

Company registration number 03364739 (England and Wales)

SANTON CAPITAL PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

SANTON CAPITAL PLC

COMPANY INFORMATION

Directors	B S Sandhu R Patel
Secretary	R Patel
Company number	03364739
Registered office	Santon House 53/55 Uxbridge Road Ealing London W5 5SA
Auditors	Gerald Edelman LLP 73 Cornhill London EC3V 3QQ

SANTON CAPITAL PLC

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Income statement	7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 20

SANTON CAPITAL PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Fair review of the business

Please refer to the strategic report within the consolidated financial statements.

On behalf of the board

B S Sandhu

Director

16 December 2022

SANTON CAPITAL PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company continued to be that of investment.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B S Sandhu
R Patel

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditors

The auditor, Gerald Edelman LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report 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 elected to prepare the 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 company and of the profit or loss of the 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

SANTON CAPITAL PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Going concern

Having reviewed the company's financial forecasts, expected future cash flows and the continued financial support from the holding company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2022.

On behalf of the board

B S Sandhu

Director

16 December 2022

SANTON CAPITAL PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SANTON CAPITAL PLC

Opinion

We have audited the financial statements of Santon Capital PLC (the 'company') for the year ended 31 March 2018 which comprise The Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

SANTON CAPITAL PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SANTON CAPITAL PLC

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, 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; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

[The auditor's assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.] ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

[Which laws and regulations the auditor identified as being of significance in the context of the entity.] ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

[The auditor's explanation of its audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.] ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

SANTON CAPITAL PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SANTON CAPITAL PLC

[The auditor's explanation of its audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
 - Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
 - Reviewing minutes of meetings of those charged with governance.
 - Reviewing internal audit reports.
 - Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
 - Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.]
- ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hiten Patel FCCA (Senior Statutory Auditor)
For and on behalf of Gerald Edelman LLP

16 December 2022

Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

SANTON CAPITAL PLC

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

		2022	2021
	Notes	£	£
Administrative expenses		(528,960)	(303,103)
Intercompany loan written off	3	(219,875)	-
Operating loss	6	(748,835)	(303,101)
Dividend income and interest from investments	8	1,073,836	574,324
Interest payable and similar expenses	7	(400,791)	(61,345)
Fair value gains/(losses) on investments	9	(2,548,800)	840,718
(Loss)/profit before taxation		(2,624,590)	1,050,594
Taxation	11	909,443	(171,052)
(Loss)/profit for the financial year		(1,715,147)	879,542

The income statement has been prepared on the basis that all operations are continuing operations.

SANTON CAPITAL PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
(Loss)/profit for the year	(1,715,147)	879,542
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	<u>(1,715,147)</u>	<u>879,542</u>

SANTON CAPITAL PLC

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

		2022	2021
	Notes	£	£
Fixed assets			
Investments	10	5,652,425	5,705,551
Current assets			
Debtors	15	15,825,151	14,097,661
Investments	14	1,252,850	986,975
Cash at bank and in hand		4,494,143	2,610,033
		<u>21,572,144</u>	<u>17,694,669</u>
Creditors: amounts falling due within one year	16	<u>(8,215,881)</u>	<u>(2,676,385)</u>
Net current assets		<u>13,356,264</u>	<u>15,018,285</u>
Total assets less current liabilities		<u>19,008,689</u>	<u>20,723,836</u>
Capital and reserves			
Called up share capital	18	124,002	124,002
Capital redemption reserve		92,000	92,000
Profit and loss reserves		<u>18,792,687</u>	<u>20,507,834</u>
Total equity		<u>19,008,689</u>	<u>20,723,836</u>

The financial statements were approved by the board of directors and authorised for issue on 16 December 2022 and are signed on its behalf by:

B S Sandhu
Director

Company Registration No. 03364739

SANTON CAPITAL PLC

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 April 2020	124,002	92,000	19,628,292	19,844,294
Year ended 31 March 2021:				
Profit Total comprehensive loss for the year	-	-	879,542	879,542
Balance at 31 March 2021	124,002	92,000	20,507,834	20,723,836
Year ended 31 March 2022:				
Total comprehensive income for the period	-	-	(1,715,147)	(1,715,147)
Balance at 31 March 2022	124,002	92,000	18,792,687	19,008,689

