

Company Registration Number: 00702171

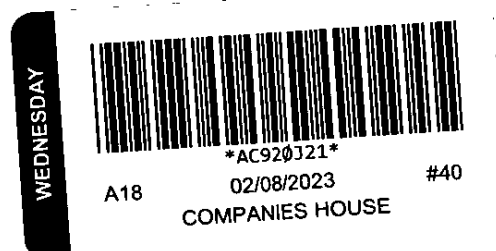


## **Ranco Controls Limited**

**Unaudited Financial Statements**

*For the year ended*

*31 December 2022*



**RANCO CONTROLS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2022**

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**RANCO CONTROLS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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<b>The board of directors</b>	S J Harris G D Turner
<b>Company secretary</b>	Hampden Legal Plc
<b>Registered office</b>	Hampden House Great Hampden Great Missenden Buckinghamshire England HP16 9RD
<b>Registered number</b>	00702171 (England & Wales)

## **RANCO CONTROLS LIMITED**

### **DIRECTORS REPORT**

#### **YEAR ENDED 31 DECEMBER 2022**

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The directors present their report and the financial statements of the company for the year ended 31 December 2022.

#### **DIRECTORS**

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

S J Harris  
G D Turner

During the year the company maintained liability insurance for its Directors and Officers.

#### **DIRECTORS RESPONSIBILITIES STATEMENT**

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 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), including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;
- 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.

## **RANCO CONTROLS LIMITED**

### **DIRECTORS REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2022**


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#### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed on behalf of the directors

DocuSigned by:



B43AF48A9E2B443

S J Harris

For and on behalf of Hampden Legal Plc  
Company secretary

Approved by the Directors on 10 May 2023

**RANCO CONTROLS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>TURNOVER</b>		—	—
Administrative expenses		(42,867)	(65,443)
<b>OPERATING LOSS</b>	<b>4</b>	<b>(42,867)</b>	<b>(65,443)</b>
Income from other fixed asset investments	<b>6</b>	<b>9,979</b>	60,571
Interest receivable and similar income	<b>7</b>	<b>42,030</b>	9,912
Revaluation of listed investments		<b>15,348</b>	23,889
Interest payable and similar expenses	<b>8</b>	<b>(2,197)</b>	(843)
<b>PROFIT BEFORE TAXATION</b>		<b>22,293</b>	28,086
Tax on profit	<b>9</b>	<b>6,697</b>	(8,734)
<b>PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME</b>		<b>28,990</b>	19,352

All the activities of the company are from continuing operations.

The notes on pages 9 to 15 form part of these financial statements.

**RANCO CONTROLS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Investments	10	540,561	622,421
<b>CURRENT ASSETS</b>			
Debtors	11	744,416	752,416
Cash at bank and in hand		43,458	27,652
		<u>787,874</u>	<u>780,068</u>
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>(3,095)</u>	<u>(6,300)</u>
<b>NET CURRENT ASSETS</b>		<u>784,779</u>	<u>773,768</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,325,340</u>	<u>1,396,189</u>
<b>PROVISIONS</b>	14	<u>(1,276,377)</u>	<u>(1,376,216)</u>
<b>NET ASSETS</b>		<u>48,963</u>	<u>19,973</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	1	1
Fair value reserve	16	6,632	45,966
Profit and loss account	16	42,330	(25,994)
<b>SHAREHOLDERS FUNDS</b>		<u>48,963</u>	<u>19,973</u>

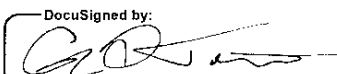
The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

These financial statements were approved by the board of directors and authorised for issue on 10 May 2023, and are signed on behalf of the board by:

DocuSigned by:  
  
 F5839DE6CDC14F1..  
 G D Turner  
 Director

Company registration number: 00702171

The notes on pages 9 to 15 form part of these financial statements.

**RANCO CONTROLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Fair value reserve £	Profit and loss account £	Total £
<b>AT 1 JANUARY 2021</b>	1	24,845	(24,225)	<b>621</b>
Profit for the year	—	—	19,352	<b>19,352</b>
Transfer between reserves	—	21,121	(21,121)	—
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	21,121	(1,769)	<b>19,352</b>
<b>AT 31 DECEMBER 2021</b>	1	45,966	(25,994)	<b>19,973</b>
Profit for the year	—	—	28,990	<b>28,990</b>
Transfer between reserves	—	(39,334)	39,334	—
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	(39,334)	68,324	<b>28,990</b>
<b>AT 31 DECEMBER 2022</b>	<b>1</b>	<b>6,632</b>	<b>42,330</b>	<b>48,963</b>

The notes on pages 9 to 15 form part of these financial statements.



