

COMPANY REGISTRATION NUMBER: 01722436

**Pacific Investments Management Limited**  
**Annual Report and Audited Financial Statements**  
**For the Year Ended 30 June 2021**

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# **Pacific Investments Management Limited**

## **Financial Statements for the year ended 30 June 2021**

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# **Pacific Investments Management Limited**

## **Directors' Report**

**for the year ended 30 June 2021**

The directors present their report and the audited financial statements of Pacific Investments Management Limited ("the company") for the year ended 30 June 2021.

### **Directors**

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

JL Beckwith  
HJ Beckwith  
SP Beckwith  
MC Johnson  
SD Roberts  
DF Rogers

### **Dividends**

The directors do not recommend the payment of a dividend (2020: none).

### **Principal activities**

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

### **Results for the period**

The loss for the year after taxation was £3,389,054 (2020: £327,046 profit).

### **Key performance indicators ("KPIs")**

Given the nature of the business, the directors feel that the financial statements give an adequate indication of the continuing performance of the company. The directors are of the opinion that any additional information that is not disclosed within the report or the financial statements is either too subjective to be useful to users of the accounts, or too commercially sensitive to be presented in this context.

### **Principal risks and uncertainties**

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risk of the group and are not managed separately. Accordingly, the principal risks and uncertainties of the Pacific Investments Limited group, which include those of the company, are discussed within the "Principal risks and uncertainties" paragraph in the directors' report in the consolidated financial statements of Pacific Investments Limited, which do not form part of this report.

### **Liquidity and interest rate risk**

The company has access to the Pacific Investments Limited group loan facility. This is sufficient for current and planned future operations. Interest rate exposure is not considered a risk given the nature of its interest-bearing assets and liabilities. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

# **Pacific Investments Management Limited**

## **Directors' Report (*continued*)**

**for the year ended 30 June 2021**

### **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 FRS102 "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 judgements 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; and
- 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.

### **Auditor**

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware;
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information; and
- this information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint Nexia Smith & Williamson as auditors will be proposed at the forthcoming Annual General Meeting.

In preparing this report, the directors have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

# **Pacific Investments Management Limited**

## **Directors' Report (*continued*)**

**for the year ended 30 June 2021**

This report was approved by the board of directors on 17 December 2021 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'SD Roberts', is positioned above the printed name and title.

SD Roberts  
Director

Registered office:  
124 Sloane Street  
London  
United Kingdom  
SW1X 9BW

**Pacific Investments Management Limited**  
**Independent Auditor's Report to the Shareholders of Pacific Investments Management**  
**Limited**  
**for the year ended 30 June 2021**

**Opinion**

We have audited the financial statements of Pacific Investment Management Limited (the 'company') for the year ended 30 June 2021 which comprise the Statement of Income and Retained Earnings, Statement of Financial Position and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2021 and of its profit 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 Auditor's 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 UK, including the FRC'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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

We have nothing to report in this regard.

**Pacific Investments Management Limited**  
**Independent Auditor's Report to the Shareholders of Pacific Investments Management**  
**Limited (*continued*)**  
**for the year ended 30 June 2021**

**Opinions 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or 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.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out 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.

**Auditor's 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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements and which are central to the Company's ability to conduct its business and where failure to comply could result in material penalties. The Company must abide by the Companies Act 2006 and FRS102 in respect of the preparation and presentation of the financial statements. Aside from this, we did not identify any specific laws and regulations as being of significance in the context of the Company.

**Pacific Investments Management Limited**  
**Independent Auditor's Report to the Shareholders of Pacific Investments Management**  
**Limited (*continued*)**  
**for the year ended 30 June 2021**

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- We enquired with the Company's management as to the existence of litigation and no material items were identified;
- We have reviewed legal correspondence throughout the year, and nothing has come to light in respect of non-compliance
- We obtained written management representations regarding disclosure of any non-compliance with laws and regulations.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. We also considered performance targets and their influence on efforts made by management to meet external pressures in reporting the financial results or for personal interest of the directors.

