

Registration number: 03524907

# Caparo Limited

(formerly Caparo plc)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

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**Caparo Limited  
(formerly Caparo plc)**

**Contents**

Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report to the members of Caparo Limited	7 to 10
Statement of Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 to 33

**Caparo Limited**  
**(formerly Caparo plc)**

**Company Information**

**Directors**                   The Honourable Ambar Paul  
                                  The Honourable Anjli Paul  
                                  D P Dancaster

**Company secretary**      Goodwille Limited

**Registered office**       Caparo House  
                                  103 Baker Street  
                                  London  
                                  W1U 6LN

**Auditor**                   Deloitte LLP  
                                  Statutory Auditor  
                                  St Helier  
                                  Jersey

**Caparo Limited**  
**(formerly Caparo plc)**

**Strategic Report for the Year Ended 31 December 2022**

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

**Fair review of the business**

The directors do not consider that there are any KPI's that are necessary for an understanding of the business. The Company made an operating profit of £0.98m in the year, compared with an operating loss in the prior year of £0.32m. This followed from a reduction in administration expenses of £3.01m and a reduction in income from management charges of £1.59m.

**Principal risks and uncertainties**

The Company frequently operates at a loss, as its operating costs vary and may exceed the income it receives from management charges made to Caparo companies outside of the group headed by Caparo Group Limited and from its investment properties. The Company has net liabilities of £11.52m (2021: net liabilities of £12.51m), of which £15.33m (2021: £14.71m) is due to Caparo Group Limited, the Company's immediate and ultimate parent. The Company is therefore dependent on the continuing support of Caparo Group Limited for the continuance of its operations. The directors monitor the performance of the business, and the availability and sufficiency of any necessary support from the immediate parent, on an ongoing basis. The directors have received confirmation from the immediate parent that any necessary support will be provided.

The scale of the Company's operations is also dependent on the size and range of activities of Caparo companies outside of the Caparo Group, which may vary over time.

The directors do not consider that the UK's exit from the European Union, the invasion of Ukraine by Russia, or climate change, will have a material impact on the business.

**Future developments**

The directors expect the Company to continue to act as an intermediate holding company during 2023 and for the foreseeable future, and to provide management services to Caparo companies both within and outside of the group headed by Caparo Group Limited. The directors continue to consider future investment opportunities, both in the UK and elsewhere in Europe, for the Caparo Group.

**Section 172(1) statement**

The long-term strategy of the Board is for the Company to support continuing investment in businesses that are expected to be profitable over the longer term. In considering investments which the Company or its subsidiaries and associates are contemplating, the Board will take note of the environmental, social and governance factors affecting these businesses. No material new investments were considered during 2022.

The Company is a subsidiary of Caparo Group Limited, which is both the immediate and ultimate parent Company. The primary activity of the Company is to hold investments in UK subsidiaries and associates, and to provide management services to Caparo companies outside of and within the Caparo Group. All of the subsidiaries and associates in which the Company is invested have extensive engagement with their own unique stakeholders, as well as other businesses.

The directors periodically review the performance of the existing portfolio of businesses in which the Company is invested, and enquire of their management teams as to their performance against expectations, the future prospects for those businesses and the markets in which they operate, the future funding requirements for those businesses, the impact of their businesses on their communities and the environment, and the status of relations with employees, customers and suppliers. These reviews include consideration of monthly reports and annual business plans, through video meetings with senior operating management, and co-investors.

**Caparo Limited**  
**(formerly Caparo plc)**

**Strategic Report for the Year Ended 31 December 2022 (continued)**

The Board are not involved in the day-to-day management of the businesses in which the Company, its subsidiaries and associates are invested. The governance structure of the group is such that authority for relevant decision making is set at subsidiary or associate level. This allows individual management teams to engage in transparent and open dialogue with their own key stakeholders.

