

# Dartmoor

INVESTMENT TRUST LIMITED

## Accounts

For the Year Ended 30 April 2022

Company Number: 2464865



**COMPANY INFORMATION**

**Directors**

Nicholas Lewis - Chairman  
Sarah Lewis  
Edmund Lewis  
Rosemary Lewis

**Registered Office**

51 New North Road  
Exeter EX4 4EP

**Secretary and Administrator**

Link Alternative Fund Administrators Limited  
Beaufort House,  
51 New North Road  
Exeter EX4 4EP

**BALANCE SHEET**  
 as at 30 April 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Investments	2	61,830	64,688
<b>Current assets</b>			
Debtors	3	63	69
Cash and cash equivalents		<u>7,547</u>	<u>5,689</u>
		7,610	5,758
<b>Creditors – amounts falling due within one year</b>			
Creditors	4	<u>(53,964)</u>	<u>(51,302)</u>
<b>Net current liabilities</b>		<u>(46,354)</u>	<u>(45,544)</u>
<b>Total assets less current liabilities</b>		15,476	19,144
<b>Creditors – amounts falling due in more than one year</b>			
Redeemable preference shares	5	<u>(29,549)</u>	<u>(29,549)</u>
<b>Net liabilities</b>		<u>(14,073)</u>	<u>(10,405)</u>
<b>Share capital and reserves</b>			
Called up share capital	5	10,000	10,000
Share premium account		117,604	117,604
Capital reserve		(136,574)	(134,225)
Revenue reserve		<u>(5,103)</u>	<u>(3,784)</u>
<b>Total equity shareholders' deficit</b>		<u>(14,073)</u>	<u>(10,405)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime

These financial statements were approved by the Board of Directors of Dartmoor Investment Trust Limited and authorised for issue on 30 July 2022 and were signed on its behalf by

*Nicholas Lewis.*

**Nicholas Lewis**  
**Chairman**

Registered no. 2464865

The notes on pages 3 to 6 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies

#### General

Dartmoor Investment Trust Limited is a limited liability company incorporated in England and Wales. The registered office is Beaufort House, 51 New North Road, Exeter EX4 4EP. The nature of the Company's operations and its principal activities are the holding of investments as set out in the Directors' Report.

The Company's financial statements have been prepared in compliance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' as it applies to the financial statements of the Company for the year ended 30 April 2022. The Company has elected not to produce a cashflow statement.

The financial statements are presented in Pounds Sterling rounded to the nearest thousand, unless otherwise indicated.

#### Going Concern

At the time of approving the financial statements, the Directors are satisfied that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date these financial statements were approved. In making the assessment, the Directors have considered the impacts of international and economic uncertainties, such as the COVID-19 pandemic, war in Ukraine and inflationary pressures, on the Company's operations and the investment portfolio. The Directors' noted the cash balance exceeds any short-term liabilities and the Company holds a portfolio of investments listed on the LSE. The redeemable preference shares are redeemable on the earlier of 30 April 2045 or on 21 months' notice from the redeemable preference shareholders and no notice has been received upon signing of these accounts. Whilst the economic future is uncertain, and the Directors believe it is possible that the Company could experience reductions in income and/or market value, this should not be to a level which would threaten the Company's ability to continue as a going concern. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements and estimates that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The nature of estimation means that the actual outcomes could differ from those estimates, possibly significantly. In the opinion of the Directors, there are no estimates or judgements which are critical to the financial statements.

#### Income recognition

UK dividend income is included when the investments concerned are quoted 'ex-dividend'. The fixed return on a debt security is recognised on a time apportionment basis to reflect the effective yield on the debt security. Underwriting commission and interest receivable are included in the accounts on an accruals basis.

#### Expenses and finance costs

All expenses and finance costs are accounted for on an accruals basis charged to the revenue account except costs from investment transaction being Capital cost.

#### Trade receivables, trade payables and short-term borrowings

Trade receivables, trade payables and short-term borrowings are measured at amortised cost.

#### Investments

Investments in shares and securities are included at fair value. All of the Company's investments are quoted and are carried at bid price.

#### Deferred taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction.

**Financial instruments and long-term liabilities**

In accordance with FRS 102, the interests of the redeemable preference shareholders are classified as liabilities and the appropriations in respect of these shares are shown as finance costs in the Income Statement.

On a winding-up, the finance costs associated with the redeemable preference shares are deductible from the assets of the Company in priority to the rights of the other classes of shareholders.

**2. Investments**

	Total £'000
Fair value at 1 May 2021	64,688
Additions	1,781
Disposals – proceeds	(2,278)
Disposals - gains	1,645
Fair value movement	(4,006)
Fair value at 30 April 2022	<u>61,830</u>

	Total £'000
Analysis of investment gains/(losses)	
Realised gains on sales	1,645
Movement in investment holding value	(4,006)
	<u>(2,361)</u>

All of the Company's investments are quoted on an active market and are therefore Level 1 in accordance with FRS 102 fair value hierarchy.

