

Ellerman Investments Limited
(registered number: 1848089)

Report of the directors and consolidated financial statements
for the year ended 31 December 2015



Ellerman Investments Limited

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Ellerman Investments Limited

Report of the directors for the year ended 31 December 2015 (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 2015.

Principal activities and business review

The company and group's main business activity is group administration.

On 26 February 2015 the company's subsidiary, St James's Street Property Management Limited, was sold to Trenport Property Holdings Limited, a company ultimately controlled by the Sir David and Sir Frederick Barclay Family Settlements.

Directors

The directors of the company during the year ended 31 December 2015 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 profit for the financial year of £0.1million (2014: loss £4.6million) has been transferred to reserves. The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2015 (2014: nil).

Charitable donations

Donations of £10,625 (2014: £12,450) were made by the group during the year for charitable purposes.

Ellerman Investments Limited

Report of the directors for the year ended 31 December 2015 (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.

Ellerman Investments Limited

Report of the directors for the year ended 31 December 2015 (continued) (registered number: 1848089)

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the directors and the group and parent company financial statements (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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and the Republic of Ireland (FRS 102).

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 and 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, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in preparation of financial statements. and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company and group'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.

Disclosure of information to auditors

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

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 risk management

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.

Ellerman Investments Limited

Report of the directors for the year ended 31 December 2015 (continued) (registered number: 1848089)

Financial risk management (continued)

- 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.

By order of the board



M Seal

Director

 2016

Ellerman Investments Limited

Independent auditors' report to the members of Ellerman Investments Limited

Report on the financial statements

Our opinion

In our opinion, Ellerman Investments Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2015 and of the group's profit 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.
-

What we have audited

The financial statements, included within the Strategic report and the Report of the directors (the "Annual Report") comprise:

- the consolidated and company balance sheets as at 31 December 2015;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Ellerman Investments Limited

Independent auditors' report to the members of Ellerman Investments Limited

Report on the financial statements (continued)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities, 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 & Ireland) ("ISAs UK & 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

What an audit of financial statements involves

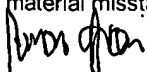
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Simon O'Brien (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

10 June 2016

Ellerman Investments Limited

Consolidated statement of comprehensive income for the year ended 31 December 2015

		2015			2014		
	NOTE	Continuing £'000	Discontinued £'000	Total £'000	Continuing £'000	Discontinued £'000	Total £'000
Group turnover		2,860	338	3,198	110	2,223	2,333
Administrative expenses	4	(2,691)	(277)	(2,968)	(3,240)	(3,698)	(6,938)
Profit/(loss) on ordinary activities before interest and taxation		169	61	230	(3,130)	(1,475)	(4,605)
Interest receivable and similar income	8			-			42
Interest payable and similar charges	8			(46)			(30)
Profit/(loss) on ordinary activities before taxation				184			(4,593)
Loss on sale of subsidiary undertaking	9			(71)			-
Taxation profit/(loss) on ordinary activities	10			-			-
Total comprehensive income/(loss) for the financial year				113			(4,593)

The notes on pages 12 to 22 form an integral part of these financial statements.

There is no material difference between the reported profit/(loss) on ordinary activities before taxation and the profit/(loss) for the financial year and their historical cost equivalents for the years stated above.

Ellerman Investments Limited

Consolidated balance sheet as at 31 December 2015 (registered number: 1848089)

	NOTE	£'000	2015 £'000	£'000	2014 £'000
Fixed assets					
Tangible assets	12		1,539		1,874
Intangible assets	14		71		73
			<u>1,610</u>		<u>1,947</u>
Current assets					
Debtors: amounts falling due within one year	15	445		536	
Debtors: amounts falling due after more than one year	15	798,955		790,931	
Cash at bank and in hand	16	-		3,010	
			<u>799,400</u>	<u>794,477</u>	
Creditors: amounts falling due within one year	17	(2,680)		(6,236)	
Net current assets			<u>796,720</u>		<u>788,241</u>
Total assets less current liabilities			<u>798,330</u>		<u>790,188</u>
Creditors: amounts falling due after more than one year:	17		<u>(88,329)</u>		<u>(80,300)</u>
Net assets			<u>710,001</u>		<u>709,888</u>
Capital and reserves					
Called up share capital	19	16,283		16,283	
Retained earnings		693,718		693,605	
Total equity			<u>710,001</u>		<u>709,888</u>

Consolidated statement of changes in equity as at 31 December 2015

	Called up Share capital £'000	Retained earnings £'000	Total equity £'000
At 1 January 2014	16,283	698,198	714,481
Loss for the financial year	-	(4,593)	(4,593)
At 1 January 2015	16,283	693,605	709,888
Profit for the financial year	-	113	113
Balance at 31 December 2015	16,283	693,718	710,001

The notes on pages 12 to 22 form an integral part of these financial statements.