Audit procedures performed by the engagement team on the areas where fraud might occur included:

- Testing of the recognition and valuation of investments;
- Evaluation of the design effectiveness of management's controls designed to prevent and detect irregularities;
- Testing journal entries, selected based on specific risk assessments applied based on client processes and controls surrounding manual journals;

The senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**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 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.



**Guy Swarbreck**  
Senior Statutory Auditor, for and on behalf of  
**Nexia Smith & Williamson**  
Statutory Auditor  
Chartered accountant  
25 Moorgate  
London  
EC2R 6AY

20 December 2021



# Pacific Investments Management Limited

## Statement of Income and Retained Earnings

for the year ended 30 June 2021

	Note	2021 £	2020 £
Administrative expenses		(5,509,463)	(4,142,505)
Other operating income	5	572,694	2,032,926
<b>Operating loss</b>	6	(4,936,769)	(2,109,579)
Income from shares in group undertakings	10	2,132,642	-
Share of profits in group partnerships	11	1,731,237	2,132,664
Fair value revaluation of fixed asset investments	12	(1,421,181)	638,432
Other interest receivable and similar income	13	197	35,422
Investment income	14	591,192	733,910
Increase in provisions	15	(927,253)	(613,939)
Interest payable and similar charges	16	(559,119)	(489,864)
<b>(Loss)/ Profit on ordinary activities before taxation</b>		(3,389,054)	327,046
Tax on profit on ordinary activities	17	-	-
<b>(Loss)/ Profit for the financial year and total comprehensive income</b>		(3,389,054)	327,046
<b>Retained earnings at the start of the year</b>		30,164,193	29,837,147
<b>Retained earnings at the end of the year</b>		26,775,139	30,164,193

The notes on pages 9 to 24 form part of these financial statements.

# Pacific Investments Management Limited

## Statement of Financial Position

for the year ended 30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	18	132,983	215,670
Investments	19	49,691,030	54,518,277
		<u>49,824,013</u>	<u>54,733,947</u>
<b>Current assets</b>			
Debtors	20	6,897,709	5,311,219
Cash at bank and in hand		5,755,657	2,935,944
		<u>12,653,366</u>	<u>8,247,163</u>
<b>Creditors: amounts falling due within one year</b>	21	<u>(17,252,240)</u>	<u>(16,866,917)</u>
<b>Net current liabilities</b>		<u>(4,598,874)</u>	<u>(8,619,754)</u>
<b>Total assets less current liabilities</b>		<u>45,225,139</u>	<u>46,114,193</u>
<b>Creditors: amounts falling due after more than one year</b>	22	<u>(12,500,000)</u>	<u>(10,000,000)</u>
<b>Net assets</b>		<u>32,725,139</u>	<u>36,114,193</u>
<b>Capital and reserves</b>			
Called up share capital	25	5,950,000	5,950,000
Retained earnings	26	26,775,139	30,164,193
<b>Shareholders' funds</b>		<u>32,725,139</u>	<u>36,114,193</u>

These financial statements were approved by the board of directors and authorised for issue on 17 December 2021 and are signed on behalf of the board by:



SD Roberts  
Director

Company registration number: 01722436

The notes on pages 9 to 23 form part of these financial statements.

# **Pacific Investments Management Limited**

## **Notes to the Financial Statements**

**for the year ended 30 June 2021**

### **1. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **2. General information**

Pacific Investments Management Limited (01722436) is a private company limited by shares incorporated in England and Wales. The address and registered office is 124 Sloane Street, London, SW1X 9BW. The nature of the company's operations are set out in the Directors' Report on page 1.

### **3. Accounting policies**

#### **Basis of preparation**

The company is a subsidiary of the Pacific Investments Limited group of companies and is included in the consolidated financial statements of Pacific Investments Limited, which are publicly available. The company is therefore exempt from preparing its own consolidated financial statements.

The functional currency of the company is considered to be pounds sterling as this is the currency of the primary environment in which the company operates.

#### **Going concern**

The Directors have considered the impact of COVID-19 on both the operational ability and financial performance of the company and they consider there to be no material impact to disclose.

