

**Ellerman Investments Limited**  
(registered number: 1848089)

**Report of the directors and consolidated financial statements  
for the year ended 31 December 2012**



# Ellerman Investments Limited

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## **Ellerman Investments Limited**

### **Report of the directors for the year ended 31 December 2012 (registered number. 1848089)**

The directors present their report and audited financial statements of the company and its subsidiaries ("the group") for the year ended 31 December 2012

#### **Principal activities and business review**

The company and group's main business activities are group administration, property management and the supply of IT services

#### **Directors**

The directors of the company during the year ended 31 December 2012 and up to the date of signing the financial statements were

A S Barclay  
H M Barclay  
R J Faber  
N J Hopper  
R K Mowatt  
P L Peters  
M Seal

#### **Results and dividend**

The loss for the financial year of £3.0 million (2011 loss £2.9 million) has been transferred to reserves. The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2012 (2011 nil)

#### **Charitable donations**

Donations of £6,700 (2011 £5,400) were made by the group during the year for charitable purposes

## **Ellerman Investments Limited**

### **Report of the directors for the year ended 31 December 2012 (continued) (registered number: 1848089)**

#### **Employees' involvement**

The commitment, innovation and drive of the employees of the group's subsidiaries are core to the on-going development and success of our business. The group pursues a policy of equal opportunities for all employees and potential employees. The group offers equal employment opportunities to disabled persons and suitable retraining is provided wherever practicable for employees who become disabled during service.

The group continues to offer career enhancement to its employees by way of management and personal development courses.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account, within the limitations of commercial confidentiality, when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the group as a whole. Communication with all employees continues through staff forum, management briefings, regular heads of department briefings, staff surveys and intranet.

#### **Equal opportunities**

The company is committed to an active equal opportunities policy from recruitment and selection, through training and development, appraisal and promotion to retirement.

It is the company's policy to promote an environment free from discrimination, harassment and victimisation, where everyone will receive equal treatment regardless of gender, colour, ethnic or national origin, disability, age, marital status, sexual orientation or religion. All decisions relating to employment practices will be objective, free from bias and based solely upon work criteria and individual merit.

The company is responsive to the needs of its employees, customers and the community at large and are an organisation that endeavours to use everyone's talents and abilities to the full.

#### **Creditor payment policy**

For all trade creditors, it is the company's policy to

- agree the terms of payment at the start of business with the supplier,
- ensure that suppliers are aware of the terms of payment, and
- pay in accordance with its contractual and other legal obligations.

It is the company's policy in respect of all suppliers to agree payment terms in advance of the supply of goods and to adhere to those payment terms.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the report of the directors 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 prepared the group and parent company's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

## **Ellerman Investments Limited**

### **Report of the directors for the year ended 31 December 2012 (continued) (registered number: 1848089)**

#### **Statement of directors' responsibilities (continued)**

- 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,
- 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### **Disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's and group's auditors are unaware and the directors have taken all the steps that ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's and group's auditors are aware of that information.

#### **Financial risks**

The group's activities expose it to liquidity and interest rate risk. The group's overall financial risk management objective is to minimise its potential adverse effects on the financial performance of the group.

- **Liquidity risk**

The group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient funding requirements for working capital. The group has debt facilities that are designed to ensure that it has sufficient available funds for operations and planned expansions.

- **Interest rate risk**

The group has interest bearing assets which consist of cash balances.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



M Seal  
Director  
9 April 2013

## **Ellerman Investments Limited**

### **Independent auditors' report to the members of Ellerman Investments Limited**

We have audited the group and parent company financial statements (the "financial statements") of Ellerman Investments Limited for the year ended 31 December 2012 which comprise the Consolidated Profit and Loss Account, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of directors' responsibilities set out on pages 3 and 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2012 and of the group's loss and cash flows 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

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Ellerman Investments Limited**

### **Independent auditors' report to the members of Ellerman Investments Limited (continued)**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company's 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



Simon O'Brien (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place, London, WC2N 6RH  
9 April 2013

