

Ellerman Investments Limited
(registered number: 1848089)

**Report of the directors and consolidated financial statements
for the year ended 31 December 2013**



Ellerman Investments Limited

Contents

	Page
Report of the directors	2 – 4
Independent auditors' report	5 – 6
Consolidated profit and loss account	7
Consolidated balance sheet	8
Company balance sheet	9
Consolidated cash flow statement	10 – 11
Notes to the financial statements	12 – 23

Ellerman Investments Limited

Report of the directors for the year ended 31 December 2013 (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 2013.

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 2013 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 £2.4 million (2012: loss £3.0 million) has been transferred to reserves. The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2013 (2012: nil).

Charitable donations

Donations of £15,770 (2012: £6,700) were made by the group during the year for charitable purposes.

Ellerman Investments Limited

Report of the directors for the year ended 31 December 2013 (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 2013 (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;
- 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.

By order of the board



M Seal
Director

9/4 April 2014

Ellerman Investments Limited

Independent auditors' report to the members of Ellerman Investments Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the group's and company's affairs as at 31 December 2013 and of the group's loss, and the group's 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Ellerman Investments Limited, comprise:

- the Consolidated profit and loss account for the year ended 31 December 2013;
- the Consolidated and Company balance sheet as at 31 December 2013;
- the Consolidated cash flow statement for the year then ended;
- 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 their preparation is applicable law United Kingdom Accounting Standards (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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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 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 Report of the directors 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.

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.

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, 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.

We have no exceptions to report arising from this responsibility.

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.

Ellerman Investments Limited

Entitlement exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report. 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 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 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 in into whose hands it may come save where expressly agreed by our prior consent in writing.



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

9 April 2014

Ellerman Investments Limited

Consolidated profit and loss account for the year ended 31 December 2013

	NOTE	2013 £'000	2012 £'000
Turnover (continuing operations)	2	2,236	2,316
Turnover (discontinued operations)		65	418
Cost of sales (continuing operations)		-	-
Cost of sales (discontinued operations)		(44)	(253)
Gross profit		2,257	2,481
Administrative expenses (continuing operations)	3	(4,743)	(5,062)
Administrative income (discontinued operations)		45	(400)
Operating loss	2	(2,441)	(2,981)
Interest receivable and similar income	7	95	37
Interest payable and similar charges	7	(23)	(6)
Loss on ordinary activities before taxation		(2,369)	(2,950)
Tax on loss on ordinary activities	8	-	-
Loss for the financial year	19	(2,369)	(2,950)

Proartemis Limited ceased trading on the 31st March 2013 and is classified as a discontinued operation. All other 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.

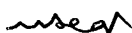
There is no difference between the loss for the financial year and its historical cost equivalent.

Ellerman Investments Limited

Consolidated balance sheet as at 31 December 2013
(registered number: 1848089)

	NOTE	2013 £'000	2012 £'000
Fixed assets			
Tangible assets	10	343	284
Current assets			
Debtors: amounts falling due within one year	13	458	701
Debtors: amounts falling due after more than one year	13	772,714	755,316
Cash at bank and in hand	14	1,840	3,710
		<u>775,012</u>	<u>759,727</u>
Creditors: amounts falling due within one year	15	<u>(3,374)</u>	<u>(4,661)</u>
Net current assets		<u>771,638</u>	<u>755,066</u>
Total assets less current liabilities		<u>771,981</u>	<u>755,350</u>
Creditors: amounts falling due after more than one year:	16	<u>(57,500)</u>	<u>(38,500)</u>
Net assets		<u>714,481</u>	<u>716,850</u>
Capital and reserves			
Called up share capital	18	16,283	16,283
Profit and loss account	19	<u>698,198</u>	<u>700,567</u>
Total shareholders' funds	20	<u>714,481</u>	<u>716,850</u>

The consolidated financial statements on pages 7 to 23 were approved by the board of directors on 9/4/2014 and signed on its behalf by:


M Seal
Director


R K Mowatt
Director

Ellerman Investments Limited

Company balance sheet as at 31 December 2013
(registered number: 1848089)

	NOTE	2013 £'000	2012 £'000
Fixed assets			
Tangible assets	11	217	84
Investments	12	-	1
		<u>217</u>	<u>85</u>
Current assets			
Debtors: amounts falling within one year	13	279	490
Debtors: amounts falling due after more than one year	13	772,714	755,316
		<u>772,993</u>	<u>755,806</u>
Creditors: amounts falling due within one year	15	<u>(1,235)</u>	<u>(448)</u>
Net current assets		<u>771,758</u>	<u>755,358</u>
Total assets less current liabilities		<u>771,975</u>	<u>755,443</u>
Creditors – amounts falling due after more than one year	16	<u>(57,500)</u>	<u>(38,500)</u>
Net assets		<u>714,475</u>	<u>716,943</u>
Capital and reserves			
Called up share capital	18	16,283	16,283
Profit and loss account	19	<u>698,192</u>	<u>700,660</u>
Total shareholders' funds	21	<u>714,475</u>	<u>716,943</u>

