

Ellerman Investments Limited

(registered number: 1848089)

Report of the directors and financial statements

for the year ended 31 December 2019

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Ellerman Investments Limited

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Ellerman Investments Limited

Report of the directors (registered number: 1848089)

The directors present their report and audited financial statements of Ellerman Investments Limited ("the Company") for the year ended 31 December 2019. The Report of the directors has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006. Accordingly a strategic report has not been prepared.

Principal activities and business review

The Company's main business activity is the administration of the group head office.

Results and dividend

The profit for the financial year of £35,000 (2018: £48,000) has been transferred to reserves. The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2019 (2018: £nil).

Directors

The directors who held office during the year and up to the date of approval of the financial statements unless otherwise indicated were as follows:

A S Barclay
H M Barclay
N J Hopper
P L Peters
M Seal resigned 7 June 2019

Charitable donations

Donations of £6,801 (2018: £39,520) were made by the Company during the year for charitable purposes.

Post balance sheet event: Covid-19

Subsequent to the end of the year under review, the spread of Covid-19 was declared a public health emergency by the World Health Organisation. The directors have considered the impact of Covid-19 and concluded that it does not materially affect either the activities or the financial position of the Company.

Going concern

In determining whether the Company's financial statements can be prepared on a going concern basis, the directors considered the Company's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and the principal risks and uncertainties relating to its business activities. The Company has considered its cash flows for the next 18 months from the date of signing the audited financial statements. These have been appraised in the light of the current economic climate, including the impact of Covid-19.

The parent company, B.UK. Limited, has confirmed that it will not draw funds in the 18 month period from the date of the approval of these financial statements in so far as it will impact meeting the terms of the Company's financing agreement. On this basis, the directors have a reasonable expectation that the Company has adequate resources to meet its liabilities as they fall due for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in the preparation of the Report and financial statements. The impact of Covid-19 has been considered (note 20) and it does not alter this view.

Ellerman Investments Limited

Report of the directors (continued) (registered number: 1848089)

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intends to take advantage of these exemptions in the financial statements to be issued in the following financial year.

Financial risk management

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

Liquidity risk

The Company practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient funding requirements for working capital.

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

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Report of the directors and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Ellerman Investments Limited

Report of the directors (continued) (registered number: 1848089)

Independent auditors

PricewaterhouseCoopers LLP has indicated its willingness to continue in office pursuant to section 487 of the Companies Act 2006.

Elective resolutions

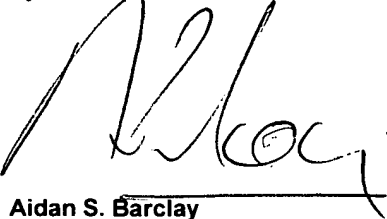
The Company has passed elective resolutions to dispense with the holding of annual general meetings and for the laying of the annual report and financial statements before the Company in general meetings, until such time as the elections are revoked.

Directors' confirmations

In the case of each director in office at the date the Report of the directors is approved:

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

By order of the board



Aidan S. Barclay
Director
10 May 2021

Ellerman Investments Limited

Independent auditors' report to the members of Ellerman Investments Limited

Report on the audit of the financial statements

Opinion

In our opinion, Ellerman Investments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report of the directors and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2019; the Statement of comprehensive income, the Cash flow statement and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Report of the directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Ellerman Investments Limited

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Report of the directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the directors for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the directors .

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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

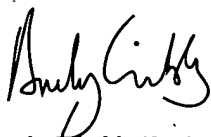
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the 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

Entitlement to 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 in preparing the Report of the directors ; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Andy Grimby (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
10 May 2021

Ellerman Investments Limited

Statement of comprehensive income for the year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Turnover		2,619	3,400
Administrative expenses	5	(2,528)	(3,308)
Operating profit		91	92
Interest payable and similar charges	8	(56)	(44)
Profit before taxation	6	35	48
Tax on profit on ordinary activities	9	-	-
Profit for the financial year		35	48

The notes on pages 11 to 18 form an integral part of these financial statements.

The operating profit for the current and prior financial year arises from the Company's continuing operations.