The directors ensure that any long-term decisions are consistent with the objectives of the ultimate shareholders, the Paul family trusts, and their Trustees, through engagement with the Board of Caparo Group Limited and the Trustees around any such proposals.

The Board of directors of the Company consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and maintain the reputation of the Company for high standards of business conduct in the decisions taken during the year ended 31 December 2022.

**Engagement with employees**

The Company has only a small number of employees. The Company's directors are in ongoing contact with the Company's workforce, allowing them to understand and action any concerns and feedback on an ad-hoc basis.

**Engagement with suppliers, customers and other relationships**

The Company does not have any trading customers, but has tenants for its investment properties and provides management services to Caparo companies outside of and within the Caparo group. The Company seeks to be responsive to the needs of its tenants under the terms of its leasehold arrangements, and to meet industry standards for property management. The Company is in frequent contact with the management of those companies to which it provides management services, and provides services and support as required. The Company's suppliers are limited to the provision of professional and administrative services to the Company, and substantially all of the administrative operations of the Company are outsourced to third parties. The directors seek to foster high standards at economic cost in the Company's suppliers, and work to maintain relationships with a number of alternative service providers in order to continue to obtain high quality services on the most favourable terms for the Company.

Approved and authorised by the Board on 15.12.23 and signed on its behalf by:



.....  
D P Dancaaster  
Director

**Caparo Limited  
(formerly Caparo plc)**

**Directors' Report for the Year Ended 31 December 2022**

The directors present their report and the audited financial statements for the year ended 31 December 2022.

**Change of Company name**

The Company was re-registered from a public company to a private company and changed its name from Caparo plc to Caparo Limited effective from 7 November 2022.

**Principal activity**

The principal activity of Caparo Limited (formerly Caparo plc) ("the Company") is as an intermediate holding company and provides management services to other Caparo companies both within and outside of the Caparo Group.

**Directors of the Company**

The directors who held office during the year and to the date of this report were as follows:

The Honourable Ambar Paul

The Honourable Anjli Paul

D P Dancaster

**Results and dividends**

The Statement of Comprehensive Income is set out on page 11 and shows a profit for the year of £0.99m (2021: loss of £0.33m). At 31 December 2022, the Company had net liabilities of £11.52m (2021: £12.51m).

No dividend payment is proposed for the financial year ended 31 December 2022 or to the date of this report (2021: £Nil).

**Financial instruments**

***Objectives and policies***

The Company from time to time holds or issues financial instruments to finance its operations and enters into contracts to manage risks arising from those operations and its sources of finance in accordance with its accounting policies. No such instruments were issued during the year or were outstanding at the year end.

***Liquidity risk and cash flow risk***

The Company's operations and working capital requirements can be subject to unforeseen fluctuations. These risks are mitigated by a mixture of the company's retained cash and parent company loans. The Company enjoys the continued support of its parent and is not reliant on external funding.

**Future developments**

The directors expect the Company to continue to act as an intermediate holding company during 2023 and for the foreseeable future, and to provide management services to Caparo companies both within and outside of the group headed by Caparo Group Limited. The directors continue to consider future investment opportunities, both in the UK and elsewhere in Europe, for the Caparo Group.

**Caparo Limited**  
**(formerly Caparo plc)**

**Directors' Report for the Year Ended 31 December 2022 (continued)**

**Going concern**

The Company made a profit in the year but has a net liabilities position. The Company is dependent on the support of the parent company to continue as a going concern. The directors' forecasts and projections at the group level, taking account of reasonably possible future changes in trading performance, and the impact of the Russia/Ukraine conflict show that the parent company should be able to operate within its current level of facilities and provide continued support to the Company for the next 12 months from the date of signing of these financial statements.

The parent company has confirmed its support for a period of at least one year from the date of signing of the financial statements of the Company to enable the Company to pay its liabilities and commitments as they arise. Accordingly, the financial statements have been prepared on a going concern basis.