**RANCO CONTROLS LIMITED****STATEMENT OF CASH FLOWS****YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the financial year	28,990	19,352
<i>Adjustments for:</i>		
Impairment of investments	–	65,550
Income from fixed asset investments	(9,979)	(60,571)
Interest receivable and similar income	(42,030)	(9,912)
Revaluation of listed investments	(15,348)	(23,889)
Loss/(gain) on disposal of investments	42,867	(106)
Interest payable and similar income	2,197	843
Tax on profit	(6,697)	8,734
<i>Changes in:</i>		
Trade and other creditors	(3,205)	(2,419)
Provisions and employee benefits	(93,142)	(443,875)
Cash generated used in operations	(96,347)	(446,293)
Income from other fixed asset investments	9,979	60,571
Interest paid	(2,197)	(843)
Interest received	42,030	9,912
Net cash used in operating activities	(46,535)	(376,653)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of other investments	(470,160)	(577,308)
Proceeds from sale of investments	524,501	1,224,018
Net cash from financing activities	54,341	646,710
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in loans from group undertakings	–	(63,337)
Decrease/(increase) in loans to group undertakings	8,000	(352,416)
Net cash from/(used in) financing activities	8,000	(415,753)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	15,806	(145,696)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	27,652	173,348
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	43,458	27,652

The notes on pages 9 to 15 form part of these financial statements.

**RANCO CONTROLS LIMITED**  
**STATEMENT OF CASH FLOWS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2022**

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**NOTES TO THE STATEMENT OF CASH FLOWS**

**1. ANALYSIS OF CHANGES IN NET DEBT**

	At 01.01.22	Cash flows	At 31.12.22
<b>Cash and cash equivalents</b>			
Cash at bank and in hand	27,652	15,806	43,458
	<u>27,652</u>	<u>15,806</u>	<u>43,458</u>
<b>Total</b>	<u><b>27,652</b></u>	<u><b>15,806</b></u>	<u><b>43,458</b></u>

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The notes on pages 9 to 15 form part of these financial statements.

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**RANCO CONTROLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2022**

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**1. GENERAL INFORMATION**

Ranco Controls Limited is a limited liability company incorporated in England. The address of the registered office and principal place of business is disclosed on the officers and professional advisors' page.

The principal activity of the company during the year was that of the run off of a financial guarantee company.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statement are rounded to the nearest £ unless otherwise stated.

**2. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain items as specified in the accounting policies below.

**Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

A net deferred tax asset is regarded as recoverable and therefore recognised, only when it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted by the balance sheet date.

**RANCO CONTROLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2022**

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**2. ACCOUNTING POLICIES** *(continued)*

**Provisions for liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more probable than not that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are recognised as a liability in the statement of financial position and the relevant amount included as an expense in the statement of comprehensive income.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the management's current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

**Financial instruments**

The company has applied the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS 102 to all of its financial instruments.

Financial instruments are classified and accounted for, according to the substance of the contractual agreement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the statement of income and retained earnings. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**Impairment of financial assets**

At each period end date, the company reviews the carrying amounts of its financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, with the impairment recognised immediately in the statement of comprehensive income.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**Investments**

*Listed investments*

Listed investments are initially recognised at fair value which is usually the transaction price (excluding any transaction costs). Subsequently, the investments are measured at fair value through profit or loss except for those shares which cannot be publicly traded or where fair value cannot be reliably measured.

**RANCO CONTROLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2022**

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**2. ACCOUNTING POLICIES** *(continued)*

**Investments** *(continued)*

If reliable measurement of fair value cannot be obtained or this measure is no longer available, the investment's cost is deemed to be the fair value at the last point to which a reliable measurement was obtained. These instruments are recognised at cost less impairment until a reliable measure of fair value becomes available.

*Other investments*

Other investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

**Cash at bank**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects both current and future periods.

The areas for which estimation has been applied are considered to be in calculating impairments and provisions. Although these areas are subject to judgement, they are not considered to be subject to significant estimation.

**4. OPERATING LOSS**

Operating loss is stated after charging:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Impairment of fixed asset investment	<u>—</u>	<u>65,550</u>

**5. STAFF COSTS**

The average number of persons employed by the company during the year, including the directors, amounted to:

	<b>2022</b>	<b>2021</b>
	<b>No</b>	<b>No</b>
Management staff	<u>2</u>	<u>2</u>

**RANCO CONTROLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2022**

**6. INCOME FROM OTHER FIXED ASSET INVESTMENTS**

	2022	2021
	£	£
Income from other fixed asset investments	9,979	60,571

**7. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2022	2021
	£	£
Interest on loans and receivables	42,030	9,912

**8. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2022	2021
	£	£
Other interest payable and similar expenses	2,197	843

**9. TAXATION****Major components of tax charge**

	2022	2021
	£	£
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(6,697)	8,734
<b>Tax on profit</b>	(6,697)	8,734

**Reconciliation of tax charge**

The tax assessed on the profit for the year is lower than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022	2021
	£	£
Profit before taxation	22,293	28,086
Profit by rate of tax	4,236	5,336
Effect of expenses exempt from tax	8,144	—
Effect of revenue exempt from tax	(25,452)	(84,336)
Group relief	6,375	83,013
Unutilised tax losses	—	4,721
<b>Tax on profit</b>	(6,697)	8,734

**RANCO CONTROLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2022**

**9. TAXATION** *(continued)*

The standard rate of corporation tax prevailing during the period was 19%.

