

COMPANY REGISTRATION NUMBER: 595786

SOLTARNO CO. LIMITED
UNAUDITED FINANCIAL STATEMENTS
30 JUNE 2020



SOLTARNO CO. LIMITED
FINANCIAL STATEMENTS
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

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SOLTARNO CO. LIMITED

DIRECTORS' REPORT

PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

The directors present their report and the unaudited financial statements of the company for the period ended 30 June 2020.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is share investment. There has been no significant change in the nature of the company's business activities during the period under review, nor is any envisaged in the immediate future.

DIRECTORS

The directors who served the company during the period were as follows:

Mr B S E Freshwater
Mr D Davis

The Articles of Association of the company do not require the directors to retire by rotation. Neither director has a service contract with the company.

RESULTS AND DIVIDENDS

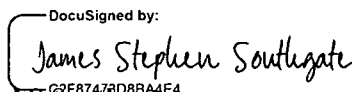
The results for the period are set out in the attached profit and loss account and explanatory notes. The financial position of the company at the period end is set out in the attached balance sheet and explanatory notes.

The company did not pay a dividend in the period (2019: £nil). The directors do not propose a final dividend for the period (2019: £nil).

EVENTS AFTER THE END OF THE REPORTING PERIOD

Particulars of events after the reporting date are detailed in note 12 to the financial statements.

This report was approved by the board of directors on ...**24 MAR 2021**... and signed on behalf of the board by:

DocuSigned by:

JS Southgate
G2F8747ED08BA4E4...
Company Secretary

Registered office:
Freshwater House
158-162 Shaftesbury Avenue
London
WC2H 8HR

SOLTARNO CO. LIMITED
PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

	Note	Period from 1 Apr 19 to 30 Jun 20 £	Year to 31 Mar 19 £
TURNOVER	4	1	1
GROSS PROFIT		1	1
Administrative expenses		(313)	—
Net valuation deficit on investments		(27)	(1)
OPERATING LOSS		(339)	—
LOSS BEFORE TAXATION		(339)	—
Tax on loss	6	—	—
LOSS FOR THE FINANCIAL PERIOD AND TOTAL COMPREHENSIVE INCOME		(339)	—

All the activities of the company are from continuing operations.

The notes on pages 5 to 10 form part of these financial statements.

SOLTARNO CO. LIMITED**BALANCE SHEET****30 JUNE 2020**

	Note	30 Jun 20 £	£	31 Mar 19 £	£
FIXED ASSETS					
Investments	7		32		59
CURRENT ASSETS					
Cash at bank and in hand		2,427		40	
CREDITORS: amounts falling due within one year	8	<u>(5,268)</u>		<u>(2,569)</u>	
NET CURRENT LIABILITIES			<u>(2,841)</u>		<u>(2,529)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(2,809)</u>		<u>(2,470)</u>
CAPITAL AND RESERVES					
Called up share capital	10		50		50
Capital reserves	11		4,297		4,297
Profit and loss account	11		<u>(7,156)</u>		<u>(6,817)</u>
TOTAL EQUITY			<u>(2,809)</u>		<u>(2,470)</u>

For the period ending 30 June 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 24 MAR 2021, and are signed on behalf of the board by:



Mr B S E Freshwater
Director

Company registration number: 595786

The notes on pages 5 to 10 form part of these financial statements.

SOLTARNO CO. LIMITED
STATEMENT OF CHANGES IN EQUITY
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

	Called up share capital £	Capital reserves £	Profit and loss account £	Total £
AT 1 APRIL 2018	50	4,297	(6,817)	(2,470)
Profit for the period			—	—
AT 31 MARCH 2019	50	4,297	(6,817)	(2,470)
Loss for the period	—	—	(339)	(339)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	—	—	(339)	(339)
AT 30 JUNE 2020	<u>50</u>	<u>4,297</u>	<u>(7,156)</u>	<u>(2,809)</u>

The notes on pages 5 to 10 form part of these financial statements.

SOLTARNO CO. LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

1. GENERAL INFORMATION

Soltarno Co. Limited (the "Company") is a company limited by shares and incorporated in the UK. The Company's Registered Office is Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR. The presentation currency of these financial statements is sterling.

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention except that investments are measured at fair value.

The outbreak of the Covid-19 pandemic in the first six months of 2020 and the associated lockdown has had a negative impact on the macro economy and the particular market that the company operates in. The directors have placed a particular focus on the company's going concern assessment and have considered the principal risks to the company. This assessment has considered the various probable outcomes of the pandemic on the company's operations and its future financial performance over the next 12 months. Uncertainty surrounding Brexit and the associated potential financial costs may also have a negative impact. These risks are beyond the control of the company and represent uncertainty to the revenue and the cash flow of the company for the foreseeable future.

Notwithstanding these uncertainties and the net liabilities, the directors have concluded that it is appropriate for the financial statements to be prepared in accordance with the accounting principles appropriate to a going concern and that there is no material uncertainty to this position, as the directors have a reasonable expectation that the company has adequate resources under all plausible circumstances to continue in operational existence for the foreseeable future by meeting its liabilities and commitments as they fall due.

In reaching the above conclusion, the directors have also had regard for the provision of support by Stronelle Company Limited, the directors of which are also directors of the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 15.