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Santon Capital PLC is a private company limited by shares incorporated in England and Wales. The registered office is Santon House, 53/55 Uxbridge Road, Ealing, London, W5 5SA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.11 Prior period adjustment

The cost of investment was included within debtors for the year ended 30 April 2016 which was considered to meet the criteria of a fixed asset investments as contained in FRS102 'Investments'. In the period to 31 March 2017, the cost of the assets have been corrected by way of prior period adjustment. This has had the effect of increasing investments in 2016 by £302,500 and a corresponding decrease in the debtors for the year then ended.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Exceptional item

	2022 £	2021 £
Expenditure		
Intercompany loan writeback	219,875	-
	<u>219,875</u>	<u>-</u>

4 Turnover and other revenue

Other significant revenue

Interest income	930,972	417,499
Dividends received from group undertakings and other investments	104,058	112,309
	<u>1,035,030</u>	<u>529,808</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	-	-
	<u>-</u>	<u>-</u>

6 Operating loss

	2022 £	2021 £
Operating loss for the year is stated after charging:		
Exchange gains	-	(4,492)
	<u>-</u>	<u>(4,492)</u>

7 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	-	4,363
Interest on convertible loan notes	42,140	45,319
Other interest on financial liabilities	339,462	-
	<u>381,602</u>	<u>49,682</u>
Other finance costs:		
Finance costs for financial instruments measured at fair value through profit or loss	19,189	11,663
	<u>400,791</u>	<u>61,345</u>

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	1,258	340
Interest receivable from group companies	384,702	13,385
Other interest income	545,012	403,774
	<u>930,972</u>	<u>417,499</u>
Other income from investments		
Dividends received	104,058	112,309
	<u>1,035,030</u>	<u>529,808</u>
Income from fixed asset investments		
Income from other fixed asset investments	38,806	44,516
	<u>1,073,836</u>	<u>574,324</u>
Total income		
	<u>1,073,836</u>	<u>574,324</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	1,258	340
Dividends from financial assets measured at fair value through profit or loss	104,058	112,309
	<u>104,058</u>	<u>112,309</u>

9 Amounts written off investments

	2022 £	2021 £
Fair value gains/(losses) on investments		
Amounts (written off)/written back to fair value through profit or loss	(2,836,721)	521,688
Other gains/(losses)		
Gain on disposal of financial assets held at fair value	287,921	319,030
	<u>(2,548,800)</u>	<u>840,718</u>

10 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	12	366,121	366,119
Investments in joint ventures		2	2
Listed investments		2,298,727	4,915,157
Unlisted investments		2,987,575	424,273
		<u>5,652,425</u>	<u>5,705,551</u>

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in subsidiaries and joint ventures £	Other investments £	Total £
Cost or valuation			
At 1 April 2021	366,121	5,339,430	5,705,551
Additions	2	2,936,831	2,936,833
Valuation changes	-	(2,602,597)	(2,602,597)
Repayment of capital	-	(2,814)	(2,814)
Disposals	-	(384,548)	(384,548)
At 31 March 2022	366,123	5,286,302	5,652,425
Carrying amount			
At 31 March 2022	366,123	5,286,302	5,652,425
At 31 March 2021	366,121	5,339,430	5,705,551

11 Taxation

	2022 £	2021 £
Deferred tax		
Origination and reversal of timing differences	(909,443)	171,052

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
(Loss)/profit before taxation	(2,624,590)	1,050,594
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(498,672)	199,613
Non deductible expenses	41,544	5,700
Non taxable income	(27,144)	(29,797)
Group relief	-	(15,780)
Effect of revaluations of investments	484,272	(159,736)
Deferred tax	(909,443)	171,052
Tax expense for the year	(909,443)	171,052

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Subsidiaries

These financial statements are separate company financial statements for XXX.