The directors have made an assessment of the company's ability to continue as a going concern and are satisfied that the company has sufficient resources to continue in business for the foreseeable future, a period of not less than twelve months from the date of this report.

As part of the assessment, the company reviewed the cash requirements of the company including supported subsidiaries against the cash generation of subsidiaries and the availability and liquidity of listed and other assets held by the company and supported subsidiaries.

The directors are satisfied that the company will have adequate resources to continue in operational existence for the foreseeable future, and so they continue to adopt the going concern basis of accounting in preparing these financial statements.

#### **Disclosure Exemptions**

The company has taken advantage of the following exemptions available under FRS 102:

- The exemption from preparing a Statement of Cash Flows; and
- The exemption from disclosing key management personnel compensation.

# **Pacific Investments Management Limited**

## **Notes to the Financial Statements (*continued*)**

**for the year ended 30 June 2021**

### **3. Accounting policies (*continued*)**

#### **Current and deferred taxation**

Current and deferred tax is recognised in the Statement of Income and Retained Earnings, except that a change 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is possible that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between fair values of assets acquired and the future tax deductions available for them and the differences between fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### **Investment in subsidiaries**

Investments in subsidiaries are stated at cost less any provisions for permanent diminution in value. Realised gains and losses are dealt with through the statement of income and retained earnings. A review for impairment is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable, in which case an impairment provision is recognised and charged to the statement of income and retained earnings.

#### **Investments in associates**

Investments are stated at cost less any provision for permanent diminution in value. Realised gains and losses are dealt with through the Statement of Income and Retained Earnings. A review for impairment is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable, in which case an impairment provision is recognised and charged to the statement of comprehensive income.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **Tangible assets**

Tangible fixed assets are initially recorded at their purchase price, together with any incidental expenses of acquisition.

# **Pacific Investments Management Limited**

## **Notes to the Financial Statements (*continued*)**

**for the year ended 30 June 2021**

### **3. Accounting policies (*continued*)**

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	10% straight line
Furniture, fixtures & fittings	-	20% straight line
Motor vehicles	-	20% straight line
Computer equipment	-	33% straight line

#### **Financial instruments**

Listed fixed asset investments and actively traded fund investments are initially recorded at fair value. These investments are subsequently revalued to fair value each year end, with revaluation gains and losses recorded in the Statement of Income and Retained Earnings for the period in which they relate:

Unlisted fixed asset investments are stated at fair value. These investments are subsequently revalued to fair value each year end, with revaluation gains and losses recorded in the Statement of Income and Retained Earnings for the period in which they relate.

Financial assets and financial liabilities are recognised in the balance sheet when the group becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the group will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the group's cash management.

Financial liabilities and equity instruments issued by the group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

# **Pacific Investments Management Limited**

## **Notes to the Financial Statements (*continued*)**

**for the year ended 30 June 2021**

### **3. Accounting policies (*continued*)**

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in the Statement of Income and Retained Earnings in the period in which it arises.

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as the lower of the fair value of the lease asset and the present value of the minimum lease payments at inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

#### **Other operating income**

Other operating income represents investment income and fees charged to companies for corporate finance and administration assistance.

#### **Income from shares in group undertakings**

Income from shares in group undertakings represents dividends receivable from subsidiary investments, and is recognised when dividends are declared.

#### **Investment Income**

Investment income represents dividends receivable from listed investments, and is recognised when dividends are declared.

#### **Dividends**

Dividend distributions payable to equity shareholders are included in current liabilities when the dividends are approved in a general meeting prior to the balance sheet date.

### **4. Key sources of estimation uncertainty and judgements**

The preparation of the financial statements in conformity with the generally accepted accounting practices requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period.

#### **(i) Carrying value of investments in subsidiaries**

Investments in subsidiaries are initially recorded at cost and subsequently measured at cost less provision for impairment. The directors have reviewed all forecast and budgetary information available to them and have

# Pacific Investments Management Limited

## Notes to the Financial Statements *(continued)*

for the year ended 30 June 2021

### 4. Key sources of estimation uncertainty and judgements *(continued)*

made provisions where there is objective evidence that the company will not recover the full amount stated in these financial statements.