## Ellerman Investments Limited

### Consolidated profit and loss account for the year ended 31 December 2012

	NOTE	2012 £'000	2011 £'000
<b>Turnover</b>	2	2,734	2,797
Cost of sales		<u>(253)</u>	<u>(270)</u>
Gross profit		2,481	2,527
Administrative expenses	3	<u>(5,462)</u>	<u>(5,459)</u>
<b>Operating loss</b>	2	(2,981)	(2,932)
Interest payable and similar charges	7	(6)	-
Interest receivable and similar income	7	37	5
<b>Loss on ordinary activities before taxation</b>		(2,950)	(2,927)
Tax on loss on ordinary activities	8	<u>-</u>	<u>15</u>
<b>Loss for the financial year</b>	19	<u>(2,950)</u>	<u>(2,912)</u>

All activities are classified as continuing

The group has no recognised gains or losses other than the loss for the financial year, and accordingly a consolidated statement of recognised gains and losses has not been prepared

There is no difference between the loss for the financial year and its historical cost equivalent



# Ellerman Investments Limited

## Consolidated balance sheet as at 31 December 2012 (registered number: 1848089)

	NOTE	2012 £'000	2011 £'000
<b>Fixed assets</b>			
Tangible assets	10	284	397
<b>Current assets</b>			
Debtors amounts falling due within one year	13	701	598
Debtors amounts falling due after more than one year	13	755,316	747,503
Cash at bank and in hand	14	3,710	1,589
		<u>759,727</u>	<u>749,690</u>
<b>Creditors</b> amounts falling due within one year	15	<u>(4,661)</u>	<u>(1,787)</u>
<b>Net current assets</b>		<u>755,066</u>	<u>747,903</u>
<b>Total assets less current liabilities</b>		<u>755,350</u>	<u>748,300</u>
<b>Creditors</b> amounts falling due after more than one year	16	<u>(38,500)</u>	<u>(28,500)</u>
<b>Net assets</b>		<u>716,850</u>	<u>719,800</u>
<b>Capital and reserves</b>			
Called up share capital	18	16,283	16,283
Profit and loss account	19	<u>700,567</u>	<u>703,517</u>
<b>Total shareholders' funds</b>	20	<u>716,850</u>	<u>719,800</u>

The consolidated financial statements on pages 7 to 23 were approved by the board of directors on 9 April 2013 and signed on its behalf by



M Seal  
Director



R K Mowatt  
Director

# Ellerman Investments Limited

Company balance sheet as at 31 December 2012  
(registered number: 1848089)

	NOTE	2012 £'000	2011 £'000
<b>Fixed assets</b>			
Tangible assets	11	84	160
Investments	12	<u>1</u>	<u>1</u>
		<u>85</u>	<u>161</u>
<b>Current assets</b>			
Debtors amounts falling within one year	13	490	438
Debtors amounts falling due after more than one year	13	755,316	747,503
Cash at bank and in hand		<u>-</u>	<u>261</u>
		<u>755,806</u>	<u>748,202</u>
<b>Creditors</b> amounts falling due within one year	15	<u>(448)</u>	<u>(79)</u>
<b>Net current assets</b>		<u>755,358</u>	<u>748,123</u>
<b>Total assets less current liabilities</b>		<u>755,443</u>	<u>748,284</u>
<b>Creditors</b> – amounts falling due after more than one year	16	<u>(38,500)</u>	<u>(28,500)</u>
<b>Net assets</b>		<u>716,943</u>	<u>719,784</u>
<b>Capital and reserves</b>			
Called up share capital	18	16,283	16,283
Profit and loss account	19	<u>700,660</u>	<u>703,501</u>
<b>Total shareholders' funds</b>	21	<u>716,943</u>	<u>719,784</u>

The financial statements on pages 7 to 23 were approved by the board of directors on 9 April 2013 and signed on its behalf by