The consolidated financial statements on pages 8 to 22 were approved by the board of directors on 8th June 2016 and signed on its behalf by:



M Seal
Director



R K Mowatt
Director

Ellerman Investments Limited

Company balance sheet as at 31 December 2015
(registered number: 1848089)

	NOTE	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	13	1,539	1,712
Intangible assets	14	71	11
Investments in subsidiaries	20	-	-
		<u>1,610</u>	<u>1,723</u>
Current assets			
Debtors: amounts falling within one year	15	445	323
Debtors: amounts falling due after more than one year	15	<u>798,955</u>	<u>790,968</u>
		<u>799,400</u>	<u>791,291</u>
Creditors: amounts falling due within one year	17	<u>(2,680)</u>	<u>(2,836)</u>
Net current assets		<u>796,720</u>	<u>788,455</u>
Total assets less current liabilities		<u>798,330</u>	<u>790,178</u>
Creditors – amounts falling due after more than one year	17	<u>(88,329)</u>	<u>(80,300)</u>
Net assets		<u>710,001</u>	<u>709,878</u>
Capital and reserves			
Called up share capital	19	16,283	16,283
Retained earnings		<u>693,718</u>	<u>693,595</u>
Total equity		<u>710,001</u>	<u>709,878</u>

Company statement of changes in equity as at 31 December 2014


	Called up Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2014	16,283	698,192	714,475
Loss for the financial year	-	(4,597)	(4,597)
Balance at 1 January 2015	16,283	693,595	709,878
Loss for the financial year	-	123	123
Balance at 31 December 2015	16,283	693,718	710,001

The notes on pages 12 to 22 form an integral part of these financial statements.

The financial statements on pages 8 to 22 were approved by the board of directors on 8 June 2016 and signed on its behalf by:



M Seal
Director



R K Mowatt
Director

Ellerman Investments Limited

Information on consolidated cash flows for the year ended 31 December, 2015

Reconciliation of operating profit/(loss) to operating cash flows

	2015 £'000	2014 £'000
Operating profit/(loss)	230	(4,605)
Depreciation and amortisation	345	371
Increase in debtors	(36)	(78)
Increase in creditors	88	2,173
Net cash inflow/(outflow) from operating activities	627	(2,139)

Consolidated cash flow statement for the year ended 31 December 2015

	2015 £'000	2014 £'000
Net cash inflow/(outflow) from operating activities	627	(2,139)
Interest paid	(46)	(30)
Net cash flow generated from from operating activities	581	(2,169)
Cash flow from investing activities		
Purchase of tangible fixed assets	(230)	(1,975)
Interest received	-	42
Net cash used in investing activities	(230)	(1,933)
Cash flow from financing activities		
Loan to immediate holding company	4,572	(23,059)
Loan to associated undertaking	(4,567)	-
Loan from associated undertakings	-	27,642
Cash disposed of on sale of subsidiary	(3,302)	-
Net cash (used in)/generated from financing activities	(3,297)	4,583
Net cash (decrease)/increase in cash and cash equivalents	(2,946)	481
Cash and cash equivalents at beginning of year	1,234	753
Cash and cash equivalents at end of year	(1,712)	1,234
Cash and cash equivalents are made up of:		
Cash at bank and in hand	-	3,010
Bank overdraft	(1,712)	(1,776)
Cash and cash equivalents at end of year	(1,712)	1,234

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015

1 General information

Ellerman Investments Limited ("the company") is a holding company and is the parent of a number of subsidiary companies (see note 20).

The company is a private limited company, incorporated in the United Kingdom. The registered office of the company is 2nd floor, 14 St George Street, London, W1S 1FE.

2 Statement of compliance

The individual and group financial statements of Ellerman Investments Limited are prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in all the years presented, unless otherwise stated.