The carrying value of investments in subsidiaries amounts to £21,121,828 (2020: £24,580,376).

#### (ii) Valuation of unlisted fixed asset investments

Interests held in unlisted investments are carried at fair value, amounting to £243,000 (2020: £181,500) and therefore assumptions are used in the valuation of these investments. Although every attempt is made to ensure that the assumptions used are as accurate as possible there remains a risk that the fair value of these investments is ultimately different to the valuation within these financial statements.

### 5. Other operating income

	2021 £	2020 £
Other operating income	<u>572,694</u>	<u>2,032,926</u>

Other operating income of £572,694 (2020: £2,032,926) represents fees charged for corporate finance and administrative assistance.

### 6. Operating loss

Operating loss is stated after crediting:

	2021 £	2020 £
Depreciation of tangible assets	97,152	120,300
Operating lease rentals	565,570	558,481
Foreign exchange differences	879,171	(251,259)
Defined contribution plans expense	<u>43,436</u>	<u>43,436</u>

### 7. Auditor's remuneration

	2021 £	2020 £
Pacific Investments Management Limited	<u>19,207</u>	<u>12,369</u>
	<u>19,207</u>	<u>12,369</u>

# Pacific Investments Management Limited

## Notes to the Financial Statements (*continued*)

for the year ended 30 June 2021

### 8. Staff costs

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

	2021 No.	2020 No.
Number of head office staff	<u>18</u>	<u>20</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021 £	2020 £
Wages and salaries	2,389,970	2,148,205
Social security costs	400,169	431,721
Other pension costs	47,656	43,436
	<u>2,837,795</u>	<u>2,623,362</u>

### 9. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2021 £	2020 £
Aggregate remuneration	<u>1,035,943</u>	<u>1,569,426</u>

Remuneration of the highest paid director in respect of qualifying services:

	2021 £	2020 £
Remuneration	<u>345,266</u>	<u>393,323</u>

### 10. Income from shares in group undertakings

	2021 £	2020 £
Income from group undertakings	<u>2,132,642</u>	<u>-</u>

### 11. Share of profits in group partnerships

	2021 £	2020 £
Share of profits in group partnerships	<u>1,731,237</u>	<u>2,132,664</u>



# Pacific Investments Management Limited

## Notes to the Financial Statements *(continued)*

for the year ended 30 June 2021

### 12. Fair value revaluation of fixed asset investments

	2021 £	2020 £
Fair value revaluation of listed investments	(1,426,681)	618,732
Fair value revaluation of unlisted investments	5,500	19,700
	<u>(1,421,181)</u>	<u>638,432</u>

### 13. Other interest receivable and similar income

	2021 £	2020 £
Interest on cash and cash equivalents	197	35,422
	<u>197</u>	<u>35,422</u>

### 14. Investment income

	2021 £	2020 £
Dividends received from listed investments	591,192	733,910

### 15. Provisions

	2021 £	2020 £
Increase in provisions	(927,253)	(613,939)

### 16. Interest payable and similar charges

	2021 £	2020 £
Interest on banks loans and overdrafts	559,119	489,864

### 17. Tax on profit on ordinary activities

Major components of tax expense/(income)

	2021 £	2020 £
Current tax:		
UK current tax	-	-
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

# Pacific Investments Management Limited

## Notes to the Financial Statements (*continued*)

for the year ended 30 June 2021

### 17. Tax on profit on ordinary activities (*continued*)

The tax assessed on the profit on ordinary activities for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit on ordinary activities before taxation	(3,389,054)	327,046
Profit on ordinary activities by rate of tax	(643,920)	62,139
Effect of net (income)/expenses not allowable for tax purposes	(364,435)	(474,993)
Unrelieved tax losses carried forward net of losses utilised	1,008,355	412,855
Tax on profit on ordinary activities	-	-

