

**GROSVENOR GREEN ENERGY LIMITED**

**Annual report and financial statements**

**Year ended 31 December 2017**

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# **GROSVENOR GREEN ENERGY LIMITED**

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# **GROSVENOR GREEN ENERGY LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISORS**

### **DIRECTORS**

P L Doyle  
G P Ramsbottom

### **SECRETARY**

G M Chadwick

### **REGISTERED OFFICE**

The Quarry  
Hill Road  
Eccleston  
Chester  
CH4 9HQ

### **BANKERS**

HSBC Bank plc  
47 Eastgate Street  
Chester  
CH1 1XW

## **GROSVENOR GREEN ENERGY LIMITED**

### **DIRECTORS' REPORT**

The Directors present their annual report on the affairs of the company, together with the financial statements for the year ended 31 December 2017.

#### **PRINCIPAL ACTIVITIES**

The company's principal activity is that of an intermediate holding company. The Directors do not expect any changes in the company's activities in the forthcoming year.

#### **REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

As part of its commitment to *Gilkes Hydro Investments Limited*, the company invested a further £938,430 during the year.

After the year end the Group accepted an offer and agreed the sale of *Gilkes Hydro Investments Limited* for an amount equal to the carrying value recognised in the financial statements at 31 December 2017.

#### **GOING CONCERN**

To consider whether it is appropriate to prepare the financial statements on a going concern basis, the Directors have reviewed the budget for the forthcoming financial year. At 31 December 2017 the company was in a net current liability position. Having considered the plans for the future and the ongoing financial support from the parent company, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

*The company's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk.*

##### ***Cash flow risk***

The company's activities expose it primarily to the financial risks of interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

##### ***Credit risk***

The company's principal financial assets are investments.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

##### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations the company has put an appropriate cash flow management structure in place to anticipate demand for cash.

#### **DIVIDENDS**

The Directors do not recommend the payment of a dividend (2016 - £nil).

## **GROSVENOR GREEN ENERGY LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **DIRECTORS**

The Directors who served throughout the year and thereafter were as follows:

P L Doyle

G P Ramsbottom

#### **DIRECTOR'S 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.

Approved by the Board and signed on its behalf by:

  
**G M Chadwick**

Company Secretary  
6 June 2018

The Quarry  
Hill Road  
Eccleston  
Chester  
CH4 9HQ

## **GROSVENOR GREEN ENERGY LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 Standard applicable in the UK and 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

# GROSVENOR GREEN ENERGY LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31 December 2017

	Note	2017 £	2016 £
Investment income	3	135,180	78,258
Other income		-	110,000
Administrative income/(expenses)		1,242	(20,382)
Fair value movements on fixed asset investments	7	(112,120)	1,028,552
<b>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	24,302	1,196,428
Tax on profit on ordinary activities	6	268,465	(176,213)
<b>PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE EQUITY SHAREHOLDER OF THE COMPANY</b>		292,767	1,020,215

All results derive from continuing operations.

The company has no recognised gains or losses for the current or preceding year other than the profit for the respective years as shown above. Accordingly, a separate statement of other comprehensive income has not been presented.

# GROSVENOR GREEN ENERGY LIMITED

## BALANCE SHEET

As at 31 December 2017

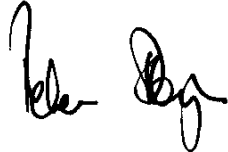
	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Investments	7	9,563,662	8,756,287
<b>CURRENT ASSETS</b>			
Debtors	8	9,100	100
<b>CREDITORS: amounts falling due within one year</b>	9	(7,484,615)	(6,692,542)
<b>NET CURRENT LIABILITIES</b>		(7,475,515)	(6,692,442)
<b>PROVISION FOR LIABILITIES</b>	10	(23,032)	(291,497)
<b>NET ASSETS</b>		2,065,115	1,772,348
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	11	100	100
Profit and loss account		2,065,015	1,772,248
<b>SHAREHOLDER'S FUNDS</b>		2,065,115	1,772,348

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of Grosvenor Green Energy Limited (registered number 4056262) were approved by the Board of Directors on 6 June 2018. They were signed on its behalf by:



**P.L. Doyle**  
Director



## **GROSVENOR GREEN ENERGY LIMITED**

### **STATEMENT OF CHANGES IN EQUITY**

	<b>Called-up share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>At 1 January 2016</b>	100	752,033	752,133
Profit for the financial year	-	1,020,215	1,020,215
<b>At 31 December 2016</b>	100	1,772,248	1,772,348
Profit for the financial year	-	292,767	292,767
<b>At 31 December 2017</b>	100	2,065,015	2,065,115

## **GROSVENOR GREEN ENERGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2017**

#### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

##### **a. General information and basis of accounting**

Grosvenor Green Energy Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1.

