

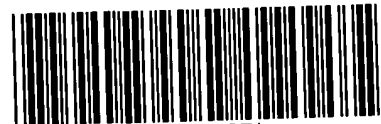
Carmelite Investments Limited

Director's report and financial statements

Registered number 03561304

31 December 2016

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COMPANIES HOUSE

Carmelite Investments Limited

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31 December 2016

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Carmelite Investments Limited  
Officers and professional advisors  
31 December 2016

**DIRECTOR**

M A Webberley

**REGISTERED OFFICE**

Point 3,  
Haywood Road  
Warwick  
CV34 5AH

The Director presents the annual report and financial statements of Carmelite Investments Limited, registered number 03561304 ("the Company") for the year ended 31 December 2016.

### **Principal activity**

During the year ended 31 December 2016, the Company continued to act as an intermediate holding company for certain subsidiary undertakings of the Carmelite Capital Limited ("CCL") Group.

The Company also holds a 50% interest in the ordinary share capital of Box Clever Technology Limited and the subordinated loan notes (including accrued interest) issued by its subsidiary undertaking Box Clever Finance Limited (see note 5 to the financial statements).

### **Business review**

The Company did not trade during the current or previous year.

### **Directors**

The Directors who held office during the year and subsequently are as follows:

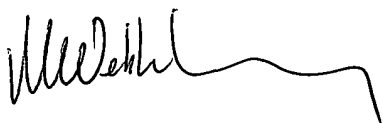
K Gozzett (resigned 29 January 2016)

M A Webberley (appointed 29 January 2016)

### **Auditor**

In accordance with section 480 of the Companies Act 2006 the Company is exempt from the obligation to appoint auditors.

By Order of the Board



**M A Webberley**  
Director

3 August 2017

Carmelite Investments Limited  
Statement of Director's responsibilities in respect of the Director's Report and  
the financial statements  
31 December 2016

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Company law the Director must not approve the financial statements unless he is 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 Director is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Director is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Carmelite Investments Limited  
Balance sheet  
Year ended 31 December 2016

**Balance sheet**

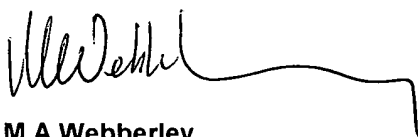
	Note	2016 £000	2015 £000
<b>Fixed assets</b>			
Investments	5	-	-
		<hr/>	<hr/>
<b>Net assets</b>		-	-
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	6	255,740	255,740
Profit and loss account	7	(255,743)	(255,743)
Other reserves	7	3	3
		<hr/>	<hr/>
<b>Shareholder's funds</b>		-	-
		<hr/>	<hr/>

The Company did not trade and received no income and incurred no expenditure during the current or previous year. Consequently no profit and loss account has been prepared.

The Company was dormant throughout the financial year and:

- (a) The Director has confirmed that no notice has been deposited under section 476 of the Companies Act 2006.
- (b) The Director has acknowledged his responsibilities for ensuring that the Company keeps accounting records which comply with section 386 of the Companies Act 2006.
- (c) The Director has acknowledged his responsibilities for preparing accounts which give a true and fair view of the Company and of its result for the year ended 31 December 2016 in accordance with the requirements of section 393 of the Companies Act 2006 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the Company.
- (d) The Director has taken advantage of the Companies Act 2006 in not having these accounts audited under section 480(1) (total exemption).

These financial statements were approved by the Director on 3 August 2017.



**M A Webberley**  
Director

## **1 Accounting policies**

Carmelite Investments Limited is a company limited by shares and incorporated and domiciled in the UK.

These financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102").

The financial statements are prepared in Sterling which is the functional currency of the Company and under the historical cost convention.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS102 in respect of the following disclosures:

- Cash flow statement and related notes;
- Key management personnel compensation;
- The disclosures required by FRS102.11 (Basic Financial Instruments) and FRS102.12 (Other Financial Instrument Issues) in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36 (4) of Schedule 1.

### *Group financial statements*

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

### *Related party transactions*

As it is a wholly owned subsidiary of Carmelite Capital Limited ("CCL"), the Company has taken advantage of the exemption permitted by FRS102 section 33.11 and has therefore not disclosed transactions or balances with entities which form part of the CCL group (or investees of the group qualifying as related parties). The consolidated financial statements of CCL, within which this Company is included, can be obtained from the address given in note 8.