**Directors' indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

**Disclosure of information to the auditors**

Each director has taken 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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware. This disclosure is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

**Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Deloitte LLP as auditor of the company is to be proposed at the forthcoming Annual General Meeting. The auditor Deloitte LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved and authorised by the Board on 15.12.23 and signed on its behalf by:



.....  
D P Dancaaster  
Director

**Caparo Limited  
(formerly Caparo plc)**

**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) including FRS 102 "The Financial Reporting Standards applicable in the UK and The Republic of Ireland". 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.



**Caparo Limited  
(formerly Caparo plc)**

**Independent Auditor's Report to the Members of Caparo Limited (formerly Caparo plc)**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Caparo Limited (formerly Caparo plc) (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Caparo Limited (the 'Company') for the year ended 31 December 2022, which comprise:

- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 18.

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

**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 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 Financial Reporting Council's (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.

**Caparo Limited  
(formerly Caparo plc)**

**Independent Auditor's Report to the Members of Caparo Limited (formerly Caparo plc)  
(continued)**

**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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**Caparo Limited  
(formerly Caparo plc)**

**Independent Auditor's Report to the Members of Caparo Limited (formerly Caparo plc)  
(continued)**

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists relating to real estate valuations regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

- Determining the fair value of investment property includes the use of assumptions and unobservable inputs requiring significant management judgement, therefore there is a potential for management bias. In response we engaged our real estate specialists to independently challenge the appropriateness of inputs and assumptions used in the methodology.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

**Caparo Limited  
(formerly Caparo plc)**

**Independent Auditor's Report to the Members of Caparo Limited (formerly Caparo plc)  
(continued)**

**Report on other legal and regulatory requirements**

**Opinion on other matter prescribed by the Companies Act 2006**

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

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

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 any material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

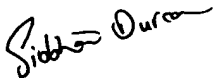
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

**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.



.....  
Siobhan Durcan (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP, Statutory Auditor

St Helier  
Jersey

Date: 15.12.2023.....

**Caparo Limited**  
**(formerly Caparo plc)**

**Statement of Comprehensive Income for the Year Ended 31 December 2022**

	Note	2022 £	2021 £
Turnover		-	-
Gross profit		-	-
Administrative expenses		(1,949,032)	(4,959,666)
(Loss)/gain on revaluation of investment properties	10	(5,000)	110,000
Other operating income	3	2,938,578	4,527,566
Operating profit/(loss)		984,546	(322,100)
Profit/(loss) before taxation	4	984,546	(322,100)
Tax on profit/(loss)	8	4,588	(3,500)
Profit/(loss) for the financial year		989,134	(325,600)

The above results were derived from continuing operations.

The notes on pages 14 to 33 form an integral part of these financial statements.

**Caparo Limited**  
**(formerly Caparo plc)**

**(Registration number: 03524907)**  
**Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	9	10,836	37,446
Investment property	10	1,395,000	1,400,000
Investments	11	20,660	21,778
		<u>1,426,496</u>	<u>1,459,224</u>
<b>Current assets</b>			
Debtors	12	1,044,400	794,333
Cash at bank and in hand	13	1,630,608	280,435
		2,675,008	1,074,768
<b>Creditors: Amounts falling due within one year</b>	14	<u>(15,623,833)</u>	<u>(15,040,867)</u>
<b>Net current liabilities</b>		<u>(12,948,825)</u>	<u>(13,966,099)</u>
<b>Total assets less current liabilities</b>		(11,522,329)	(12,506,875)
<b>Provisions for liabilities</b>		-	(4,588)
<b>Net liabilities</b>		<u>(11,522,329)</u>	<u>(12,511,463)</u>
<b>Capital and reserves</b>			
Called up share capital	16	100,000	100,000
Share premium reserve	16	89,826,000	89,826,000
Profit and loss account	16	<u>(101,448,329)</u>	<u>(102,437,463)</u>
Shareholders' deficit		<u>(11,522,329)</u>	<u>(12,511,463)</u>