SOLTARNO CO. LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

3. ACCOUNTING POLICIES *(continued)*

Disclosure exemptions

In these financial statements, the company is considered to be a small entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102 in respect of the Cash Flow Statement and related notes.

Turnover

Turnover represents income from share investments.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using 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 on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For investments that are measured at fair value, deferred tax is provided at the rate and allowances applicable to the sale of the investments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Investments

Investments are initially recorded at cost, and subsequently stated at fair value with changes in fair value being recognised in the profit and loss account.

SOLTARNO CO. LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

3. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all its financial liabilities.

Basic financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Trade and other debtors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

4. TURNOVER

Turnover arises from:

	Period from	Year to
	1 Apr 19 to	31 Mar 19
	30 Jun 20	
	£	£
Dividends	<u>1</u>	<u>1</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the period (2019: £Nil).

SOLTARNO CO. LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

6. TAX ON LOSS

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the period is higher than (2019: the same as) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	Period from 1 Apr 19 to 30 Jun 20 £	Year to 31 Mar 19 £
Loss on ordinary activities before taxation	(339)	—
Loss on ordinary activities by rate of tax	(64)	—
Timing differences on unrealised gains	5	—
Other differences	59	—
Tax on loss	—	—

Factors that may affect future tax income

It was announced in the March 2020 Budget that the planned reduction in the UK corporation tax rate to 17%, which was to be effective from 1 April 2020, would not be implemented. This change was substantively enacted on 17 March 2020.

The deferred tax liability at 30 June 2020 has been calculated based on the rate of 19% (2019:17%).

7. INVESTMENTS

	Investments £
Fair value	
At 1 April 2019	59
Revaluations	(27)
At 30 June 2020	32
Impairment	
At 1 April 2019 and 30 June 2020	—
Carrying amount	
At 30 June 2020	32
At 31 March 2019	59

SOLTARNO CO. LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

7. INVESTMENTS *(continued)*

On 21 February 2020, Dock Newco Limited, a wholly owned subsidiary of Centremanor Limited and a related party of this company, made an offer for the 20.5% of the share capital of the company's listed investment, Daejan Holdings PLC, not already owned by parties under the control and stewardship of the Freshwater Family, the Freshwater Concert Party. This offer was accepted in early May and was sanctioned by the Court on 5 May 2020. The company's listed investment, Daejan Holdings PLC, was delisted from the Main Market for listed securities of the London Stock Exchange on 11 May 2020 and subsequently changed its name to Daejan Holdings Limited on 28 May 2020.

An independent professional valuation of the company's investment in Daejan Holdings Limited was carried out as at 30 June 2020 by Parmentier Arthur Valuation Services Limited. The investment was valued using a combined discounted net asset value and dividend yield approach.

Historical cost model

The historical cost of investments at 30 June 2020 is £2 (2019: £2).

8. CREDITORS: amounts falling due within one year

	30 Jun 20	31 Mar 19
	£	£
Other creditors	<u>5,268</u>	<u>2,569</u>

Other creditors include an amount of £5,268 (2019: £2,569) due to a connected company, Highdorn Co. Limited, a company of which Mr B S E Freshwater is a director and also has a non-beneficial interest in its share capital. The loan is interest free and effectively repayable on demand.

9. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	30 Jun 20	31 Mar 19
	£	£
Financial assets measured at fair value through profit or loss		
Market value of investments	<u>32</u>	<u>59</u>
Financial assets that are debt instruments measured at amortised cost		
Cash at Bank	<u>2,427</u>	<u>40</u>
Financial liabilities measured at amortised cost		
Creditors	<u>5,268</u>	<u>2,569</u>

The fair values of assets held at fair value through profit and loss at the balance sheet date are determined by independent professional valuation (2019: quoted prices).

SOLTARNO CO. LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 1 APRIL 2019 TO 30 JUNE 2020

10. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	30 Jun 20		31 Mar 19	
	No.	£	No.	£
Ordinary shares of £1 each	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>

11. CAPITAL AND RESERVES

Called-up share capital represents the nominal value of shares that have been issued.

Capital reserves include all current and prior retained profits arising from the disposal of the company's investment properties. These profits are not available for distribution as stipulated in the Articles of Association of the company.

Profit and loss account includes all current and prior period retained profits and losses.

12. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 11 March 2020, the World Health Organization declared Covid-19 a pandemic. The Covid-19 pandemic is expected to severely affect the wider macro economy and the specific market the company operates in. The full financial effects on the valuation of investments cannot currently be quantified.

13. RELATED PARTY TRANSACTIONS

The majority of the day to day management of the company's operations is carried out by Highdorn Co. Limited, a company in which Mr B S E Freshwater is a director and has a non-beneficial interest in the share capital.

Dividends receivable from investments relate to Daejan Holdings Plc, a company in which Mr B S E Freshwater and Mr D Davis are directors and are also interested in its share capital.

The Board considers that the Directors are the key management personnel of the company and their remuneration is disclosed in note 5.

14. CONTROLLING PARTY

The company is controlled by Freshwater family Trusts.

15. ACCOUNTING ESTIMATES AND JUDGEMENTS

i. Investment valuations

The valuation of the company's investments is inherently subjective, depending on the factors as set out in Note 7. Therefore the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions. The company's investments are valued by external valuers with appropriate qualifications and experience.