**3. Debtors**

	2022 £'000	2021 £'000
Dividends receivable	63	68
Accrued income and other debtors	-	1
	<u>63</u>	<u>69</u>

**4. Creditors – amounts falling due within one year**

	2022 £'000	2021 £'000
Dividends accruing to redeemable preference shareholders	53,852	51,193
Accruals	29	26
Unclaimed repayment of redeemable preference shares	83	83
	<u>53,964</u>	<u>51,302</u>

Under section 830 of the Companies Act 2006, a company may only make a distribution out of profits available for the purpose. The Company does not meet these requirements and is unlikely to do so in the foreseeable future. However, since the dividends in respect of redeemable preference shares are cumulative, this dividend remains accrued. In such circumstances, the dividend accrual of £53,852,000 (182.25p per redeemable preference share) could only be payable by way of capital distribution upon the Company's winding up or a reduction of its share capital.

**5. Called up share capital**

<b>Shares classed as liabilities</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Redeemable preference shares of 1p nominal value	295	295
Increase to redemption value	29,254	29,254
Total redemption liability	<u>29,549</u>	<u>29,549</u>

In addition to the share premium account balance shown under Capital and Reserves, share premium makes up £28,733,000 of the £29,254,000 excess of redemption value over nominal value.

<b>Shares classed as equity</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Allotted, called up and fully paid:		
52,175,141 (2021: 52,175,141) A non-voting deferred shares of 10p each	5,218	5,218
47,824,859 (2021: 47,824,859) B non-voting deferred shares of 10p each	4,782	4,782
	<u>10,000</u>	<u>10,000</u>

**Redeemable preference shares**

The number of redeemable preference shares in issue at the end of the year is 29,548,666 shares (2021: 29,548,666), being redeemable at £1.00 per share. The redeemable preference shares are redeemable on the earlier of 30 April 2045 or on 21 months' notice from the redeemable preference shareholders and no notice has been received upon signing of these accounts.

**Dividends**

Holders of redeemable preference shares are entitled in priority to any payment of dividends to the holders of any other class of shares to be paid a fixed cumulative preferential dividend at the rate of 2.25p per quarter.

After payment of the fixed cumulative dividend, redeemable preference shareholders are, subject to any preferential dividend rights of holders of any other class of share, entitled (on a non-cumulative basis) to receive the next £100 million of revenue profits of the Company (including accumulated revenue reserves) available for distribution and resolved to be distributed for each financial year, subject, once an aggregate dividend of £100 million has been paid to the holders of the redeemable preference shares in respect of that year, to non-cumulative dividends at the rate of 0.1p per annum per A non-voting deferred share for each financial year before any further payment is made to holders of redeemable preference shares.

### **Capital**

On a winding up or other return of capital of the Company, and after the payment of all debts and other liabilities of the Company, holders of redeemable preference shares are entitled to receive an amount equal to 100p per redeemable preference share, together with all arrears and accruals (if any) of their cumulative preferential dividend, in priority to any entitlement of the holders of any other class of shares.

Thereafter, redeemable preference shareholders are, subject to any preferential capital entitlements of any holders of any other class of share, entitled to receive the surplus assets of the Company available for distribution, subject, after payment of £100 million in aggregate on all of the redeemable preference shares under the Company's Articles, to the payment of 0.1p on each non-voting deferred share before any further payment is made to holders of redeemable preference shares.

### **Redemption**

The redeemable preference shares of 1p each are redeemable at the option of the Directors on the earlier of 30 April 2045 and 21 months after any holder of the redeemable preference shares serves notice on the Company requesting that it redeems all the redeemable preference shares (the "Redemption Date") at an amount equal to the total assets less liabilities of the Company (other than any in respect of its shares). The Company may, with the prior class consent of the holders of the redeemable preference shares, redeem all the redeemable preference shares on such date prior to the Redemption Date as the Board may determine. If all the redeemable preference shares have not been redeemed or repaid on or before the Redemption Date the Directors shall convene a general meeting on or before the fifteenth business day in the month but one after that in which the Redemption Date falls at which a resolution shall be proposed requiring that the Company be wound up voluntarily. On such resolution those holders of redeemable preference shares who vote in favour of the resolution shall, on a poll, have such number of votes in respect of each share held by them (including fractions of a vote) so that the aggregate number of votes cast in favour of the resolution is four times the aggregate number of votes cast against the resolution.

### **Voting**

The holders of redeemable preference shares have the right to receive notice of and to attend or vote at, any general meeting of the Company. Holders will have one vote on a show of hands and on a poll shall have one vote per share (except in the circumstances set out under Redemption above).

### **Rights of A non-voting deferred shareholders and B non-voting deferred shareholders**

Save for their dividend entitlements, the A and B non-voting deferred shares rank *pari passu* in all respects. Holders of A non-voting deferred shares are entitled to receive a fixed non-cumulative dividend at the rate of 0.1p per annum per share in respect of each financial year once £100 million of dividends have been paid for that year to holders of the redeemable preference shares; holders of B non-voting deferred shares have no dividend entitlements. On a winding-up or other return of capital holders of the non-voting deferred shares are entitled to receive 0.1p per share, once the holders of redeemable preference shares have received a total of £100 million.

The A and B non-voting deferred shareholders are not entitled to receive notice of or to attend or vote at any general meeting of the Company.

The A and B non-voting deferred shares are not capable of transfer at any time other than with the consent of the Board.

### **6. Auditor's Report**

The audit of the Company's accounts was completed by James Cowper Kreston and their report was unqualified. The Independent Auditor's Report was signed by Alan Poole as Senior Statutory Auditor on behalf of James Cowper Kreston.