Ellerman Investments Limited

Balance sheet as at 31 December 2019
(registered number: 1848089)

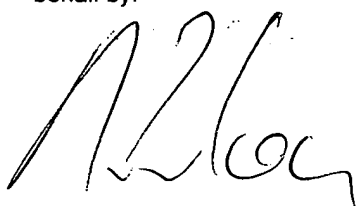
	Note	2019		2018	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	10		178		309
Intangible assets	11		1		7
Investments in subsidiaries	16		-		-
			<u>179</u>		<u>316</u>
Current assets					
Debtors: amounts falling within one year	12	712,325		712,119	
Creditors: amounts falling due within one year	13	<u>(2,283)</u>		<u>(2,249)</u>	
Net current assets			<u>710,042</u>		<u>709,870</u>
Net assets			<u>710,221</u>		<u>710,186</u>
Capital and reserves					
Called up share capital	15	16,283		16,283	
Retained earnings		<u>693,938</u>		<u>693,903</u>	
Total equity			<u>710,221</u>		<u>710,186</u>

Statement of changes in equity for the year ended 31 December 2019

	Called up Share capital £'000	Retained earnings £'000	Total equity £'000
At 1 January 2018	16,283	693,855	710,138
Profit for the financial year	-	48	48
At 1 January 2019	16,283	693,903	710,186
Profit for the financial year	-	35	35
At 31 December 2019	16,283	693,938	710,221

The notes on pages 11 to 18 form an integral part of these financial statements.

The financial statements on pages 8 to 18 were approved by the board of directors on 10 May 2021 and signed on its behalf by:



Aidan S. Barclay
Director

Ellerman Investments Limited

Cash flow statement for the year ended 31 December 2019

Reconciliation of operating profit to cash flows from operating activities

	2019 £'000	2018 £'000
Operating profit	91	92
Depreciation and amortisation	140	446
Decrease/(increase) in debtors	196	(217)
(Decrease)/increase in creditors	(190)	103
Net cash inflow from operating activities	237	424

Cash flow statement for the year ended 31 December 2019

		2019 £'000	2018 £'000
Net cash generated from operating activities		237	424
Interest paid		(56)	(44)
Net cash generated from operating activities		181	380
Cash flow from investing activities			
Purchase of tangible and intangible fixed assets	10	(3)	(9)
Net cash used in investing activities		(3)	(9)
Cash flow from financing activities			
Loan (to)/from immediate holding company	12	(402)	92,555
Loan from group undertakings	13	225	16,117
Loan (to) associated undertakings		-	(109,276)
Net cash used in financing activities		(177)	(604)
Net cash increase/(decrease) in cash and cash equivalents		1	(233)
Cash and cash equivalents at beginning of year		(1,948)	(1,715)
Cash and cash equivalents at end of year		(1,947)	(1,948)
Cash and cash equivalents are made up of:			
Bank overdraft		(1,947)	(1,948)

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019

1 General information

Ellerman Investments Limited ("the Company") is a private limited company, limited by shares and registered in England and Wales, United Kingdom. The registered office of the Company is 2nd floor, 14 St George Street, London, W1S 1FE.

2 Basis of accounting

The individual financial statements of Ellerman Investments Limited have been 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"), as issued by the Financial Reporting Council and the Companies Act 2006.

The functional and presentational currency of the Company is considered to be pound sterling because that is the currency of the primary economic environment in which the Company operates.

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom which have been applied on a consistent basis. The Company is exempt from preparing consolidated accounts as per s401 of the Companies Act 2006 because the results are consolidated in the accounts of the parent company, B.UK. Limited.

Related parties

The Company is exempt under the terms of FRS 102 paras 1.12e, 33.7 'Related Party Disclosures' from disclosing related party transactions with entities that are part of, or investees of, the ultimate parent company's group, B.UK. Limited as the ultimate parent company controls 100% of the total shareholding and prepares consolidated financial statements.

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.

Going concern

In determining whether the Company's financial statements can be prepared on a going concern basis, the directors considered the Company's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and the principal risks and uncertainties relating to its business activities. These are set out within the Report of the directors, on page 2.

The parent company, B.UK. Limited, has confirmed that it will not draw funds in the 18 month period from the date of the approval of these financial statements in so far as it will impact meeting the terms of the Company's financing agreement. On this basis, the directors have a reasonable expectation that the Company has adequate resources to meet its liabilities as they fall due for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in the preparation of the Report and financial statements. The impact of Covid-19 has been considered (note 20) and it does not alter this view.

Turnover

Turnover is recognised net of Valued Added Tax and is wholly earned in the United Kingdom. The principal revenue stream is administration services and is recognised on an accrual basis.

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019 (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 periods:

Short leasehold improvements	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

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

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

3 Summary of significant accounting policies (continued)

Taxation (continued)

Deferred tax assets and liabilities are offset only if: the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Financial Instruments

The Company adopted Sections 11 and 12 of FRS 102 in respect of financial instruments.

a) Financial assets

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

b) Financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at measured cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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.

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors do not consider there to be any critical accounting judgements that must be applied except as stated below.