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Santon Close Nominees Limited	Scotland	Ordinary	100.00	-
Santon Commercial Properties Plc	Scotland	Ordinary	100.00	-
Santon Contracting Limited	England & Wales	Ordinary	0	100.00
Santon Developments Plc	England & Wales	Ordinary	100.00	-
Santon Estates Limited	England & Wales	Ordinary	100.00	-
Santon Group Developments Limited	Scotland	Ordinary	100.00	-
Santon Highlands Limited	Scotland	Ordinary	0	100.00
Santon Homes Plc	Scotland	Ordinary	100.00	-
Santon Industrial Properties Limited	England & Wales	Ordinary	100.00	-
Santon Investments Limited	England & Wales	Ordinary	100.00	-
Santon Management Limited	England & Wales	Ordinary	100.00	-
Santon Property Company Limited	England & Wales	Ordinary	100.00	-
Santon Retail Limited	England & Wales	Ordinary	0	100.00
Santon UK Limited	England & Wales	Ordinary	100.00	-
Santon Loch Ness Limited	England & Wales	Ordinary	100.00	-

13 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	14,441,962	13,623,915
Equity instruments measured at cost less impairment	5,286,302	5,339,430
Instruments measured at fair value through profit or loss	1,252,850	986,975
	=====	=====
Carrying amount of financial liabilities		
Measured at amortised cost	8,213,860	2,674,625
	=====	=====

14 Current asset investments

	2022 £	2021 £
Unlisted investments	1,252,850	986,975
	=====	=====

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Amount due from parent undertaking	8,645,152	8,658,758
Other debtors	5,796,810	566,974
	<u>14,441,962</u>	<u>9,225,732</u>
Amounts falling due after one year:		
Deferred tax asset (note 17)	1,383,189	473,746
	<u>1,383,189</u>	<u>473,746</u>
Total debtors	<u>15,825,151</u>	<u>9,699,478</u>

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts due to group undertakings	1,278,325	2,047,497
Corporation tax	192	192
Other taxation and social security	1,828	1,567
Other creditors	6,585,934	614,001
Accruals and deferred income	349,602	13,128
	<u>8,215,881</u>	<u>2,676,385</u>

Included in other creditors are amounts of £6,170,933 due to B Sandhu, who is a director and shareholder of the company. The loan is interest free and repayable on demand.

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets	Assets
	2022	2021
	£	£
Balances:		
Investments	<u>1,383,189</u>	<u>473,746</u>

SANTON CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Deferred taxation (Continued)

	2022 £
Movements in the year:	
Asset at 1 April 2021	(473,746)
Effect of change in tax rate - profit or loss	(909,443)
Asset at 31 March 2022	<u>(1,383,189)</u>

The deferred tax asset set out above relates to revaluation on fixed asset investments reflected through the income statement.

18 Share capital

	2022 £	2021 £
Ordinary share capital		
Issued and fully paid		
248,004 Ordinary shares of 50p each	<u>124,002</u>	<u>124,002</u>

19 Related party transactions

a) Included in other creditors are amounts of £nil (2020: £81,100) due to B. S. Sandhu and £nil (2020: £6,519) due to P Sandhu, the wife of the director B S Sandhu. Interest of £nil (2020: £2,590) was incurred by the company in respect of these balances.

b) Included in other debtors are amounts of £3,077,000 (2020: £2,722,000) due from B&P Investments Limited, a company which B. S. Sandhu is a director and shareholder. Interest of £218,260 (2020: £196,235) was payable by the company in respect of this loan.

c) The Santon Capital plc group provides offices, staff and administrative support to The Sandhu Charitable Foundation without charge. The director B. S. Sandhu is the founder and Trustee of the Foundation, which is the major conduit for the Sandhu family and Santon Group charitable activities.

d) During the year an interest free loan of £350,000 (2020: £250,000) was made to The Sandhu Charitable Foundation during the year and £200,000 was repaid after the year end.

20 Controlling party

At 31 March 2022 the company was controlled by B.S. Sandhu.

21 Analysis of changes in net funds

	1 April 2021 £	Cash flows £	Market value movements £	31 March 2022 £
Cash at bank and in hand	2,610,033	1,884,110	-	4,494,143
Borrowings excluding overdrafts	-	19,189	(19,189)	-
	<u>2,610,033</u>	<u>1,903,299</u>	<u>(19,189)</u>	<u>4,494,143</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.