The financial statements on pages 7 to 23 were approved by the board of directors on 9/1/2014 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 2013

	2013		2012	
	£'000	£'000	£'000	£'000
Net cash (outflow)/inflow from operating activities		(3,350)		7
Returns on investment and servicing of finance				
Interest received	95		37	
Interest paid	(23)		(6)	
Net cash inflow from returns on investments and servicing of finance		72		31
Capital expenditure and financial investment				
Purchase of tangible fixed assets	(194)		(104)	
		(194)		(104)
Net cash outflow before use of liquid resources and financing		(3,472)		(66)
Financing				
Loan to immediate holding company		(16,737)		(29,454)
Loans to associated undertakings		(661)		21,641
Loan from associated undertaking		19,000		10,000
Increase in borrowings		(871)		(216)
(Decrease)/Increase in cash and bank overdraft		(2,741)		1,905

Ellerman Investments Limited

Consolidated cash flow statement for the year ended 31 December 2013 (continued)

Reconciliation of operating loss to operating cash flows

	2013 £'000	2012 £'000
Operating loss	(2,441)	(2,981)
Depreciation	135	217
Decrease in debtors	243	5,979
(Decrease)/increase in creditors	(1,287)	(3,208)
Net cash (outflow)/inflow from operating activities	(3,350)	7

Reconciliation of net cash flow to movement in net debt

	2013 £'000	2012 £'000
(Decrease)/Increase in cash for the year	(1,870)	2,121
(Increase) in bank overdraft	(871)	(216)
	(2,741)	1,905
Loan (to)/repaid by immediate holding company	16,037	29,454
Loans repaid by/(to) associated undertakings	661	(21,641)
Loan from associated undertaking	(18,300)	(10,000)
	(4,343)	(282)
Net debt at start of year	720,310	720,592
Net debt at end of year	715,967	720,310

Analysis of changes in net debt

	1 January 2013 £'000	Cash flows £'000	31 December 2013 £'000
Cash at bank and in hand	3,710	(1,870)	1,840
Bank overdraft	(216)	(871)	(1,087)
	3,494	(2,741)	753
Loan to immediate holding company	747,539	16,737	764,276
Loans repaid by associated undertakings	7,777	661	8,438
Loan from associated undertaking	(38,500)	(19,000)	(57,500)
	720,310	(4,343)	715,967

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

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 stream is property management.

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 2013 (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 23.25% (2012: 24.5%).

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 2013 (continued)

2

Segmental analysis

(a) Turnover

	2013 £'000	2012 £'000
Business analysis		
Property management	2,236	2,316
IT services	65	418
Total	2,301	2,734

(b) Net assets

	2013 £'000	2012 £'000
Business analysis		
Property management	714,481	717,195
IT services	-	(345)
Total	714,481	716,850

(c) Loss on ordinary activities before interest and taxation

	2013 £'000	2012 £'000
Property management	(3)	(1)
IT services	98	(238)
	95	(239)
Corporate costs – unallocated	(2,536)	(2,742)
Total	(2,441)	(2,981)

3

Administrative expenses

	2013 £'000	2012 £'000
Administrative expenses excluding depreciation and amortisation	4,563	5,245
Depreciation – owned assets	135	217
Total administrative expenses	4,698	5,462

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

4 Loss on ordinary activities before taxation

	2013 £'000	2012 £'000
Operating 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	40	45
Staff costs (see note 6)	2,419	2,345
Operating leases for leasehold premises	671	671

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.

	2013 £'000	2012 £'000
Benefits in kind	6	16
Other pension costs	-	76
	6	92

6 Employee information

	2013 Number	2012 Number
The average monthly number of persons employed by the group and company during the year is analysed:		
Management and administration	20	21
	2013 £'000	2012 £'000
Staff costs (including part-time staff) during the year:		
Wages and salaries	2,000	1,921
Social security costs	263	247
Other pension costs	156	177
	2,419	2,345

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

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

	2013 £'000	2012 £'000
Interest payable and similar charges	23	6
Interest receivable and similar income	(95)	(37)
	<u>(72)</u>	<u>(31)</u>

8 Tax on loss on ordinary activities

	2013 £'000	2012 £'000
Current tax:		
United Kingdom corporation tax	-	-
Deferred tax:		
Deferred tax charge for current year	-	-
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>

The tax assessed for the year is different (2012: different) to the standard rate of corporation tax in the United Kingdom, 23.25% (2012: 24.5%). The differences are explained below:

	2013 £'000	2012 £'000
Loss on ordinary activities before taxation	<u>(2,369)</u>	<u>(2,950)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 23.25% (2012: 24.5%)	(551)	(723)
Effects of:		
Expenses not deductible for tax purposes	8	11
Income disallowed for tax purposes	(107)	-
Depreciation in excess of capital allowances and other timing differences	1	20
Brought forward losses utilised	(30)	(4)
Losses carried forward	-	19
Group relief surrendered for nil consideration	<u>679</u>	<u>677</u>
Total current tax for the year	<u>-</u>	<u>-</u>

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

9 Loss of parent company

A total loss for the financial year of £2,468,000 (2012: loss £2,841,000) 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
Cost			
At 1 January 2013	14	1,346	1,360
Additions	156	38	194
Disposals	-	(65)	(65)
At 31 December 2013	170	1,319	1,489
Accumulated depreciation			
At 1 January 2013	11	1,065	1,076
Charge for the year	2	133	135
Disposals	-	(65)	(65)
At 31 December 2013	13	1,133	1,146
Net book value			
At 31 December 2013	157	186	343
 Net book value At 31 December 2012	 3	 281	 284

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

11 Tangible fixed assets – Company

The Company	Short leasehold land and buildings £'000	Equipment, fixtures and vehicles £'000	Total £'000
Cost			
At 1 January 2013	14	553	567
Additions	156	26	182
At 31 December 2013	170	579	749
Accumulated depreciation			
At 1 January 2013	11	472	483
Charge for the year	2	47	49
At 31 December 2013	13	519	532
Net book value			
At 31 December 2013	157	60	217
Net book value			
At 31 December 2012	3	81	84

12 Fixed assets - investments

Group

There are no investments held by the group at the end of the financial year (2012: Nil).

Company

Investments in subsidiary undertakings are as follows:

	2013 £'000	2012 £'000
Cost		
At 31 December	-	1

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

13 Debtors

	2013		2012	
	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	764,276	764,276	747,539	747,539
Amounts owed by group undertakings	8,438	8,438	7,777	7,777
	772,714	772,714	755,316	755,316
Amounts falling due within one year:				
Trade debtors	52	73	-	55
Amounts owed by group undertaking	-	-	137	-
Other debtors	40	67	50	138
Prepayments and accrued income	187	318	303	508
	279	458	490	701

The amounts owed by group undertakings 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 £1,640,000 (2012: £3,584,000) 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 2013 (continued)

15 Creditors – amounts falling due within one year

	2013		2012	
	The Company £'000	The Group £'000	The Company £'000	The Group £'000
Bank overdraft	1,087	1,087	216	216
Trade creditors	-	1,669	80	3,810
Other creditors	-	-	100	100
Other taxation and social security	-	71	32	55
Accruals and deferred income	145	547	20	480
Amounts owed to group undertakings	3	-	-	-
	1,235	3,374	448	4,661

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

16 Creditors – amounts falling due after more than one year

	2013		2012	
	The Company £'000	The Group £'000	The Company £'000	The Group £'000
Amounts owed to group undertakings	57,500	57,500	38,500	38,500

The amounts owed to group undertakings 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 2013 (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 is as follows:

	2013		2012	
	Group £'000	Company £'000	Group £'000	Company £'000
Depreciation in excess of capital allowances	115	84	136	103
Losses carried forward	61	-	134	-
Total unrecognised deferred tax assets	176	84	270	103

18 Called up share capital

	2013 £ 000	2012 £ 000
Authorised:		
100,000,000 (2012: 100,000,000) ordinary shares of £1 each	100,000	100,000
Allotted and fully paid:		
16,283,000 (2012: 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 2013	700,660	700,567
Loss for the year	(2,468)	(2,369)
At 31 December 2013	698,192	698,198

Ellerman Investments Limited

Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

20 Reconciliation of movements in shareholders' funds – Group

	2013 £'000	2012 £'000
Loss for the financial year	(2,369)	(2,950)
Opening shareholders' funds	716,850	719,800
Closing shareholders' funds	714,481	716,850

21 Reconciliation of movements in shareholders' funds – Company

	2013 £'000	2012 £'000
Loss for the financial year	(2,468)	(2,841)
Opening shareholders' funds	716,943	719,784
Closing shareholders' funds	714,475	716,943

22 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
Broomfield Agencies Limited	1,000 Ordinary shares of £1 each	Dormant	100
Ellerman Holdings Limited	100 Ordinary shares of £1 each	Dormant	100

Proartemis Limited ceased to trade on 31 March 2013 and was dissolved 28 January 2014

23 Related party transactions

As all of the company's voting rights are controlled and wholly owned 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 2013 (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 2013 (2012: £nil).

25 Commitments and contingent liabilities

Operating lease commitments

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

	2013		2012	
	Land and Buildings £'000	Total £'000	Land and Buildings £'000	Total £'000
Expiring within two to five years	671	671	671	671
	671	671	671	671

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 2013. 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 3rd Floor, 20 St James's Street, London SW1A 1ES