: £nil).

3. Income tax expense

3.1 Analysis of income tax expense for the year

During the year, the Company paid to CTG, the current authorized company of the Eurotunnel UK tax group, the remainder of its available funds in final settlement of Group tax relief arranged by Eurotunnel in earlier periods. This amount had not previously been recognized as a liability to CTG as it could not be reliably measured, and was expected to be zero.

The Directors consider that this payment to Eurotunnel for Group relief is appropriate on the basis that Eurotunnel provided more value in Group relief than the Company initially paid, and that it was understood by all parties that this lower amount was calculated on the basis that the Company would require such remaining amounts for management legal and administrative costs.

There is no other UK corporation tax charge in relation to the current year 2015. (2014: £nil).

3.2 Factors affecting the tax charge for the year

£	2015	2014
Loss on ordinary activities before taxation	(6,212)	(73,342)
Loss multiplied by tax rate 20.25% (2014: 21.50%)	(1,258)	(15,769)
Tax losses surrendered as group relief for nil consideration	1,258	15,769
Payments due in respect of group tax relief received in earlier periods	1,586,113	-
Income tax expense for the year	1,586,113	-

The UK standard rate of corporation tax was reduced from 21% to 20% from 1 April 2015 (2014: rate reduced from 23% to 21% from 1 April 2014).

3.3 Factors affecting future tax charges

The UK standard rate of corporation tax will be reduced from 20% to 19% from 1 April 2017, and will be further reduced from 19% to 17% from 1 April 2020.

The directors of the Company are not aware of any other significant factors likely to affect future tax charges.

No current or deferred tax amounts are provided for due to the Company's arrangement with fellow Eurotunnel Group undertakings incorporated in the United Kingdom, to meet all of the Company's taxation liabilities by the provision of group relief.

4. Other payables

£	31 December 2015	31 December 2014
Accrued administrative expenses	-	9,448
Payments due in respect of group tax relief	1,586,113	-
Total other payables	1,586,113	9,448

5. Share capital

£	31 December 2015	31 December 2014
Allotted, called-up and fully paid: 100 ordinary shares of £1 each	100	100

6. Cash

Movement during the year:

£	2015	2014
Opening cash and cash equivalents	1,601,773	1,675,115
Decrease in cash in the year	(15,660)	(73,342)
Closing cash and cash equivalents	1,586,113	1,601,773

7. Directors emoluments

Directors are remunerated by fellow Eurotunnel Group undertakings for their duties to the Eurotunnel Group as a whole. The directors received no specific emoluments for their services to the Company during the year (2014: £nil).

The Board is not aware of any contract of significance (other than their service contracts) in relation to the Company or its subsidiaries in which any director has any material interest.

8. Related party disclosures

The Company's immediate parent undertaking is Cheriton Resources 1 Limited, a company registered in England and Wales.

The results of the Company are consolidated in Groupe Eurotunnel SE's consolidated financial statements, the Company's ultimate parent company and controlling party and a company registered in France. A copy of Groupe Eurotunnel SE's consolidated financial statements is available on the Eurotunnel Group's website www.eurotunnelgroup.com.