M Seal  
Director



R K Mowatt  
Director

# Ellerman Investments Limited

## Consolidated cash flow statement for the year ended 31 December 2012

	2012		2011	
	£'000	£'000	£'000	£'000
<b>Net cash inflow/(outflow) from operating activities</b>		7		(2,619)
<b>Returns on investment and servicing of finance</b>				
Interest received	37		5	
Interest paid	(6)		-	
<b>Net cash inflow from returns on investments and servicing of finance</b>		31		5
<b>Taxation</b>				
UK Corporation tax refund		-		-
<b>Capital expenditure and financial investment</b>				
Purchase of tangible fixed assets	(104)		(129)	
<b>Net cash outflow before use of liquid resources and financing</b>		(66)		(2,743)
<b>Financing</b>				
Loan (to)/repaid by immediate holding company		(29,454)		606
Loans repaid by/(to) associated undertakings		21,641		(1,200)
Loan from associated undertaking		10,000		4,178
Increase in borrowings		(216)		-
<b>Increase in cash and bank overdraft</b>		1,905		841

## Ellerman Investments Limited

### Consolidated cash flow statement for the year ended 31 December 2012 (continued)

#### Reconciliation of operating loss to operating cash flows

	2012 £'000	2011 £'000
Operating loss	(2,981)	(2,932)
Depreciation	217	244
Loss on sale of tangible fixed assets	-	1
Decrease/(Increase) in debtors	5,979	(4,241)
(Decrease)/increase in creditors	(3,208)	4,309
Net cash inflow/(outflow) from operating activities	7	(2,619)

#### Reconciliation of net cash flow to movement in net debt

	2012 £'000	2011 £'000
Increase in cash for the year	2,121	78
(Increase)/decrease in bank overdraft	(216)	763
	1,905	841
Loan (to)/repaid by immediate holding company	29,454	(606)
Loans repaid by/(to) associated undertakings	(21,641)	1,200
Loan from associated undertaking	(10,000)	(4,178)
	(282)	(2,743)
Net debt at start of year	720,592	723,335
Net debt at end of year	720,310	720,592

#### Analysis of changes in net debt

	1 January 2012 £'000	Cash flows £'000	31 December 2012 £'000
Cash at bank and in hand	1,589	2,121	3,710
Bank overdraft	-	(216)	(216)
	1,589	1,905	3,494
Loan to immediate holding company	718,085	29,454	747,539
Loans repaid by associated undertakings	29,418	(21,641)	7,777
Loan from associated undertaking	(28,500)	(10,000)	(38,500)
	720,592	(282)	720,310

# **Ellerman Investments Limited**

## **Notes to the consolidated financial statements for the year ended 31 December 2012**

### **1 Principal accounting policies**

#### **Basis of accounting**

The consolidated financial statements have been prepared in accordance with the Companies Act 2006 and with applicable accounting standards in the United Kingdom under the historical cost convention on the going concern basis. The principal accounting policies, which have been applied consistently, are set out below.

The financial statements have been prepared on a going concern basis which assumes that the company will continue to trade. The shareholders have indicated that they will continue to make sufficient funds available to ensure that the company will be able to trade for the foreseeable future. On this basis the directors consider the going concern basis of preparation is appropriate.

#### **Basis of consolidation**

The consolidated financial statements include the financial statements of the company and all of its subsidiary undertakings and joint ventures. The results of subsidiaries acquired or disposed of during the year are included from the date of their acquisition or up to the date of their disposal. Profits relating to intra-group trading have been eliminated.

#### **Turnover**

Turnover is recognised net of Value Added Tax and is wholly earned in the United Kingdom. The principal revenue streams are property management and IT services.

#### **Tangible fixed assets and depreciation**

The company separates its properties into components where they have significantly different useful economic lives and depreciates each component as appropriate. Depreciation on all tangible fixed assets, other than land, has been provided on a straight line basis over the following annual rates:

Short leasehold land and buildings	Period of lease
Equipment, fixtures and vehicles	4 to 15 years

#### **Fixed asset investments**

##### **Company**

The company's investments are carried at cost and impairment provisions are booked when a diminution in value occurs.