Basis of preparation

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 are set out below, have been applied consistently across the group and any profits or losses on intra group transactions have been eliminated.

The directors believe it appropriate to prepare the financial statements on a going concern basis. The directors have conducted a review of projected cash flows from operations, investing and financing, concluding that the group has sufficient funds to operate its business activities.

The preparation of financial statements in conformity with FRS 102 requires the directors to make judgements, estimates and assumptions that affect the application of policies and the reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Turnover

Turnover is recognised net of Valued Added Tax and is wholly earned in the United Kingdom. The principal revenue stream is property management.

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

3 Summary of significant accounting policies (continued)

Tangible 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 7 years

Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between three and five years, on a straight line basis.

Investments in subsidiaries

Company

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

Taxation

Corporation tax is provided on taxable profits at the standard rate of corporation tax in the United Kingdom of 20.25% (2014: 21.5%).

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.

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

3 Summary of significant accounting policies (continued)

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.

4 Administrative expenses

	2015 £'000	2014 £'000
Administrative expenses	2,623	6,567
Depreciation and amortisation	345	371
Total administrative expenses	2,968	6,938

5 Profit/(loss) on ordinary activities before taxation

	2015 £'000	2014 £'000
Operating profit/(loss) is stated after charging:		
Fees payable to the company's auditors for the audit of the parent company's and consolidated financial statements - current year	30	40
Staff costs (see note 7)	396	2,507
Operating leases for leasehold premises	457	538

6 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.

	2015 £'000	2014 £'000
Benefits in kind	-	7

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

7 Employee information

	2015 Number	2014 Number
The average monthly number of persons employed by the group and company during the year is analysed:		
Management and administration	19	19
	<hr/>	<hr/>
	2015 £'000	2014 £'000
Staff costs (including part-time staff) during the year:		
Wages and salaries	335	2,102
Social security costs	42	278
Other pension costs	19	127
	<hr/>	<hr/>
	396	2,507

8 Interest payable and similar charges and interest receivable and similar income

	2015 £'000	2014 £'000
Interest payable and similar charges	(46)	(30)
Interest receivable and similar income	-	42
	<hr/>	<hr/>
	(46)	12

9 Loss on sale of subsidiary undertaking

On 26 February 2015 the company's subsidiary, St James's Street Property Management Limited, was sold to Trenport Property Holdings Limited. The loss attributed to the sale is made up as follows:

	2015 £'000
Tangible fixed assets	157
Intangible assets	65
Debtors	127
Cash	3,302
	<hr/>
	3,651
Creditors	(3,580)
Net assets	<hr/>
	71
Proceeds of sale	-
Loss on sale	<hr/>
	(71)

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

10 Taxation on profit/(loss) on ordinary activities

	2015 £'000	2014 £'000
Current tax:		
United Kingdom corporation tax	-	-
Deferred tax:		
Deferred tax charge for current year	-	-
Tax on profit/(loss) on ordinary activities	<u>-</u>	<u>-</u>

The tax assessed for the year is higher (2014: higher) to the standard rate of corporation tax in the United Kingdom, 20.25% (2014: 21.5%). The differences are explained below:

	2015 £'000	2014 £'000
Profit/(loss) on ordinary activities before taxation	<u>113</u>	<u>(4,593)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 20.25% (2014: 21.5%)	23	(987)
Effects of:		
Expenses not deductible for tax purposes	32	16
Accelerated capital allowances	-	(49)
Other timing differences	(90)	-
Brought forward losses utilised	-	(2)
Group relief surrendered for nil consideration	35	1,022
Total taxation	<u>-</u>	<u>-</u>

11 Profit of parent company

A total profit for the financial year of £123,000 (2014: loss £4,597,000) 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.

