

**C.A. Blackwell Group Limited**

**Annual Report and Financial Statements**

**Registered number 00664770**

**31 May 2018**



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## Strategic Report

The directors present their Strategic Report for the year ended 31 May 2018.

### Principal activities and business review

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

The results for the Company show turnover of £nil for the year to 31 May 2018 (2017: £nil) and a profit before tax for the year of £nil (2017: £nil).

### Business model

The Company is part of a group that delivers key projects and services in the infrastructure, energy and property sectors throughout the UK and overseas. The Company is an intermediate holding company.

### Key financial performance indicators

As the Company does not trade or have any employees the directors do not consider it appropriate to review the performance of the Company using key performance indicators.

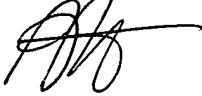
### Risks and uncertainties

The risks and uncertainties facing the Company are inherently linked to those of the Hargreaves Services plc group. The principal risks and uncertainties of the group which includes those of this company are discussed in detail in the 'Statement of risks relating to the group's business' in the financial review in the group financial statements.

### Current trading and outlook

The Company does not trade and will continue to be a holding company for the foreseeable future.

By order of the board



**PJ Smith**  
Director

West Terrace  
Esh Winning  
Co Durham  
DH7 9PT

22 November 2018

## Directors' Report

The directors present their Directors' Report for the year ended 31 May 2018.

### Principal activities and business review

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

The result for the financial year was £nil (2017: profit of £11,000).

### Proposed dividend

The directors do not recommend the payment of a dividend (2017: £nil).

### Directors

The directors who held office during the year, and to the date of this report were:

GW Pugh  
NK Fraser  
G Hindmarsh (resigned 1 December 2017)  
KJS Dougan (resigned 1 December 2017)  
GFC Banham (appointed 31 August 2017)  
R Brotherston (resigned 10 January 2018)  
SL Anson  
PJ Smith

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

The Audit Committee of Hargreaves Services plc reviews and makes recommendations with regard to the appointment of the external auditors. In making this recommendation the Committee considers auditor effectiveness, independence and partner rotation.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**PJ Smith**  
Director

West Terrace  
Esh Winning  
Co Durham  
DH7 9PT

22 November 2018

## **Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements**

The directors are responsible 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX

## **Independent Auditor's Report to the Members of C.A. Blackwell Group Limited**

### **Opinion**

We have audited the financial statements of C. A. Blackwell Group Limited ("the company") for the year ended 31 May 2018 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

## **Independent Auditor's Report to the Members of C. A. Blackwell Group Limited** *(Continued)*

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Johnathan Pass (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

29 November 2018

*Chartered Accountants*  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 May 2018*

	<i>Note</i>	<b>2018 £000</b>	<b>2017 £000</b>
Administrative expenses	2-4	-	-
<b>Result before taxation</b>		-	-
Tax on result	5	-	11
<b>Result/profit for the financial year</b>		-	11

All results are derived from continuing operations.

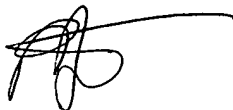
There was no other comprehensive income in either the current or previous year in addition to the result for the years shown above.



**Balance Sheet**  
*at 31 May 2018*

	<i>Note</i>	<b>2018</b> <b>£000</b>	<b>£000</b>	<b>2017</b> <b>£000</b>	<b>£000</b>
<b>Fixed assets</b>					
Investments	6		3,944		3,944
<b>Current assets</b>					
Debtors	7	11		11	
		<hr/>		<hr/>	
		11		11	
<b>Creditors: amounts falling due within one year</b>	8	<b>(84)</b>		<b>(84)</b>	
		<hr/>		<hr/>	
<b>Net current liabilities</b>			<b>(73)</b>		<b>(73)</b>
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			<b>3,871</b>		<b>3,871</b>
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	11		141		141
Share premium account	11		354		354
Capital redemption reserve	11		18		18
Capital reserve	11		88		88
Profit and loss account			3,270		3,270
			<hr/>		<hr/>
<b>Shareholders' funds</b>			<b>3,871</b>		<b>3,871</b>
			<hr/>		<hr/>

These financial statements were approved by the board of directors on 22 November 2018 and were signed on its behalf by:



**PJ Smith**  
*Director*

Registered number: 00664770

## Statement of Changes in Equity

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Capital redemption reserve £000	Capital reserve £000	Total equity £000
Balance at 1 June 2016	141	354	3,259	18	88	3,860
<b>Total comprehensive income for the year</b>						
Profit	-	-	11	-	-	11
Total comprehensive income for the year	-	-	11	-	-	11
Balance at 31 May 2017	141	354	3,270	18	88	3,871
<b>Balance at 1 June 2017</b>	<b>141</b>	<b>354</b>	<b>3,270</b>	<b>18</b>	<b>88</b>	<b>3,871</b>
<b>Total comprehensive income for the year</b>						
Result	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-
<b>Balance at 31 May 2018</b>	<b>141</b>	<b>354</b>	<b>3,270</b>	<b>18</b>	<b>88</b>	<b>3,871</b>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

C.A. Blackwell Group Limited (the “Company”) is incorporated, domiciled and registered in the UK.

#### *Basis of preparation*

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company’s ultimate parent undertaking, Hargreaves Services plc includes the Company in its consolidated financial statements. The consolidated financial statements of Hargreaves Services plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures in respect of transactions with wholly owned subsidiaries; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Hargreaves Services plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Basis of preparation (continued)*

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

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

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

#### *Measurement basis*

The financial statements are prepared on the historical cost basis.

#### *Going concern*

The company has net current liabilities of £73,000 (2017: £73,000). The company meets its day to day working capital requirements through support from related companies and the company's parent undertaking, Hargreaves Services plc, has indicated that it will continue to provide support to enable the company to trade for at least 12 months from the date of approval of these accounts. As with any company placing reliance on other group entities there is no guarantee that the support will continue, although the directors have no reason to believe that it will do so. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.

#### *Investments*

Investments are stated at cost, less impairment.

#### *Classification of financial instruments issued by the Company*

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

#### *Non-derivative financial instruments*

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors. These are initially recognised at fair value and subsequently measured at amortised cost.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Classification of financial instruments issued by the Company (continued)*

##### *Intra-group financial instruments*

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

##### *Impairment excluding stocks and deferred tax assets*

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### *Non-financial assets*

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss in respect of goodwill is reversed if and only if the reasons for the impairment have ceased to apply.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## Notes (continued)

### 1 Accounting policies (continued)

#### Taxation

Tax on the profit or loss for the year comprises both current and deferred tax. Tax is recognised in the profit and loss 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 on 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.

### 2 Expenses and auditor's remuneration

	2018 £000	2017 £000
<i>Included in profit/loss are the following:</i>		
Impairment of investments in subsidiary undertakings (note 6)	-	-
	<u>          </u>	<u>          </u>
<i>Auditor's remuneration:</i>		
Audit of these financial statements	1	2
	<u>          </u>	<u>          </u>

No auditor's remuneration has been charged to the profit and loss account as this is borne by the Company's parent undertaking.

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Hargreaves Services plc.

### 3 Staff costs

Staff costs, including directors' remuneration, were as follows:

	2018 £000	2017 £000
Wages and salaries	-	-
	<u>          </u>	<u>          </u>
	-	-
	<u>          </u>	<u>          </u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018 Number	2017 Number
Directors	6	7
	<u>          </u>	<u>          </u>

## Notes (continued)

### 4 Directors' remuneration

	2018 £000	2017 £000
Remuneration	-	-

During the year no directors were accruing any retirement benefits (2017: none) in respect of defined contribution pension schemes and no payments have been made in the current or prior year.

### 5 Taxation

#### Recognised in the profit and loss account

	2018 £000	2017 £000	2017 £000
<i>UK corporation tax</i>			
Adjustment to Group Relief in respect of prior years	-	(11)	
Total current tax			(11)
		-	
<b>Tax on result</b>		-	(11)

#### Reconciliation of effective tax rate:

	2018 £000	2017 £000
Profit for the year	-	11
Total tax (credit)	-	(11)
Result excluding taxation	-	-
Tax using the UK corporation tax rate of 19% (2017: 19.83%)	-	-
Adjustments in respect of prior periods	-	(11)
<b>Total tax credit</b>	-	(11)

#### Factors that may affect future tax expenses

The UK corporation tax rate reduced from 20% to 19% (effective from 1 April 2017) and remained at 19% for the tax year beginning 1 April 2018. On 16 March 2016 it was announced that the main rate of UK Corporation Tax would reduce further to 17% on 1 April 2020. This change was substantively enacted on 6 September 2016. This will reduce the company's current tax charge accordingly.