## **Ellerman Investments Limited**

### **Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)**

#### **1 Principal accounting policies (continued)**

##### **Taxation**

Corporation tax is provided on taxable profits at the standard rate of corporation tax in the United Kingdom of 24.5% (2011: 26.5%)

Deferred tax is accounted for on an undiscounted basis at tax rates enacted or substantially enacted at the balance sheet date on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

##### **Financing costs**

Arrangements and other issue costs incurred as a result of entering into loan and other facilities are deferred and expensed over the length of the related loan or facility on a straight-line basis.

##### **Pension costs**

The group operates defined contribution pension schemes with assets held in independently administered funds. The cost of providing these benefits, recognised in the profit and loss account, comprises the amount of contributions payable to the schemes in respect of the year.

##### **Operating leases**

Costs in respect of operating leases are charged in arriving at the operating profit on a straight-line basis over the lease term.

##### **Financing costs**

Arrangements and other issue costs incurred as a result of entering into loan and other facilities are deferred, netted against the loan in the Balance Sheet, and expensed over the life of the related loan or facility on a straight-line basis.

## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 2 Segmental analysis

##### (a) Turnover

	2012 £'000	2011 £'000
<b>Business analysis</b>		
Property management	2,316	2,219
IT services	418	578
<b>Total</b>	<b>2,734</b>	<b>2,797</b>

##### (b) Net assets

	2012 £'000	2011 £'000
<b>Business analysis</b>		
Property management	717,195	719,907
IT services	(345)	(107)
<b>Total</b>	<b>716,850</b>	<b>719,800</b>

##### (c) Loss on ordinary activities before interest and taxation

	2012 £'000	2011 £'000
Property management	(1)	3
IT services	(238)	(310)
	(239)	(307)
Corporate costs – unallocated	(2,742)	(2,625)
<b>Total</b>	<b>(2,981)</b>	<b>(2,932)</b>

There were no operations that were discontinued in the year

#### 3 Administrative expenses

	2012 £'000	2011 £'000
Administrative expenses excluding depreciation and amortisation	5,264	5,215
Depreciation – owned assets	198	244
<b>Total administrative expenses</b>	<b>5,462</b>	<b>5,459</b>

# Ellerman Investments Limited

## Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

### 4 Loss on ordinary activities before taxation

	2012 £'000	2011 £'000
Operating loss is stated after charging		
Fees payable to the company's auditor for the audit of the parent company's and consolidated financial statements - current year	45	30
Staff costs (see note 6)	2,345	2,418
Loss on disposal of fixed assets	-	1
Operating leases for leasehold premises	671	676

### 5 Directors emoluments

The directors are paid by other associated companies for their services and no specific allocation of their remuneration has been made in respect of this company

	2012 £'000	2011 £'000
Benefits in kind	16	26
Other pension costs	76	76
	92	102

### 6 Employee information

	2012 Number	2011 Number
The average monthly number of persons employed by the group and company during the year is analysed		
Management and administration	21	25
	2012 £'000	2011 £'000
<b>Staff costs (including part-time staff ) during the year</b>		
Wages and salaries	1,921	1,992
Social security costs	247	254
Other pension costs	177	172
	2,345	2,418



## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 7 Interest payable and similar charges and interest receivable and similar income

	2012 £'000	2011 £'000
Interest payable and similar charges	6	-
Interest receivable and similar income	(37)	(5)
	<u>(31)</u>	<u>(5)</u>

#### 8 Tax on loss on ordinary activities

	2012 £'000	2011 £'000
<b>Current tax</b>		
United Kingdom corporation tax	-	(15)
<b>Deferred tax</b>		
Deferred tax charge for current year	-	-
Tax on loss on ordinary activities	<u>-</u>	<u>(15)</u>

The tax assessed for the year is different (2011 different) to the standard rate of corporation tax in the United Kingdom, 24.5% (2011 26.5%). The differences are explained below

	2012 £'000	2011 £'000
<b>Loss on ordinary activities before taxation</b>	<u>(2,950)</u>	<u>(2,927)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 24.5% (2011 26.5%)	(723)	(776)
Effects of		
Expenses not deductible for tax purposes	11	(2)
Depreciation in excess of capital allowances and other timing differences	20	29
Brought forward losses utilised	(4)	(7)
Adjustment in respect of prior year	-	(1)
Losses carried forward	19	35
Group relief surrendered for nil consideration	<u>677</u>	<u>707</u>
<b>Total current tax for the year</b>	<u>-</u>	<u>(15)</u>

## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 9 Loss of parent company

A total loss for the financial year of £2,841,000 (2011 loss £2,746,000) has been dealt with in the financial statements of the company. The company has taken advantage of the section 408 of the Companies Act 2006 allowing it not to publish a separate profit and loss account.