Approved and authorised by the Board on 15.12.23... and signed on its behalf by:



.....  
D P Dancaaster  
Director

**Caparo Limited**  
**(formerly Caparo plc)**

**Statement of Changes in Equity for the Year Ended 31 December 2022**

	<b>Called up share capital £</b>	<b>Share premium £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 January 2021	<u>100,000</u>	<u>89,826,000</u>	<u>(102,111,863)</u>	<u>(12,185,863)</u>
Loss for the year and total comprehensive expense	<u>-</u>	<u>-</u>	<u>(325,600)</u>	<u>(325,600)</u>
At 31 December 2021	<u>100,000</u>	<u>89,826,000</u>	<u>(102,437,463)</u>	<u>(12,511,463)</u>

	<b>Called up share capital £</b>	<b>Share premium £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 January 2022	<u>100,000</u>	<u>89,826,000</u>	<u>(102,437,463)</u>	<u>(12,511,463)</u>
Profit for the year and total comprehensive income	<u>-</u>	<u>-</u>	<u>989,134</u>	<u>989,134</u>
At 31 December 2022	<u>100,000</u>	<u>89,826,000</u>	<u>(101,448,329)</u>	<u>(11,522,329)</u>

The notes on pages 14 to 33 form an integral part of these financial statements.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

**1 General information**

The Company is a private company limited by share capital, incorporated, registered and domiciled in England and Wales.

The principal activity of the Company is as an intermediate holding company and provides management services to other Caparo companies both within and outside of the Caparo Group.

The Company was re-registered from a public company to a private company and changed its name from Caparo plc to Carparo Ltd.

The address of its registered office is:

Caparo House  
103 Baker Street  
London  
W1U 6LN  
United Kingdom

**2 Accounting policies**

**Summary of significant accounting policies and key accounting estimates**

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

**Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" and the Companies Act 2006.

**Basis of preparation**

These financial statements have been prepared under the historical cost convention, modified to include investment property held at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

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

**Summary of disclosure exemptions**

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel. Exemption has also been taken under Section 33.1A of FRS 102 not to disclose related party transactions between wholly-owned companies within the group.

**Name of parent of group**

These financial statements are consolidated in the financial statements of Caparo Group Limited.



**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**2 Accounting policies (continued)**

The financial statements of Caparo Group Limited may be obtained from Companies House, Cardiff.

**Going concern**

The Company made a profit in the year but has a net liabilities position. The Company is dependent on the support of the parent company to continue as a going concern. The directors' forecasts and projections at the group level, taking account of reasonably possible future changes in trading performance, and having assessed the impact of Covid-19 and the Russia/Ukraine conflict, show that the parent company should be able to operate within its current level of facilities and provide continued support to the Company for the next 12 months from the date of signing of these financial statements.

The parent company has confirmed its support for a period of at least one year from the date of signing the financial statements of the Company to enable the Company to pay its liabilities and commitments as they arise. Accordingly taking this into account the financial statements have been prepared on a going concern basis.

**Exemption from preparing group accounts**

The financial statements contain information about Caparo Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Caparo Group Limited.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**2 Accounting policies (continued)**

**Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical assumptions 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 if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical judgements in the preparation of the financial statements, other than those involving key estimation uncertainty, which are discussed below.

**Key sources of estimation uncertainty**

**Valuation of investment property**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss. Full details, including carrying values, are set out in note 10. The carrying amount is £1,395,000 (2021 : £1,400,000).

**Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

**Other operating income**

Other operating income mainly comprises payments receivable from other Caparo companies outside of the Caparo Group for which the Company provides management services. Charges are generally invoiced semi-annually in arrears.

**Tax**

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

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**2 Accounting policies (continued)**

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

**Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Motor vehicles	Straight line over 4 years
Furniture, fittings and equipment	Straight line over 3-5 years

**Investment property**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

**Investments**

Investments in subsidiaries and associates are measured at cost less impairment.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**2 Accounting policies (continued)**

**Cash management**

The Company retains sufficient cash with its banks to meet its foreseeable short-term obligations. Additional funding is provided as required by the Company's immediate parent.

**Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

**Trade creditors**

Trade creditors 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 the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

**Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**2 Accounting policies (continued)**

**Financial instruments**

Financial assets and financial liabilities are recognised in line with section 11 of FRS 102, when the Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount, (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**2 Accounting policies (continued)**

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**3 Other operating income**

The analysis of the Company's other operating income for the year is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Management charges	2,885,643	4,472,468
Rent receivable	52,935	55,098
	<u>2,938,578</u>	<u>4,527,566</u>

**4 Profit/(loss) before tax**

Profit/(loss) before tax includes the following items:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Gain on disposal of tangible assets	10,533	-
(Loss)/gain on revaluation of investment properties	10 (5,000)	110,000
Impairment of investments in associates	11 (1,118)	(27,764)
Depreciation costs	(5,809)	(10,349)
Lease payments to related parties	(228,030)	(228,030)

**5 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	878,868	3,561,588
Social security costs	128,962	495,545
Pension costs, defined contribution scheme	5,475	5,626
	<u>1,013,305</u>	<u>4,062,759</u>

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Administration and support	<u>8</u>	<u>9</u>

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**6 Directors' remuneration**

The directors' remuneration for the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>785,439</u>	<u>260,700</u>

The directors did not receive pension or any other contributions during the year.

In respect of the highest paid director:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>426,330</u>	<u>241,231</u>

**7 Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	<u>25,675</u>	<u>21,500</u>
<b>Other non audit fees to auditor</b>		
Taxation compliance services	<u>3,680</u>	<u>5,850</u>

The Company bears the audit and tax fee expenses for some of the other companies in the group.



**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**8 Tax on profit/(loss)**

Tax (credited)/charged in the statement of comprehensive income

	2022 £	2021 £
<b>Current taxation</b>		
UK corporation tax	-	-
Total current income tax	-	-
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	153,645	-
Arising from changes in tax rates and laws	48,520	3,500
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	(206,753)	-
Total deferred taxation	(4,588)	3,500
Tax (receipt)/expense in the income statement	(4,588)	3,500

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%). The differences are reconciled below:

	2022 £	2021 £
Profit/(loss) before tax	984,546	(322,100)
Corporation tax at standard rate of 19% (2021: 19%)	187,064	(61,199)
Increase from effect of different UK tax rates on some earnings	48,520	1,101
Effect of revenues exempt from taxation	-	(21,032)
Effect of expense not deductible in determining taxable profit (tax loss)	(138,207)	99,601
Deferred tax expense from unrecognised tax loss or credit	103,695	-
Deferred tax credit from unrecognised temporary difference from a prior period	(206,753)	-
Tax increase from effect of capital allowances and depreciation	1,093	-
Tax increase arising from group relief	-	60,465
Tax decrease from transfer pricing adjustments	-	(85,776)
Other tax effects for reconciliation between accounting profit and tax expense (income)	-	10,340
Total tax (credit)/charge	(4,588)	3,500

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**8 Tax on profit/(loss) (continued)**

**Deferred tax**

Deferred tax assets and liabilities

A deferred tax liability on the revaluation of the investment properties of £107,147 (2021: £111,729) has been recognised and this has been offset against a deferred tax asset relating to unused tax losses and credits of £107,147 (2021: £107,141). There is no expiry date of timing differences, unused tax losses or credits.

In the 2021 Budget the Chancellor announced that the main rate of UK corporation tax would increase to 25% from 1 April 2023. The Company's deferred tax assets and liabilities have been calculated at 25% (2021: 25%) being the rate substantively enacted at the balance sheet date.

