

Registered number: 01024844

David Holman & Co Limited

Directors' Report and Financial Statements

For the Year Ended 31 December 2018



David Holman & Co Limited

Company Information

Directors

Mr M J Holman
Mrs V M Edmonds
Mrs E K Holman

Registered number

01024844

Registered office

Chance House
Pips
Lewes Road
East Grinstead
RH19 3TB

Independent auditors

Kreston Reeves LLP
Chartered Accountants & Statutory Auditor
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers

Lloyds Bank Plc
PO Box 72
Bailey Drive
Gillingham Business Park
Gillingham
Kent
ME8 0LS

David Holman & Co Limited

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David Holman & Co Limited

Directors' Report For the Year Ended 31 December 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of the company during the year was that of property ownership, development and investment. The company has a subsidiary undertaking, Nameco (No. 523) Limited, that operates as a Lloyd's Corporate Capital member.

Results and dividends

The loss for the year, after taxation, amounted to £256,155 (2017 - loss £414,623).

No final dividend was declared in the year ended 31 December 2018.

Directors

The directors who served during the year were:

Mr M J Holman
Ms V M Edmonds
Mrs E K Holman

Financial instruments

The approach adopted for the management of the financial instruments held by the company has been disclosed in the financial statements - see note 20.

Disclosure of information to auditors

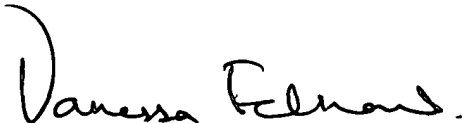
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Kreston Reeves LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 25th September 2019 and signed on its behalf.



Ms V M Edmonds
Director

**Directors' Responsibilities Statement
For the Year Ended 31 December 2018**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK 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 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 for the Company's financial statements 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 to 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.

Independent Auditors' Report to the Shareholders of David Holman & Co Limited

Opinion

We have audited the financial statements of David Holman & Co Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Independent Auditors' Report to the Shareholders of David Holman & Co Limited (continued)

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.
- the directors are entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Shareholders of David Holman & Co Limited (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditors' Report to the Shareholders of David Holman & Co Limited (continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

Kreston Reeves LLP

Robert Sellers FCCA (Senior Statutory Auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury
Date: 26/09/2019

David Holman & Co Limited

**Statement of Comprehensive Income
For the Year Ended 31 December 2018**

	Note	2018 £	2017 £
Turnover	4	67,554	61,477
Gross profit		<u>67,554</u>	<u>61,477</u>
Administration Expenses		(316,292)	(363,473)
Fair value movements	5	(8,957)	(112,306)
Operating loss	6	<u>(257,695)</u>	<u>(414,302)</u>
Income from fixed assets investments	9	517	475
Loss on sale of investments		-	(956)
Interest receivable and similar income	10	1,023	160
Loss before tax		<u>(256,155)</u>	<u>(414,623)</u>
Tax on loss	11	-	-
Loss for the financial year		<u><u>(256,155)</u></u>	<u><u>(414,623)</u></u>
Total comprehensive income for the year		<u><u>(256,155)</u></u>	<u><u>(414,623)</u></u>

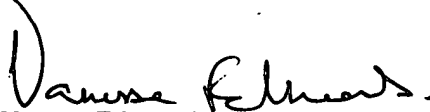
There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

The notes on pages 10 to 22 form part of these financial statements.

Balance Sheet
As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	13	22,816	30,559
Investments	14	640,015	640,015
Investment property	15	595,000	1,019,990
		<u>1,257,831</u>	<u>1,690,564</u>
Current assets			
Debtors: amounts falling due within one year	16	2,395,708	2,164,257
Current asset investments	17	94,739	102,458
Cash at bank and in hand	18	231,302	389,248
		<u>2,721,749</u>	<u>2,655,963</u>
Creditors: amounts falling due within one year	19	(2,341,065)	(2,451,857)
Net current assets		<u>380,684</u>	<u>204,106</u>
Total assets less current liabilities		<u>1,638,515</u>	<u>1,894,670</u>
Net assets		<u>1,638,515</u>	<u>1,894,670</u>
Capital and reserves			
Called up share capital	21	250,300	250,300
Share premium account	22	270,768	270,768
Non-distributable reserve	22	228,249	388,391
Profit and loss account	22	889,198	985,211
		<u>1,638,515</u>	<u>1,894,670</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
25th September 2019.