#### 10 Tangible fixed assets – Group

The Group	Short leasehold improvements £'000	Equipment, fixtures and vehicles £'000	Total £'000
<b>Cost</b>			
At 1 January 2012	14	1,465	1,479
Additions	-	104	104
Assets scrapped	-	(223)	(223)
<b>At 31 December 2012</b>	<b>14</b>	<b>1,346</b>	<b>1,360</b>
<b>Accumulated depreciation</b>			
At 1 January 2012	10	1,072	1,082
Charge for the year	1	216	217
Assets scrapped	-	(223)	(223)
<b>At 31 December 2012</b>	<b>11</b>	<b>1,065</b>	<b>1,076</b>
<b>Net book value</b>			
<b>At 31 December 2012</b>	<b>3</b>	<b>281</b>	<b>284</b>
<b>Net book value</b>			
<b>At 31 December 2011</b>	<b>4</b>	<b>393</b>	<b>397</b>

## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 11 Tangible fixed assets – Company

The Company	Short leasehold land and buildings £'000	Equipment, fixtures and vehicles £'000	Total £'000
<b>Cost</b>			
At 1 January 2012	14	743	757
Additions	-	14	14
Assets scrapped	-	(204)	(204)
<b>At 31 December 2012</b>	<b>14</b>	<b>553</b>	<b>567</b>
<b>Accumulated depreciation</b>			
At 1 January 2012	10	587	597
Charge for the year	1	89	90
Disposals	-	(204)	(204)
<b>At 31 December 2012</b>	<b>11</b>	<b>472</b>	<b>483</b>
<b>Net book value</b>			
<b>At 31 December 2012</b>	<b>3</b>	<b>81</b>	<b>84</b>
<b>Net book value</b>			
<b>At 31 December 2011</b>	<b>4</b>	<b>156</b>	<b>160</b>

#### 12 Fixed assets - investments

##### Group

There are no investments held by the group at the end of the financial year (2011 Nil)

##### Company

Investments in subsidiary undertakings are as follows

	2012 £'000	2011 £'000
<b>Cost</b>		
At 1 January and 31 December	1	1

The directors believe the carrying value of the investments in Proartemis Limited is supported by their underlying net assets

# Ellerman Investments Limited

## Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

### 13 Debtors

	2012		2011	
	The Company	The Group	The Company	The Group
	£'000	£'000	£'000	£'000
<b>Amounts falling due after more than one year</b>				
Amounts owed by immediate holding company	747,539	747,539	718,085	718,085
Amounts owed by group companies	7,777	7,777	29,418	29,418
	<b>755,316</b>	<b>755,316</b>	<b>747,503</b>	<b>747,503</b>
<b>Amounts falling due within one year</b>				
Trade debtors	-	55	-	87
Amount owed by subsidiary undertaking	137	-	47	-
Other debtors	50	138	70	32
Prepayments and accrued income	303	508	321	479
	<b>490</b>	<b>701</b>	<b>438</b>	<b>598</b>

The amounts owed to group and immediate holding company are unsecured, interest free and there are no fixed terms for repayment

### 14 Cash at bank and in hand

At 31 December, cash balances with banks include £3,584,000 (2011 £1,271,000) of cash deposits held on behalf of clients and are, therefore, not available to the Company

## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 15 Creditors – amounts falling due within one year

	2012		2011	
	The Company £'000	The Group £'000	The Company £'000	The Group £'000
Bank overdraft	216	216	-	-
Trade creditors	80	3,810	18	1,530
Other creditors	100	100	-	-
Other taxation and social security	32	55	50	59
Accruals and deferred income	20	480	11	198
	<b>448</b>	<b>4,661</b>	<b>79</b>	<b>1,787</b>