On 11 March 2020, it was announced (and substantively enacted on 17 March 2020) that the UK corporation tax would remain at 19% and not reduce to 17% (the previously enacted rate) from 1 April 2020. In the Budget of 3 March 2021 (and subsequently confirmed in the Autumn Statement on 17 November 2022) it was announced that the main rate of corporation tax would increase to 25% from 1 April 2023; this was substantively enacted on 24 May 2021.

Deferred tax balances included within the accounts have been calculated with reference to the rate expected to be applicable at the date of reversal (2021: 19%).

There are no expiry dates in respect of the above unused tax losses.

**10. INVESTMENTS**

	Loans £	Cash deposits	Listed investments £	Total £
<b>COST</b>				
At 1 January 2022	135,720	7,871	544,380	<b>687,971</b>
Additions	—	399,810	70,350	<b>470,160</b>
Disposals	(4,673)	—	(562,695)	<b>(567,368)</b>
Revaluations	—	—	15,348	<b>15,348</b>
<b>At 31 December 2022</b>	<b>131,047</b>	<b>407,681</b>	<b>67,383</b>	<b>606,111</b>
<b>IMPAIRMENT</b>				
At 1 Jan 22 and 31 Dec 22	65,550	—	—	<b>65,550</b>
<b>NET BOOK VALUE</b>				
At 31 December 2022	<b>65,497</b>	<b>407,681</b>	<b>67,383</b>	<b>540,561</b>
At 31 December 2021	70,170	7,871	544,380	622,421

In respect of the listed investments stated at market value, the comparable historical costs are as follows:

	2022 £	2021 £
Historical cost of listed investments	<b>58,714</b>	498,414

**11. DEBTORS**

	2022 £	2021 £
Amounts owed from group undertakings	<b>744,416</b>	752,416

**RANCO CONTROLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2022**

**12. CREDITORS: Amounts falling due within one year**

	2022	2021
	£	£
Trade creditors	3,095	–
Accruals and deferred income	–	6,300
	<u>3,095</u>	<u>6,300</u>

**13. DEFERRED TAX**

The deferred tax included in the statement of financial position is as follows:

	2022	2021
	£	£
Included in provisions (note 14)	<u>2,037</u>	<u>8,734</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Deferred tax on fixed asset investments	<u>2,037</u>	<u>8,734</u>

**14. PROVISIONS**

	Deferred tax (note 13)	Claims Provision £	Cost Provision £	Total £
At 31 December 2021	8,734	1,078,493	288,989	1,376,216
Utilised against expenses	–	(2,662)	(90,480)	(93,142)
Deferred tax on fixed asset investments	(6,697)	–	–	(6,697)
<b>At 31 December 2022</b>	<u><b>2,037</b></u>	<u><b>1,075,831</b></u>	<u><b>198,509</b></u>	<u><b>1,276,377</b></u>

The above provision was set up for the expected professional expenses for legal, actuarial and other services associated with the active management of the liabilities associated to claims. The costs to be allocated to this provision will be incurred over the period until after year end 2049.

**15. CALLED UP SHARE CAPITAL****Issued, called up and fully paid**

	2022		2021	
	No	£	No	£
Ordinary shares of £0.00001 each	<u>100,000</u>	<u>1</u>	<u>100,000</u>	<u>1</u>



## **RANCO CONTROLS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2022**

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#### **16. RESERVES**

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

Fair value reserve – This reserve records the value of asset revaluations and fair value movements on assets recognised in the profit and loss account.

Profit and loss account – This distributable reserve records retained earnings and accumulated losses.

#### **17. RELATED PARTY TRANSACTIONS**

Disclosure of transactions with entities that are part of the group is not required as 100% of the voting rights of the company are controlled within the group. No other material related party transactions were undertaken during the year.

During the year the company invested £nil (2021: £500,000) in a secured and insured crowd funding loan through Archover Limited's lending platform, a non-wholly owned fellow subsidiary of the Hampden Group.

#### **18. ULTIMATE PARENT COMPANY**

The directors consider Hampden Plc to be the company's immediate parent company and Hampden Holdings Limited to be the company's ultimate parent company.

The largest and smallest group in which this company's information is consolidated is that of Hampden Holdings Limited which is incorporated in England and Wales and will be drawing up consolidated financial statements to 31 December 2022. The principal place of business for Hampden Holdings Limited is:

Hampden House  
Great Hampden  
Great Missenden  
Buckinghamshire  
HP16 9RD

Copies of the consolidated financial statements of Hampden Holdings Limited can be obtained from the above address.