Ms V M Edmonds
Director

David Holman & Co Limited

**Statement of Changes in Equity
For the Year Ended 31 December 2018**

	Called up share capital £	Share premium account £	Non- distributable reserve £	Profit and loss account £	Total equity £
At 1 January 2017	250,300	270,768	1,683,569	109,656	2,314,293
Comprehensive income for the year					
Loss for the year	-	-	-	(414,623)	(414,623)
Dividends: Equity capital	-	-	-	(5,000)	(5,000)
Transfer to/from profit and loss account	-	-	-	1,295,178	1,295,178
Transfer between other reserves	-	-	(1,295,178)	-	(1,295,178)
At 1 January 2018	250,300	270,768	388,391	985,211	1,894,670
Comprehensive income for the year					
Loss for the year	-	-	-	(256,155)	(256,155)
Transfer to/from profit and loss account	-	-	-	160,142	160,142
Transfer between other reserves	-	-	(160,142)	-	(160,142)
At 31 December 2018	250,300	270,768	228,249	889,198	1,638,515

The notes on pages 10 to 22 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

1. General information

David Holman & Co Limited is a private company limited by shares and is incorporated in England with the registered number 01024844. The address of the registered office is Chance House, Pips, Lewes Road, East Grinstead, RH19 3TB.

The principal activity of the company during the year was that of property ownership, development and investment. The company has a subsidiary undertaking, Nameco (No. 523) Limited, that operates as a Lloyd's Corporate Capital member.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company's functional and presentational currency is Pounds Sterling. The financial statements have been rounded to the nearest pound.

The following principal accounting policies have been applied:

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;

This information is included in the consolidated financial statements of David Holman Holdings Limited as at 31 December 2018 and these financial statements may be obtained from Chance House, Pips, Lewes Road, East Grinstead, RH19 3TB.

2.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

- Turnover, which comprises rental income arising from investment properties, is accounted for on a straight-line basis over the lease term.
- Dividend income from investments is recognised when the shareholder's right to receive payment has been established. UK dividend income is shown without any associated tax credit.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	20%
Fixtures & fittings	-	15%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.6 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.14 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following are the company's key sources of estimation uncertainty:

Investment property

The company holds investment property with fair value of £595,000 at the year end (see note 15). In order to determine the fair value of the investment property the directors engaged Glenny LLP to carry out an independent valuation of the freehold of the property at 31 December 2016. The directors have then used a valuation technique based on comparable market data to value the leasehold properties. Fair value of the investment property is most sensitive to fluctuations in the property market therefore resulting in a fair value movement of £1,685.

Listed investments

The company holds listed investments with fair value of £94,739 at the year end (see note 17). The fair value of listed investments is measured using quoted prices in active markets.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Rental income	49,574	50,462
Service charges	17,979	11,015
	<u>67,553</u>	<u>61,477</u>

All turnover arose within the United Kingdom.

5. Fair value movements

	2018 £	2017 £
Remeasurement of investment property	1,685	(115,020)
Remeasurement of listed investments	(10,642)	2,714
	<u>(8,957)</u>	<u>(112,306)</u>

6. Operating loss

The operating loss is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	11,223	10,039
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	4,200	5,440

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

7. Employees

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

	2018 £	2017 £
Wages and salaries	165,309	237,742
Social security costs	16,139	24,006
Cost of defined contribution scheme	10,773	9,769
	<u>192,221</u>	<u>271,517</u>

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

	2018 No.	2017 No.
	<u>5</u>	<u>5</u>

8. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	129,253	198,539
Company contributions to defined contribution pension schemes	10,553	9,769
	<u>139,806</u>	<u>208,308</u>

During the year retirement benefits were accruing to 3 directors (2017 - 3) in respect of defined contribution pension schemes.

9. Income from investments

	2018 £	2017 £
Income from current asset investments	517	475
	<u>517</u>	<u>475</u>

David Holman & Co Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

10. Interest receivable

	2018	2017
	£	£
Other interest receivable	1,023	160
	1,023	160

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

11. Taxation

	2018 £	2017 £
	<u> </u>	<u> </u>
Total current tax	<u> - </u>	<u> - </u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
	<u> </u>	<u> </u>
(Loss) / Profit on ordinary activities before tax	<u>(255,759)</u>	<u>(414,624)</u>
(Loss) / Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	<u>(48,594)</u>	<u>(79,801)</u>

Effects of:

Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,214	2,120
Depreciation for year in excess of capital allowances	117	404
Short term timing difference leading to a decrease in taxation	(4,348)	-
Non-taxable fair value remeasurements	1,702	21,615
Capital losses	-	184
Dividends from UK companies	(98)	(91)
Unrelieved tax losses carried forward	49,007	55,569
	<u> </u>	<u> </u>
Total tax charge for the year	<u> - </u>	<u> - </u>

Factors that may affect future tax charges

The company has unutilised tax losses available which are expected to be sufficient to eliminate any tax liability that would arise should the company's investment property be disposed of at its fair value, as shown in these financial statements.