### 18. Tangible assets

	Leasehold improvements £	Furniture, fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>					
At 1 July 2020	310,373	409,345	49,975	185,337	955,030
Additions	-	4,147	-	10,318	14,465
Disposals	-	-	(49,975)	-	(49,975)
<b>At 30 June 2021</b>	<b>310,373</b>	<b>413,492</b>	<b>-</b>	<b>195,655</b>	<b>919,520</b>
<b>Depreciation</b>					
At 1 July 2020	185,997	353,455	36,093	163,815	739,360
Disposals	-	-	(49,975)	-	(49,975)
Charge for the year	18,408	50,332	13,882	14,530	97,152
<b>At 30 June 2021</b>	<b>204,405</b>	<b>403,787</b>	<b>-</b>	<b>178,345</b>	<b>786,537</b>
<b>Carrying amount</b>					
<b>At 30 June 2021</b>	<b>105,968</b>	<b>9,705</b>	<b>-</b>	<b>17,310</b>	<b>132,983</b>
At 30 June 2020	124,376	55,890	13,882	21,522	215,670

# Pacific Investments Management Limited

## Notes to the Financial Statements (*continued*)

for the year ended 30 June 2021

### 19. Investments

Investments are analysed as follows:

	2021 £	2020 £
Subsidiary undertakings	21,121,828	24,580,376
Listed fixed asset investments	28,326,202	29,756,401
Fixed asset investments	243,000	181,500
	<b>49,691,030</b>	<b>54,518,277</b>

#### Investment in subsidiary undertakings

	Shares £	Partnership Capital £	Loans £	Total £
Cost at 1 July 2020	8,644,543	277,007	39,736,274	48,657,824
Additions	1,759,168	-	992,068	2,751,236
Disposals	(3,455,484)	(56,302)	(20,316,695)	(23,828,481)
Cost at 30 June 2021	6,948,227	220,705	20,411,647	27,580,579
Provision at 1 July 2020	(4,000,000)	-	(20,077,445)	(24,077,445)
Additions	-	-	(1,099,246)	(1,099,246)
Disposals	-	-	18,717,940	18,717,940
Provision at 30 June 2021	(4,000,000)	-	(2,458,751)	(6,458,751)
<b>Net Book Value</b>				
<b>At 30 June 2021</b>	<b>2,948,227</b>	<b>220,705</b>	<b>17,952,896</b>	<b>21,121,828</b>
At 30 June 2020	4,644,543	277,007	19,658,829	24,580,379

Loans to subsidiaries represent long term funding and are considered equity in nature. Repayment will not be demanded until alternative external funding is achieved, either via refinancing, flotation, trade sale or similar.

Details of directly held subsidiary undertakings as at 30 June 2021, all of which are included in the consolidated financial statements of Pacific Investments Limited. Unless stated otherwise, the registered office address for all the entities list below is 124 Sloane Street, London, SW1X 9BW.

# Pacific Investments Management Limited

## Notes to the Financial Statements *(continued)*

for the year ended 30 June 2021

### 19. Investments *(continued)*

Name of Undertaking	Principal	Shares	Effective	Country of Incorporation
	Activity		Interest	
Pacific Healthcare Limited	Investment holding Co	Ordinary	100%	England & Wales
Beckwith Capital Investment Limited	Investment holding Co	Ordinary	100%	England & Wales
Camojan Limited	Investment holding Co	Ordinary	100%	England & Wales
Keyrock Capital Limited	Investment holding Co	Ordinary	100%	England & Wales
Old Mortar Capital Limited	Investment holding Co	Ordinary	55%	England & Wales
Futbol City Holdings UK Limited	Investment holding Co	Ordinary	80%	England & Wales
Mortar Capital Limited	Investment holding Co	Ordinary	100%	England & Wales
Puma Capital Limited	Property Lending	Ordinary	100%	England & Wales
Puma Capital Holdings Limited	Investment holding Co	Ordinary	80%	England & Wales
Pacific Industrial LLP	Asset management	n/a	70%	England & Wales
PAM Asset Management Holdings Limited	Investment holding Co	Ordinary	100%	England & Wales
ELREP Malta IB Ltd (3)	Investment holding Co	Ordinary	90%	Malta
European Logistics Real Estate Partners LLP	Property development	n/a	58%	England & Wales
Redwood NCM LLC (1)	Property investment management	n/a	100%	USA
Clube VII de Health Sociedade Unipresspoal Lda (2)	Sports and leisure club	n/a	100%	Portugal