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

12 Tangible assets – Group

The Group	Short leasehold improvements £'000	Equipment, fixtures and vehicles £'000	Total £'000
Cost			
At 1 January 2015	1,274	1,922	3,196
Additions	-	133	133
Disposals	-	(815)	(815)
At 31 December 2015	1,274	1,240	2,514
Accumulated depreciation			
At 1 January 2015	179	1,143	1,322
Charge for the year	189	122	311
Disposals	-	(658)	(658)
At 31 December 2015	368	607	975
Net book value			
At 31 December 2015	906	633	1,539
Net book value			
At 31 December 2014	1,095	779	1,874

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

13 Tangible assets – Company

The Company	Short leasehold land and buildings £'000	Equipment, fixtures and vehicles £'000	Total £'000
Cost			
At 1 January 2015	1,274	1,223	2,497
Additions	-	132	132
Disposals		(88)	(88)
At 31 December 2015	1,274	1,267	2,541
Accumulated depreciation			
At 1 January 2015	179	606	785
Charge for the year	189	116	305
Disposals		(88)	(88)
At 31 December 2015	368	634	1,002
Net book value			
At 31 December 2015	906	633	1,539
Net book value At 31 December 2014	1,095	617	1,712

14 Intangible assets – Group and Company

	Group £'000	Computer software Company £'000
Cost		
At 1 January 2015	183	30
Additions	97	91
Disposals	(160)	(1)
	120	120
Accumulated depreciation		
At 1 January 2015	110	19
Charge for the year	34	30
Disposals	(95)	-
	49	49
At 31 December 2015	71	71
At 31 December 2014	73	11

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

15 Debtors

	2015		2014	
	The Company	The Group	The Company	The Group
	£'000	£'000	£'000	£'000
Amounts falling due after more than one year:				
Amounts owed by immediate holding company	782,763	782,763	787,335	787,335
Amounts owed by group undertakings	16,192	16,192	3,633	3,596
	798,955	798,955	790,968	790,931
Amounts falling due within one year:				
Trade debtors	13	13	-	22
Other debtors	84	84	40	96
Prepayments and accrued income	348	348	283	418
	445	445	323	536

The amounts owed by group undertakings and immediate holding company are unsecured, interest free, have no fixed terms for repayment and are repayable on demand.

16 Cash at bank and in hand

At 31 December 2015, cash balances with banks include £nil (2014: £2,942,000) 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 2015 (continued)

17 Creditors – amounts falling due within one year

	2015		2014	
	The Company £'000	The Group £'000	The Company £'000	The Group £'000
Bank overdraft	1,712	1,712	1,776	1,776
Trade creditors	-	-	28	3,002
Other taxation and social security	-	-	18	18
Accruals and deferred income	968	968	1,014	1,440
	2,680	2,680	2,836	6,236

The amounts owed to group undertakings are unsecured, interest free, have no fixed terms for repayment and are repayable on demand.

Creditors – amounts falling due after more than one year

	2015		2014	
	The Company £'000	The Group £'000	The Company £'000	The Group £'000
Amounts owed to group undertakings	88,329	88,329	80,300	80,300

The amounts owed to group undertakings are unsecured, interest free, have no fixed terms for repayment and are repayable on demand.

18 Provision for liabilities

Group: Deferred taxation

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

	2015		2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Depreciation in excess of capital allowances	(55)	(55)	(32)	(56)
Losses carried forward	-	-	55	-
Total unrecognised deferred tax liability	(55)	(55)	23	(56)

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

19 Called up share capital

	2015 £ 000	2014 £ 000
Authorised:		
100,000,000 (2014: 100,000,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Issued and fully paid:		
16,283,000 (2014: 16,283,000) ordinary shares of £1 each	<u>16,283</u>	<u>16,283</u>

20 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>
Ellerman Holdings Limited	100 Ordinary shares of £1 each	Dormant	100

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, the country of incorporation and effective percentage of ownership has been disclosed above within this note.

21 Related party transactions

At 31 December 2015 as the company's voting rights were controlled and wholly owned by BUK Limited, the company has taken advantage of the exemption contained in FRS 102 para. 33.1A and has therefore not disclosed transactions or balances with entities which form part of the group or are disclosed in the group financial statements.

22 Commitments and contingent liabilities

Operating lease commitments

The total of future minimum lease payments payable under the entity's non-cancellable operating lease for each of the following periods is as follows:

	2015		2014	
	Land and Buildings £'000	Total £'000	Land and Buildings £'000	Total £'000
Not later than one year	871	871	1,356	1,356
Later than one year and not later than five years	2,869	2,869	4,485	4,485
Later than five years	-	-	287	287
	<u>3,740</u>	<u>3,740</u>	<u>6,128</u>	<u>6,128</u>

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

23 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 and smallest group of undertakings to consolidate these financial statements at 31 December 2015.