## Notes (continued)

### 6 Investments

	Investments in subsidiary undertakings £000
<i>Cost</i>	
At 1 June 2017 and 31 May 2018	4,082
<i>Impairment</i>	
At 1 June 2017 and 31 May 2018	138
<b>Net book value</b>	
At 31 May 2018	3,944
At 31 May 2017	3,944

The investments of the company relate to the following:

Company name	Principal activity	Country of incorporation	Class of shares held	Ownership	
				2018	2017
<i>Subsidiary undertakings</i>					
C A Blackwell (Contracts) Limited	Civil engineering and earth moving contractors	UK*	Ordinary	100%	100%
Premier Lime & Stone Company Limited	Dormant	UK*	Ordinary	100%	100%
C A Blackwell (Plant) Limited	Dormant	UK*	Ordinary	100%	100%
HBR Limited**	Land remediation and civil engineering and building works	UK*	Ordinary	100%	100%
Geofirma Soils Engineering Limited**	Soil stabilisation	UK*	Ordinary	100%	100%
Renaissance Land Regeneration Limited**	Land purchase for remediation and resale	UK*	Ordinary	100%	95%
Renaissance Land (D20) Limited**	Land acquisition and residential development	UK*	Ordinary	100%	95%
Renaissance (Padiham) Limited**	Land acquisition and residential development	UK*	Ordinary	100%	95%
Renaissance Land Management Limited**	Land ownership	UK*	Ordinary	100%	95%
Norton Wind Energy Limited**	Dormant	UK*	Ordinary	51%	51%

\* The above companies have Registered offices at West Terrace, Esh Winning, Durham, DH7 9PT.

\*\* Indirectly owned.

In the opinion of the directors the investments are worth at least the amounts stated in the balance sheet.



## Notes (continued)

### 7 Debtors

	2018 £000	2017 £000
Amounts owed by group undertakings	11	-
Group relief receivable	-	11
	<u>11</u>	<u>11</u>

### 8 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Bank overdraft	38	38
Amounts owed to group undertakings	40	40
Accruals and deferred income	6	6
	<u>84</u>	<u>84</u>

The bank overdraft is part of the group's banking facility which is secured by a debenture over the group's assets.

### 9 Contingent liabilities

The Company is party to a group composite debenture arrangement with certain of the companies in the Hargreaves Services plc group. This is in respect of the banking arrangements of Hargreaves Services plc (as outlined further in the Hargreaves Services plc group accounts) which are secured by means of both fixed and floating charges over all assets and undertakings of the Company. The total amount drawn on the group banking facility at 31 May 2018 was £39,260,000 (2017: £32,500,000).

### 10 Related party transactions

The Hargreaves Services plc group has three joint venture undertakings; Tower Regeneration Limited, Tower Regeneration Leasing Limited, and MIR Trade Services Limited. This group also has interests in the following associates; Hargreaves Services Europe Limited, Hargreaves Raw Material Services GmbH and Hargreaves Carbon Products Polska Sp Z.o.o. The group had three subsidiaries not wholly owned; Rocfuel Limited, Rocpower Limited and Maxibrite Limited.

There were no transactions between the Company and these undertakings during the year and no balances outstanding at the end of the year (2017: none).

## Notes (continued)

### 11 Capital and reserves

Share capital	2018 £000	2017 £000
<i>Allotted, called up and fully paid</i>		
1,414,264 (2017: 1,414,264) Ordinary shares of £0.10 each	141	141

#### Share premium account

The share premium reserve represents the difference between share nominal value and consideration paid.

#### Capital reserve

The capital reserve is a historical reserve for which no movements are expected.

#### Capital redemption reserve

The capital redemption reserve is a historical reserve which holds increased capital investment from the parent company.

### 12 Ultimate parent company and parent undertaking of larger group

The Company is a subsidiary undertaking of Hargreaves Services plc. Hargreaves Services plc is the Company's ultimate controlling party.

The Company's immediate controlling party is also Hargreaves Services plc.

The only group in which the results of the Company are consolidated is that headed by Hargreaves Services plc. The consolidated financial statements of this company are available to the public and may be obtained from their registered address West Terrace, Esh Winning, Durham, DH7 9PT.