(1) Registered office address: 49 Pratt Street, Essex, Conneticut 06429, USA

(2) Registered office address: Parque Eduardo VII, 1070-099 Lisboa, Portugal

(3) Registered office address: 114, The Strand, Gzira, Malta

# Pacific Investments Management Limited

## Notes to the Financial Statements *(continued)*

for the year ended 30 June 2021

### 19. Investments *(continued)*

#### Listed fixed asset investments

Investments are analysed as follows:

	£
Value at 1 July 2020	29,756,401
Revaluations	(1,426,681)
Additions	10,000
Disposals	(13,518)
<b>Value at 30 June 2021</b>	<b>28,326,202</b>

#### Unlisted fixed asset investments

Unlisted investments are analysed as follows:

	£
Value at 1 July 2020	181,500
Revaluations	5,500
Additions	56,000
<b>Value at 30 June 2021</b>	<b>243,000</b>

### 20. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	4,713,099	3,889,044
Amounts owed by related parties	1,287,847	10,288
Prepayments	265,457	531,098
Other debtors	631,306	880,789
	<b>6,897,709</b>	<b>5,311,219</b>

# Pacific Investments Management Limited

## Notes to the Financial Statements (*continued*)

for the year ended 30 June 2021

### 21. Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	11,463,790	11,367,513
Accruals	200,197	140,557
Social security and other taxes	94,623	122,680
Shares classed as financial liabilities	5,000,000	5,000,000
Finance lease liability	-	12,247
Other creditors	493,630	223,920
	<u>17,252,240</u>	<u>16,866,917</u>

Amounts owed to group undertakings were issued without terms and are thus classified as falling due within one year.

### 22. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans	12,500,000	10,000,000
	<u>12,500,000</u>	<u>10,000,000</u>

Included within 'Bank loans' is corporate cross-guarantee to Lloyds Bank plc with a balance at 30 June 2021 of £12,500,000 (2020: £10,000,000 included in 'Creditors: amounts falling due after more than one year'). The bank loan is secured by a floating charge over the fixed assets of the company, further disclosure of the cross-guarantee is disclosed in note 29. Interest on this balance is charged at a margin rate of 4.25% plus the base rate of interest. In the prior year the bank loan was renegotiated with extended terms to October 2022.

### 23. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £47,656 (2020: £43,436).

### 24. Financial instruments

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

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	28,569,202	29,937,901
Financial assets that are debt instruments measured at amortised cost	6,577,121	4,719,083
Financial assets that are equity instruments measured at cost less impairment	<u>21,121,828</u>	<u>24,580,377</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(29,657,617)</u>	<u>(27,346,040)</u>

# Pacific Investments Management Limited

## Notes to the Financial Statements *(continued)*

for the year ended 30 June 2021

### 24. *Financial instruments (continued)*

Financial assets measured at fair value through profit and loss comprise listed and unlisted fixed asset investments.

Financial assets measured at amortised cost comprise amounts owed by group undertakings, amounts owed by related parties and other debtors.

Financial assets measured at cost less impairment comprise investments in subsidiary undertakings.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings, shares classified as financial liabilities, accruals, other creditors and bank loans.

### 25. Called up share capital issued

#### **Called up and fully paid**

	2021		2020	
	No.	£	No.	£
<b>Amounts presented in equity:</b>				
Ordinary shares of £1 each shares of £1 each	4,000,000	4,000,000	3,450,000	3,450,000
'B' Preference Shares of £1 each shares of £1 each	4,000,000	4,000,000	2,500,000	2,500,000
	<u>8,000,000</u>	<u>8,000,000</u>	<u>5,950,000</u>	<u>5,950,000</u>
<b>Amounts presented in liabilities:</b>				
'A' Preference Shares of £1 each shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>

The 'A' preference shares are redeemable at par by the company between six and eleven years from the date of issue or as soon thereafter as the company shall be able to comply with the statutory provisions for the time being effecting such redemption. The first possible redemption date was 30 June 2000. The 'B' preference shares are redeemable at par at any time at the option of the company.