Key source of estimation uncertainty - Taxation

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Assessment of future taxable profit is performed at every reporting date, in the form of future cash flows using a suitable growth rate.

5 Administrative expenses

	2019 £'000	2018 £'000
Administrative expenses	2,388	2,912
Profit on disposal of fixed asset	-	(50)
Accumulated depreciation and amortisation	140	446
Total administrative expenses	2,528	3,308

6 Profit on ordinary activities before taxation

	2019 £'000	2018 £'000
Profit on ordinary activities before taxation is stated after charging:		
Fees payable to the company's auditors for the audit of the Company's financial statements - current year	8	7
Operating leases for leasehold premises	950	950

7 Employees and directors

The Company has no employees (2018: none). None of the directors received any emoluments for services to the company during the year ended 31 December 2019 (2018: £nil).

8 Interest payable and similar charges

	2019 £'000	2018 £'000
Interest payable and similar charges	56	44

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

9 Tax on profit on ordinary activities

	2019 £'000	2018 £'000
Current tax:		
United Kingdom corporation tax	-	-
Deferred tax:		
Deferred tax charge for current year	-	-
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

The tax assessed for the year is lower (2018: lower) than the standard rate of corporation tax in the United Kingdom, 19.0% (2018: 19.0%). The differences are explained below:

	2019 £'000	2018 £'000
Profit on ordinary activities before taxation	<u>35</u>	<u>48</u>
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the United Kingdom of 19.0% (2018: 19.00%)	7	9
Effects of:		
Effects of expenses not deductible for tax purposes	4	6
Origination and reversal of timing differences	-	52
Income not taxable in determining taxable profit	-	(9)
Group relief claimed for nil consideration	<u>(11)</u>	<u>(58)</u>
Total taxation	<u>-</u>	<u>-</u>

In the March 2020 Budget the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). As the proposal to keep the rate at 19% had not been substantively enacted at the Balance sheet date its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the Balance sheet date, would not have a material impact on the tax expense.

10 Tangible assets

	Short leasehold improvements £'000	Equipment, fixtures and vehicles £'000	Total £'000
Cost			
At 1 January 2019	1,260	985	2,245
Additions	-	3	3
At 31 December 2019	<u>1,260</u>	<u>988</u>	<u>2,248</u>
Accumulated depreciation			
At 1 January 2019	1,258	678	1,936
Charge for the year	2	132	134
At 31 December 2019	<u>1,260</u>	<u>810</u>	<u>2,070</u>
Net book value			
At 31 December 2019	<u>-</u>	<u>178</u>	<u>178</u>
Net book value At 31 December 2018	<u>2</u>	<u>307</u>	<u>309</u>

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

11 Intangible assets

	Computer Software £'000
Cost	
At 1 January 2019 and 31 December 2019	104
Accumulated amortisation	
At 1 January 2019	97
Charge for the year	6
At 31 December 2019	103
Net book value	
At 31 December 2019	1
At 31 December 2018	7

12 Debtors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade debtors	2	154
Amounts owed by immediate holding company	711,839	711,437
Other debtors	78	99
Prepayments and accrued income	406	429
	712,325	712,119

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

13 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Bank overdraft	1,947	1,948
Trade and other creditors	47	198
Amounts owed to group undertakings	225	-
Accruals and deferred income	64	103
	2,283	2,249

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

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

14 Deferred Taxation

Due to the uncertainty of recovery since profits cannot be forecasted with certainty, no deferred taxes have been recognised in the Balance Sheet. The potential deferred tax asset not recognised is as follows:

	2019 £'000	2018 £'000
Depreciation in excess of capital allowances	105	113

15 Called up share capital

	2019 £'000	2018 £'000
Authorised:		
100,000,000 (2018: 100,000,000) ordinary shares of £1 each	100,000	100,000
Issued and fully paid:		
16,283,000 (2018: 16,283,000) ordinary shares of £1 each	16,283	16,283

16 Principal subsidiaries

A list of all subsidiaries is included below:

<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. The carrying value of the investment in subsidiaries is £nil (2018: £nil).

17 Related party transactions

At 31 December 2019 as the Company's voting rights were controlled and wholly owned by B.UK. 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.

18 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:

	2019 £'000	2018 £'000
Not later than one year	332	904
Later than one year and not later than five years	-	332
	332	1,236

Ellerman Investments Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

19 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 is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2019.

20 Subsequent events

The Company has been monitoring and continuously assessing the impact of Covid 19 on colleagues, the business operations and indeed financial performance since the first UK cases were reported in early 2020.

The directors have considered the impact of Covid-19 and concluded that it does not materially affect either the activities or the financial position of the Company.