**9 Tangible assets**

	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2022	80,435	51,508	131,943
Additions	2,000	-	2,000
Disposals	-	(51,508)	(51,508)
At 31 December 2022	<u>82,435</u>	<u>-</u>	<u>82,435</u>
<b>Depreciation</b>			
At 1 January 2022	69,548	24,949	94,497
Charge for the year	2,051	3,758	5,809
Eliminated on disposal	-	(28,707)	(28,707)
At 31 December 2022	<u>71,599</u>	<u>-</u>	<u>71,599</u>
<b>Carrying amount</b>			
At 31 December 2022	<u>10,836</u>	<u>-</u>	<u>10,836</u>
At 31 December 2021	<u>10,887</u>	<u>26,559</u>	<u>37,446</u>

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**10 Investment properties**

	<b>2022</b>
	<b>£</b>
At 1 January 2022	1,400,000
Fair value adjustments	<u>(5,000)</u>
At 31 December 2022	<u><u>1,395,000</u></u>

This balance relates to two investment properties.

Both investment properties are freehold properties with aggregate historical costs of £686,561. One investment property was revalued to its market value of £1,000,000 as at 31 December 2022, as valued by Graves Jenkins, Chartered Surveyors. The valuation was prepared in accordance with the Appraisals and Valuations Manual of the Royal Institution of Chartered Surveyors. The historical cost of this property was £526,561.

The other investment property was revalued to its market value of £395,000 as at 31 December 2022, as valued by Harris Lamb, Chartered Surveyors. The valuation was prepared in accordance with the RICS Global Standards 2020 ("Red Book") and includes a material uncertainty clause in relation to the Covid-19 pandemic. The historic cost of this property was £160,000.

At the balance sheet date, the Company had contracted tenants for the following future minimum lease payments:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	63,228	52,935
In the second to fifth year inclusive	147,274	213,127
After five years	<u>18,700</u>	<u>18,700</u>
At 31 December 2022	<u><u>229,202</u></u>	<u><u>284,762</u></u>

**11 Investments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	5	5
Investments in associates	<u>20,655</u>	<u>21,773</u>
	<u><u>20,660</u></u>	<u><u>21,778</u></u>

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**11 Investments (continued)**

<b>Subsidiaries</b>	<b>£</b>
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	69,200,005
<b>Provision</b>	
At 1 January 2022 and 31 December 2022	<u>69,200,000</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>5</u>
At 31 December 2021	<u>5</u>
 <b>Associates</b>	 <b>£</b>
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	185,000
<b>Provision</b>	
At 1 January 2022	163,227
Provision	<u>1,118</u>
At 31 December 2022	<u>164,345</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>20,655</u>
At 31 December 2021	<u>21,773</u>

The impairment loss recognised in the year is disclosed as part of administrative expenses. It is not considered that the cost of the investment in Algorid Limited is recoverable. The Company has provided in full for its remaining investment in Algorid Limited.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**11 Investments (continued)**

**Details of undertakings**

The Company has investments in the following subsidiary undertakings and associates:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
Caparo Hotels Limited	Caparo House, 101-103 Baker Street, London, W1U 6LN. England and Wales	All classes	100%	100%
Caparo Ventures Limited	Caparo House, 101-103 Baker Street, London, W1U 6LN. England and Wales	Ordinary	100%	100%
Caparo Properties Limited	Caparo House, 101-103 Baker Street, London, W1U 6LN. England and Wales	Ordinary	100%	100%
Elliot Leisure (Time-Ownership) Limited	Caparo House, 101-103 Baker Street, London, W1U 6LN. England and Wales	Ordinary	100%	100%
Caparo Industries Plc (in administration)	Floor 8, Central Square, 29 Wellington Street, Leeds, Yorkshire, LS1 4DL England and Wales	Ordinary	100%	100%
CSS Audenshaw Limited	Caparo House, 101-103 Baker Street, London, W1U 6LN. England and Wales	Ordinary	100%	100%
Caparo Tea Company Limited	Caparo House, 101-103 Baker Street, London, W1U 6LN. England and Wales	Ordinary	100%	100%
Associates				
Zaklady Urzadzen Okretowych "BOMET" Sp.Z o. o.	2 Orketowa Street, Barlinek, Poland	Ordinary	49%	49%

