

**PENCELLI LIMITED**

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**Annual Report and Financial Statements****31 October 2023****Company Number: 03724227****CONTENTS**

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28/02/2024  
COMPANIES HOUSE

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**OFFICERS AND AUDITORS**

**DIRECTORS**

A G E Bate (Resigned 31 October 2023)  
S D Crane  
G R Cobb (Appointed 1 November 2023)

**SECRETARY**

S Hewett

**AUDITOR**

Buzzacott LLP  
Chartered Accountants & Registered Auditors  
130 Wood Street  
London EC2V 6DL

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**DIRECTORS' REPORT**

The Directors present their annual report and the audited financial statements for the year ended 31 October 2023.

**ACTIVITIES**

The principal activity of the Company is to own land in Wales, known as the Welsh Pencelli Estate, on behalf of the ultimate holding company.

**RESULTS AND DIVIDENDS**

The Company did not trade during the year. The Directors do not recommend payment of a dividend (2022:£nil).

**FUTURE PROSPECTS**

No change in the Company's activities is envisaged in the foreseeable future.

**DIRECTORS AND THEIR INTERESTS**

The Directors have no interest in the shares of the Company nor any disclosable interests in any contracts or arrangements with the Company subsisting at the end of the financial year.

**SMALL COMPANY RULES**

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

**AUDITOR**

Buzzacott LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditor for the ensuing year.

**STATEMENT OF DISCLOSURE TO AUDITOR**

So far as each of the Directors is aware there is no relevant information of which the auditor is unaware. Additionally, the Directors have taken all the necessary steps they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board of Directors and authorised for issue on 14 February 2024  
and Signed by Order of the Board



SD Crane  
Director

Armoury House  
City Road  
London EC1Y 2BQ

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Directors' 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;
- 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.

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**Independent auditor's report to the members of Pencelli Limited****Opinion**

We have audited the financial statements of Pencelli Limited (the 'Company') for the year ended 31 October 2023 which comprise the profit and loss account, the balance sheet, and the 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 Financial Reporting Standard 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 October 2023 and of its profit 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 United Kingdom, including the Financial Reporting Council'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.

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**Other information**

The other information comprises the information included in the Annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual report and financial statements. 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 the audit:

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

**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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

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**Responsibilities of directors**

As explained more fully in the statement of Directors' responsibilities on page 5, 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.

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:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- We identified the laws and regulations applicable to the Company through discussions with management and from our knowledge and experience.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud and knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected financial relationships.

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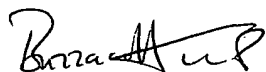
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://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.



Edward Finch (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

14 February 2024



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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 OCTOBER 2023**

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

**BALANCE SHEET  
AS AT 31 OCTOBER 2023**

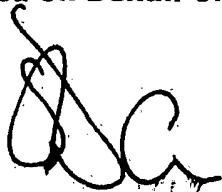
	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
The Welsh Pencelli Estate	4	328,773	328,773
<b>CURRENT LIABILITIES</b>			
Amounts owed to group undertakings	5	(28,773)	(28,773)
<b>NET ASSETS</b>		300,000	300,000
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	300,000	300,000
<b>EQUITY SHAREHOLDERS' FUNDS</b>		300,000	300,000

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 11 to 12 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 14 February 2024.

**Signed on Behalf of the Board of Directors**



**SD Crane**  
**Director**  
**Company No: 03724227**

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## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### **Basis of preparation**

The financial statements are prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Ireland" ("FRS 102") and the requirements of the Companies Act 2006. The financial statements have been prepared using the historical cost convention.

#### **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 Balance Sheet when the company becomes party to the contractual provisions of the instrument.

#### ***Basic financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Debt instruments are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest method.

### 2. ULTIMATE PARENT COMPANY

The Company's holding company and ultimate parent company is the Honourable Artillery Company registered in England and Wales. A copy of the Honourable Artillery Company's published consolidated financial statements can be obtained from the Secretary, Armoury House, City Road, London EC1Y 2BQ.

### 3. INFORMATION REGARDING DIRECTORS, EMPLOYEES AND AUDITOR

The Company had no employees during the year. The directors did not receive any emoluments from the Company. The audit fee was borne by the parent entity.

### 4. FIXED ASSETS

The Welsh Pencelli Estate at cost	£328,773
(At 1 November 2022 and 31 October 2023)	

The Welsh Pencelli Estate consists of 14,000 acres of land in the Brecon Beacons. Because of its nature the Directors do not believe that it is necessary to make any provision for depreciation.

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**NOTES TO THE ACCOUNTS (continued)**
**5. AMOUNTS OWED TO GROUP UNDERTAKINGS**

	2023 £	2022 £
Amount owed to the ultimate parent undertaking	<u>28,773</u>	<u>28,773</u>

**6. CALLED UP SHARE CAPITAL**

	2023 £	2022 £
Authorised		
Ordinary Shares of £1 each	1,000,000	1,000,000
	<hr/>	<hr/>
Allotted and fully paid		
Ordinary Shares of £1 each	300,000	300,000
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**7. CASH FLOW STATEMENT**

The Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a small company.

**8. RELATED PARTY TRANSACTIONS**

The Company is exempt from the requirement to disclose transactions with entities that are part of the Honourable Artillery Company group, as all of the Company's voting rights are controlled within that group. There are no material transactions with any other related parties.