### *Investments*

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

### *Taxation*

Taxation on profit on ordinary activities is that which has been paid or becomes payable in respect of profits for the year.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### *Dormant company*

The Company did not trade during both the current and the preceding years and received no income and incurred no expenditure. Consequently, during those years the Company made neither a profit nor a loss.

## **2 Accounting estimates and judgements**

In the application of the Company's accounting policies, which are described in Note 1, the Director is required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that the Director has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

### *Taxation*

The decision whether to recognise a deferred tax asset requires estimation by management of the likely level of the Company's future taxable profit from ongoing operations where tax losses are available to be utilised against those future profits. Any forecast of future profitability is inherently judgemental and therefore actual performance may differ from that forecast.

## **3 Auditors, directors and staff**

The Director has taken advantage of the Companies Act 2006 in not having these accounts audited under section 480(1). He received no remuneration during the year in respect of services to the Company (2015: £nil). The Company has no employees and therefore incurs no wages or salary costs (2015: £nil).

## **4 Taxation**

The Company did not trade during the current or previous year and consequently had no chargeable income or expenditure in either year.

The Company has tax losses carried forward which may give rise to reduced tax charges in the future of £9,000,000 (2015: £9,600,000). No deferred tax asset has been recognised in respect of these losses as the ability of the Company to obtain a future tax benefit is uncertain.

## 5 Fixed asset investments

	Shares in group undertakings £000
<b>Cost</b>	
At beginning and end of year	255,737
<b>Provisions</b>	
At beginning and end of year	255,737
<b>Net book value</b>	
At 31 December 2016 and 31 December 2015	-

The undertakings in which the Company has an interest at the year-end are as follows:

Subsidiary undertakings	Principal activity	Share classification	Percentage of shares held
Carmelite Finance Limited*	Holding company	Ordinary Preferred ordinary	100 -
Carmelite Property Management Limited	Management of property leases	Ordinary	100
Thorn (IP) Limited	Holder of intellectual property rights	Ordinary	100
Thorn Limited	Dormant	Ordinary	100

All of the subsidiary undertakings are incorporated in England and the registered office is Point 3, Haywood Road, Warwick, CV34 5AH.

\* denotes investment held directly by the company at 31 December 2016.

### *Box Clever Technology Limited ("BCTL")*

The investment in BCTL comprises 50% of the ordinary share capital of BCTL (namely £5,000,000) and subordinated unsecured loan notes (including accrued interest) issued by its subsidiary undertaking Box Clever Finance Limited ("BCFL"). In January 2003, the management of BCFL informed the Directors of the Company that current trading performance was falling short of targets implicit in the business model. An impairment review was conducted and the Directors concluded that the net realisable value of the investment, including the interest accrued on the subordinated loan notes to January 2003, was £nil.

On 24 September 2003, certain BCTL subsidiaries entered into, and remain in, administrative receivership.

Although the Company holds 50% of the ordinary share capital of BCTL, the Directors consider that neither the Company nor any of its subsidiary undertakings exert significant influence over the operating and financial policy of BCTL. This restriction is expected to continue for the foreseeable future and, consequently, this shareholding has been treated as a fixed asset investment which is held at £nil value as at 31 December 2016 (2015: £nil).

**6 Called up share capital**

	2016 £000	2015 £000
<i>Allotted, called up and fully paid</i>		
25,574,041,310 ordinary shares of £0.01 each	<b>255,740</b>	255,740
	<u>          </u>	<u>          </u>

**7 Reserves**

	Other reserves £000	Profit and loss account £000
At beginning and end of year	<b>3</b>	<b>(255,743)</b>
	<u>          </u>	<u>          </u>

**8 Ultimate parent company**

The Directors regard Tusk Investments LP Inc as the ultimate parent company and ultimate controlling party.

CCL is the largest and smallest group, of which the Company is a member and for which group financial statements are prepared. Copies of the financial statements are available to the public and may be obtained from Point 3, Haywood Road, Warwick CV34 5AH.