#### 16 Creditors – amounts falling due after more than one year

	2012		2011	
	The Company £'000	The Group £'000	The Company £'000	The Group £'000
Amounts owed to group companies	<b>38,500</b>	<b>38,500</b>	<b>28,500</b>	<b>28,500</b>

The amounts owed to group companies are unsecured, interest free and have no fixed terms for repayment

## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 17 Provision for liabilities

##### Group: Deferred taxation

No deferred taxes have been recognised in the Balance Sheet. The potential deferred tax asset not recognised analysis is as follows:

	2012		2011	
	Group £'000	Company £'000	Group £'000	Company £'000
Depreciation in excess of capital allowances	136	103	125	102
Losses carried forward	134	-	121	-
Total unrecognised deferred tax assets	270	103	246	102

#### 18 Called up share capital

	2012 £ 000	2011 £ 000
<b>Authorised</b>		
100,000,000 (2011: 100,000,000) ordinary shares of £1 each	100,000	100,000
<b>Allotted and fully paid</b>		
16,283,000 (2011: 16,283,000) ordinary shares of £1 each	16,283	16,283

#### 19 Profit and loss account

The movement on the profit and loss account is analysed below:

	The Company £'000	The Group £'000
At 1 January 2012	703,501	703,517
Loss for the year	(2,841)	(2,950)
At 31 December 2012	700,660	700,567

## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 20 Reconciliation of movements in shareholders' funds – Group

	2012 £'000	2011 £'000
Loss on ordinary activities after tax	(2,950)	(2,912)
Opening shareholders' funds	719,800	722,712
Closing shareholders' funds	716,850	719,800

#### 21 Reconciliation of movements in shareholders' funds – Company

	2012 £'000	2011 £'000
Loss on ordinary activities after tax	(2,841)	(2,746)
Opening shareholders' funds	719,784	722,530
Closing shareholders' funds	716,943	719,784

#### 22 Principal subsidiaries

##### Principal subsidiaries

The following information relates to those subsidiaries which, in the opinion of the directors, principally affect the profits or assets of the group

<i>Name (all companies are registered in England and Wales)</i>	<i>Amount and description of shares held</i>	<i>Principal activity</i>	<i>% owned</i>
SJS Property Management Limited	1 Ordinary share of £1 each	Property Management	100
Proartemis Limited	700 Ordinary shares of £1 each	IT services	70
Broomfield Agencies Limited	1,000 Ordinary shares of £1 each	Dormant	100
Ellerman Holdings Limited	100 Ordinary shares of £1 each	Dormant	100

#### 23 Related party transactions

As all of the company's voting rights are controlled within the group headed by BUK Limited, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities which form part of the group or are disclosed in the group financial statements

## Ellerman Investments Limited

### Notes to the consolidated financial statements for the year ended 31 December 2012 (continued)

#### 24 Pensions

Various group companies have established personal pension schemes under the stakeholder pension rules. The company has no outstanding or prepaid contributions as at 31 December 2012 (2011: £nil).

#### 25 Commitments and contingent liabilities

##### Operating lease commitments

Annual rentals payable in respect of operating leases are as follows:

	2012		2011	
	Land and Buildings £'000	Total £'000	Land and Buildings £'000	Total £'000
Expiring within two to five years	671	671	676	676
Expiring in over five years	-	-	-	-
	<b>671</b>	<b>671</b>	<b>676</b>	<b>676</b>

#### 26 Ultimate controlling party

The immediate holding company is B UK Limited, a company incorporated in Bermuda, which the directors regard as being ultimately controlled by Sir David and Sir Frederick Barclay Family Settlements.

B UK Limited, a company incorporated in Bermuda, is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2012. Ellerman Investments Limited is the smallest group of undertakings to consolidate these financial statements. The financial statements of Ellerman Investments Limited can be obtained by writing to 3<sup>rd</sup> Floor, 20 St James's Street, London SW1A 1ES.