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**11 Investments (continued)**

<b>Undertaking</b>	<b>Registered office</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
Space Audit Systems Limited	University of Wolverhampton Science Park, Pb Building, Glaisher Drive, Wolverhampton, West Midlands, WV10 9RU England and Wales	Ordinary	24.5%	24.5%
Disulfican Limited	University of Wolverhampton Science Park, Pb Building, Glaisher Drive, Wolverhampton, West Midlands, WV10 9RU England and Wales	Ordinary	24.5%	24.5%
Algorid Ltd	University of Wolverhampton Science Park, Pb Building, Glaisher Drive, Wolverhampton, West Midlands, WV10 9RU England and Wales	Ordinary	24.3%	24.3%

**Subsidiary undertakings**

*Caparo Hotels Limited*

The principal activity of Caparo Hotels Limited is Hoteliers.

*Caparo Ventures Limited*

The principal activity of Caparo Ventures Limited is Corporate investment company.

*Caparo Properties Limited*

The principal activity of Caparo Properties Limited is dormant.

*Elliot Leisure (Time-Ownership) Limited*

The principal activity of Elliot Leisure (Time-Ownership) Limited is dormant.

*CSS Audenshaw Limited*

The principal activity of CSS Audenshaw Limited is dormant.

*Caparo Tea Company Limited*

The principal activity of Caparo Tea Company Limited is dormant.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**11 Investments (continued)**

**Associates**

*Zakłady Urządzeń Okretowych "BOMET" Sp. Z o. o.*

The principal activity of Zakłady Urządzeń Okretowych "BOMET" Sp. Z o. o. is the supply and manufacture of forged steel and fabricated components. This company is in insolvency proceedings..

*Space Audit Systems Limited*

The principal activity of Space Audit Systems Limited is the development and sale of specialist software for auditing the use of rooms in public buildings.

*Disulfican Limited*

The principal activity of Disulfican Limited is the research and experimental development of biotechnology.

*Algorid Ltd*

The principal activity of Algorid Ltd is the development of biometric algorithms to enhance the capability of automatic fingerprint identification systems.

All investments are held directly except Elliot Leisure (Time Ownership) Limited.

On 19 October 2015 Caparo Industries Plc entered administration. Following that date, in the opinion of the Directors, the Company lost effective control over its interest in Caparo Industries Plc.

**12 Debtors**

	<b>2022</b>	<b>2021</b>
<b>Amounts falling due within one year</b>	<b>£</b>	<b>£</b>
Trade debtors	14,762	32,100
Receivables from related parties	509,114	279,026
Receivable from fellow subsidiary companies	-	17,333
Receivables from associates	55,000	20,000
Other debtors	5,286	8,535
Prepayments	112,800	221,964
Accrued income due from related parties	347,438	215,375
	<u>1,044,400</u>	<u>794,333</u>

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**12 Debtors (continued)**

The amounts owed by fellow subsidiary companies are unsecured, have no fixed repayment date, are non-interest bearing and repayable on demand.

The amounts owed by affiliates include unsecured loans, repayable on 23 December 2024, and bear interest at LIBOR + 5% until maturity.