In the event of a winding up of the company, the 'A' preference shares and the 'B' preference shares rank pari passu for repayment but in priority to the ordinary shares. Neither class of preference share carries any right to receive notice of or vote at any General Meeting of the company. Further details of rights attaching to each category of share may be found in the Articles of Association of the company.

### 26. Reserves

Retained earnings - This reserve records retained earnings and accumulated losses, less amounts distributed to shareholders.

# Pacific Investments Management Limited

## Notes to the Financial Statements (*continued*)

for the year ended 30 June 2021

### 27. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	551,861	551,861
Later than 1 year and not later than 5 years	2,207,444	2,207,444
Later than 5 years	419,040	970,901
	<u>3,178,345</u>	<u>3,730,206</u>

### 28. Related party transactions

The company is exempt under the terms of FRS 102 from disclosing related party transactions with entities that are wholly owned members of the Pacific Investments Limited Group of companies.

During the year the company carried out transactions with London and Continental Partners LLP, a subsidiary undertaking. The net amount of these transactions was a loan decrease of £33,319 (2020: £7,851). At 30 June 2021 London and Continental Partners LLP owed the company £nil (2020: £33,319) and the company had a capital balance of £nil (2020: £7,500); these balances are included in 'Investment in subsidiary undertakings'.

During the year the company, withdrew £296,511 (2020: £347,666) of capital from Pacific Industrial LLP, a subsidiary, and charged £3,223,000 (2020: £175,000) in management service fees. At 30 June 2021 the company had a capital balance of £99,533 (2020: £198,661) which has been included in 'Investment in subsidiary undertakings'. During the year, the company was allocated £1,418,575 (2020: £2,192,783) of profits from the LLP and received distributions of £587,568 (2020: £908,732).

During the year the company carried out transactions with Puma Capital Holdings Limited, a subsidiary undertaking. The net amount of these transactions was a loan increase of £982,013. At 30 June 2021 Puma Capital Holdings Limited owed the company £2,372,724 which is included in 'Investment in subsidiary undertakings'.

During the year fees of £20,000 (2020: £20,000) were charged to the JL Beckwith 1986 Children's Settlement Trust, of which JL Beckwith is a Trustee, and at 30 June 2021 nil (2020: £nil) was receivable from the Trust.

During the period Pacific Investments Managements Limited withdrew £3,741,881 (2020: £953,117 injected) of capital from European Logistics Real Estate Partners LLP. Pacific Investments Management Limited was allocated £nil (2020: £112,633) losses during the period. At 31 June 2021 Pacific Investments Management Limited has a capital balance of £nil (2020: £1,215,592)

No further transactions with related parties were undertaken such as are required to be disclosed under FRS 102.



# **Pacific Investments Management Limited**

## **Notes to the Financial Statements (*continued*)**

**for the year ended 30 June 2021**

### **29. Guarantees**

The company provides a corporate cross-guarantee to Lloyds Bank plc in respect of bank loans and overdrafts of Pacific Investments Limited, Beckwith Capital Investment Limited, Pacific Strategic Limited (formerly known as Beckwith Capital Developments Limited), Pacific Healthcare Limited, Red River Capital Limited, Pacific Capital Partners Limited, PAM Asset Management Holdings Limited, CMBA Investments Limited, Camojan Limited and PCP2 Limited. As security, the bank holds a debenture comprising fixed and floating charges over the assets of the Company. At 30 June 2021, total borrowings against which this cross-guarantee applied were £12.5 million (2020: £10.0 million).

### **30. Contingency**

The company has committed to provide financial support to a number of subsidiary undertakings within the group.

### **31. Controlling party**

The company's immediate and ultimate parent company was Pacific Investments Limited, a company registered in England & Wales.

In the opinion of the directors, the ultimate controlling party of the company was JL Beckwith, a director and majority shareholder of the ultimate holding company.