No deferred tax has been recognised in respect of these unutilised losses nor on any revaluation surpluses recognised in respect of investments as the net balance is not considered to be material.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

12. Dividends

	2018 £	2017 £
Dividends paid on equity capital	-	5,000
	<u>-</u>	<u>5,000</u>
	<u>-</u>	<u>5,000</u>

13. Tangible fixed assets

	Motor vehicles £	Fixtures & fittings £	Total £
Cost			
At 1 January 2018	34,450	19,929	54,379
Additions	-	3,480	3,480
At 31 December 2018	<u>34,450</u>	<u>23,409</u>	<u>57,859</u>
Depreciation			
At 1 January 2018	18,376	5,444	23,820
Charge for the year on owned assets	6,890	4,333	11,223
At 31 December 2018	<u>25,266</u>	<u>9,777</u>	<u>35,043</u>
Net book value			
At 31 December 2018	<u>9,184</u>	<u>13,632</u>	<u>22,816</u>
At 31 December 2017	<u>16,074</u>	<u>14,485</u>	<u>30,559</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

14. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2018	640,015
At 31 December 2018	<u>640,015</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Nameco (No. 523) Limited	5th Floor, 40 Gracechurch Street, London, England, EC3V 0BT	Lloyd's corporate capital member	Ordinary	100%

15. Investment property

	Freehold investment property £
Valuation	
At 1 January 2018	1,019,990
Additions at cost	6,908
Disposals	(433,583)
Surplus on revaluation	1,685
At 31 December 2018	<u><u>595,000</u></u>

The 2018 and 2017 valuations of the freehold property were made by the directors, using the 2016 valuation obtained from external specialists and updated to reflect current market conditions.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

16. Debtors

	2018 £	2017 £
Trade debtors	12,350	5,905
Amounts owed by group undertakings	316,914	498,373
Other debtors	2,060,171	1,657,520
Prepayments and accrued income	6,273	2,459
	<u>2,395,708</u>	<u>2,164,257</u>

17. Current asset investments

	2018 £	2017 £
Listed investments	94,739	102,458
	<u>94,739</u>	<u>102,458</u>

18. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	231,302	389,248
	<u>231,302</u>	<u>389,248</u>

19. Creditors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	1,071,721	1,071,721
Other creditors	1,214,008	1,222,556
Accruals and deferred income	55,336	157,580
	<u>2,341,065</u>	<u>2,451,857</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

20. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	94,739	102,458
Financial assets that are debt instruments measured at amortised cost	2,389,435	2,161,799
	<u>2,484,174</u>	<u>2,264,257</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(2,341,065)</u>	<u>(2,451,857)</u>

Financial assets measured at fair value through profit or loss comprise listed investments.

Financial assets measured at amortised cost comprise trade debtors, amounts due from group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise amounts due to group undertakings, amounts due to connected companies, other creditors and accruals.

The company's principal financial instruments comprise listed investments, bank balances, loans from related parties, trade debtors and other creditors. Listed investments are held as a means of generating income and capital growth, as well as a means of retaining funds for making future investments in areas such as property. Other financial instruments are held as working capital of the company.

The company is exposed to price risk in respect of its listed investments. This risk is managed through the careful management of the portfolio in order to meet the objectives of the Board, taking professional advice wherever it is appropriate to do so. To this end the portfolio is principally held with Ruffer.

In respect of bank balances the liquidity risk is managed by ensuring that there always remains sufficient funds to meet the obligations of the company. The company does not make use of bank overdrafts, but will borrow funds from related parties in order to meet amounts falling due when necessary.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to tenants and the regular monitoring of amounts outstanding for both time and credit limits.

Creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

21. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
250,300 (2017 - 250,300) Ordinary shares shares of £1.00 each	<u>250,300</u>	<u>250,300</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

22. Reserves

Share premium account

This reserve records the amount above the nominal value received for shares issued by the company. Share premium may only be utilised to write-off any expenses incurred or commissions paid on the issue of those shares, or to pay up new shares to be allotted to members as fully paid bonus shares.

Non-distributable reserve

To assist with the identification of profits available for distribution this reserve represents changes in the fair value of the company's financial instruments and investment properties to the extent that they are not considered to be distributable to the company's shareholders, less any related provision for current or deferred tax.

Profit & loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. During the year the company contributed a total of £10,773 (2017: £9,769) into the pension scheme.

24. Related party transactions

Included in other creditors at 31 December 2018 is £1,200,820 (2017: £1,216,680), an amount owed to Holdfield Group (No 2) Limited, a company where Mr M J Holman is a director and shareholder. The loan is interest free and repayable on demand.

Included in other debtors at 31 December 2018 is £2,033,423 (2017: £1,655,708), owed from Queensmere House Limited, a company where Mr M J Holman is a director and shareholder. The loan is interest free and repayable on demand.

Mr M J Holman, a director of the company, owed the company at 31 December 2018 £7,443 (2017: £163 was owed by the company). Interest of £167 (2017: £38) was charged to Mr M J Holman in the year to 31 December 2018.

25. Controlling party

During the year the company was a wholly owned subsidiary of David Holman Holdings Limited, a company incorporated in England and Wales.

The ultimate controlling party of David Holman Holdings Limited is Mr M J Holman, a director of the company, by virtue of his 100% interest in the share capital of the parent undertaking.