Included in debtors are receivables from related parties of £509,114 (2021: £279,026) comprised as follows:

		2022 £	2021 £
<b>Amounts owed by directors</b>			
The Honourable Ambar Paul	Expense recharge	1,404	1,404
		<u>1,404</u>	<u>1,404</u>
		2022 £	2021 £
<b>Amounts owed by other Paul family members</b>			
The Lord Paul of Marylebone	Expense recharge	20,272	2,082
		<u>20,272</u>	<u>2,082</u>
		2022 £	2021 £
<b>Amounts owed by affiliates</b>			
Caparo Middle East	Management charge	171,790	49,136
Zatalo Finance S.A.	Management charge	105,605	30,212
Caparo Bull Moose Inc	Management charge	55,865	828
Caparo Holdings (US) Limited	Recharge of costs	154,178	195,364
		<u>487,438</u>	<u>275,540</u>
		2022 £	2021 £
Total		<u>509,114</u>	<u>279,026</u>



**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**12 Debtors (continued)**

Included in debtors is accrued income from related parties of £347,438 (2021: £215,375) comprised as follows:

		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Amounts owed by affiliates</b>			
Caparo Middle East	Management charge	86,859	45,342
Zatalo Finance S.A.	Management charge	43,430	28,339
Caparo Bull Moose Inc (formerly Bull Moose Industries Inc)	Management charge	217,149	141,694
		<u>347,438</u>	<u>215,375</u>

All amounts represent expenses recharged in the year. Amounts due from affiliates are unsecured, non-interest bearing and repayable on demand.

**13 Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash at bank	<u>1,630,608</u>	<u>280,435</u>

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**14 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Trade creditors	27,482	115,545
Loans due to parent company	15,329,812	14,711,717
Social security and other taxes	15,177	20,958
Outstanding defined contribution pension costs	-	1,357
Accrued expenses	237,125	177,053
Deferred income	14,237	14,237
	<u>15,623,833</u>	<u>15,040,867</u>

Amounts owed to immediate parent company have no fixed repayment date, do not bear interest and are not secured. Included in trade creditors are amounts owed to related parties of £13,961 (2021: £1,574) as comprised as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts owed to directors</b>		
D P Lancaster	9,624	1,574 Expense Claims
The Honourable Ambar Paul	4,337	- Expense Claims
	<u>13,961</u>	<u>1,574</u>

**15 Pension and other schemes**

**Defined contribution pension scheme**

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £5,475 (2021 - £5,626).

Contributions totalling £Nil (2021 - £1,357) were payable to the scheme at the end of the year and are included in creditors.

**Caparo Limited**  
**(formerly Caparo plc)**

**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

**16 Called up share capital and reserves**

**Allotted, called up and fully paid shares**

	<b>2022</b>		<b>2021</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	100,000	100,000	100,000	100,000

**Rights, preferences and restrictions**

Ordinary shares have the following rights, preferences and restrictions:

The Company has one class of ordinary shares which carry no right to fixed income.

On 15 June 1998, Caparo Group Limited transferred its shareholdings in Caparo Industries Plc and Caparo Automotive Limited to Caparo Plc at net asset value of £89,876,000. The consideration for the transfer was the issue of 50,000 ordinary shares of £1 each in Caparo Plc, thus creating a share premium account of £89,826,000.

The profit and loss reserve represents cumulative profits and losses, net of dividends paid and other adjustments.

**17 Related party transactions**

During the year the Company sold a motor vehicle to Lord Paul for £40,000 (including VAT) at a profit of £10,533. The Company also provided secretarial services to Lord Paul during the year for a consideration of £19,744.

**18 Parent company, ultimate parent company and ultimate controlling parties**

The Company is a subsidiary undertaking of Caparo Group Limited, which is both the immediate and ultimate parent company. The only group in which the results of the Company are consolidated is that headed by Caparo Group Limited with registered office: Caparo House, 103 Baker Street, London W1U 6LN. A copy of the consolidated accounts of Caparo Group Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The Honourable Ms Anjli Paul and The Honourable Ambar Paul, directors of Caparo Group Limited, and The Right Honourable The Lord Paul of Marylebone, and The Honourable Akash Paul, are jointly and indirectly interested in the whole of the issued share capital of Caparo Group Limited through shareholdings registered in the name of Caparo International Corporation, a company registered in the British Virgin Islands. Caparo International Corporation ultimately holds the issued share capital of Caparo Group Limited on behalf of a series of family trusts.