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

The functional currency of Grosvenor Green Energy Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Grosvenor Green Energy Limited 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. Grosvenor Green Energy Limited is consolidated in the financial statements of its parent, Wheatsheaf Group Limited, which may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. Exemptions have been taken in these separate company financial statements in relation to presentation of a cash flow statement, remuneration of key management personnel and financial instruments.

##### **b. Going concern**

The financial statements have been prepared using the going concern basis of accounting.

##### **c. Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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

##### *(i) Financial assets and liabilities*

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 statement of financial position 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 conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS102 are subsequently measured at amortised cost using the effective interest methods.

## GROSVENOR GREEN ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2017

#### 1. ACCOUNTING POLICIES (continued)

##### c. Financial instruments (continued)

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit and 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.

##### (ii) Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries, associates and jointly controlled entities are measured at cost less impairment.

##### (iii) Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

##### (iv) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

##### d. 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.

## GROSVENOR GREEN ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

#### 1. ACCOUNTING POLICIES (continued)

##### d. Impairment of assets (continued)

###### *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.

##### e. Taxation

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 or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

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.

Unrelieved tax losses and other deferred tax assets are 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 the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

## GROSVENOR GREEN ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2017

#### 1. ACCOUNTING POLICIES (continued)

##### e. Taxation (continued)

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

##### f. Dividend and interest revenue

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the Directors are 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.

##### Critical judgements in applying the company's accounting policies

There are no critical judgements or key sources of estimation uncertainty that the Directors have made in the process of applying the company's accounting policies.

#### 3. INVESTMENT INCOME

	2017 £	2016 £
Income from fixed asset investments:		
Interest	122,130	63,408
Dividend income from jointly controlled entities	13,050	14,850
	<u>135,180</u>	<u>78,258</u>

# GROSVENOR GREEN ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

### 4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	2017 £	2016 £
(Loss)/profit on fair value movements on fixed asset investments (note 7)	(112,120)	1,028,552

### 5. STAFF NUMBERS AND COSTS

There were no employees of the company during the current or previous year apart from the Directors (2016 – same). No remuneration was paid to the Directors for their services in the year (2016 – same).

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises:

	2017 £	2016 £
<b>Current tax on profit</b>		
UK corporation tax	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(256,070)	167,992
Adjustments in respect of prior years	(12,395)	8,221
<b>Total deferred tax (note 10)</b>	(268,465)	176,213
<b>Total tax on profit on ordinary activities</b>	(268,465)	176,213

# GROSVENOR GREEN ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2017

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2017 £	2016 £
<b>Profit on ordinary activities before tax</b>	<b>24,302</b>	<b>1,196,428</b>
Tax on profit on ordinary activities at standard UK corporation tax rate of 19.25% (2016 – 20%)	4,678	239,286
Effects of:		
- Non-taxable income	(81,984)	-
- Group relief surrendered for nil consideration	-	14,582
- Notional interest payable	(52,865)	(45,188)
- Non-taxable UK dividend income	(2,512)	(2,970)
- Release of deferred tax – change in tax law	(157,279)	-
- Re-measurement of deferred tax – change in UK tax rate	33,892	(37,718)
- Adjustments for previous years	(12,395)	8,221
<b>Total tax on profit on ordinary activities</b>	<b>(268,465)</b>	<b>176,213</b>

On 1 April 2017, the UK corporate tax rate was reduced from 20% to 19%. From 1 April 2020, the UK corporation tax rate will reduce further to 17% (Finance Act 2016).

A current tax rate of 19.25% has been applied to the year ended 31 December 2017 (2016 – 20%). A deferred tax rate of 17% has been applied to opening balances and movements in deferred tax in the year ended 31 December 2017 (2016 – 17%).

The release in deferred tax relates to previously booked deferred tax on the fair value adjustments of shares, which qualify for substantial shareholdings exemption from 1 April 2017, following the changes to substantial shareholdings exemption qualification which were enacted in the Finance (No.2) Act 2017.

### 7. FIXED ASSET INVESTMENTS

	Carrying value £	Loan £	Total £
<b>Fixed asset investments</b>			
<b>Carrying value</b>			
Jointly controlled entity	500	263,963	264,463
Associate	37,243	50,225	87,468
Other investments	5,589,352	3,622,379	9,211,731
At 31 December 2017	<b>5,627,095</b>	<b>3,936,567</b>	<b>9,563,662</b>

# GROSVENOR GREEN ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2017

### 7. FIXED ASSET INVESTMENTS (continued)

Details of the fixed asset investments are listed below.

	Carrying value £	Loan £	Total £
<b>Jointly controlled entity</b>			
<b>Carrying value</b>			
At 1 January 2017	500	389,083	389,583
Accrued interest	-	4,945	4,945
Loan repayments	-	(130,065)	(130,065)
At 31 December 2017	<u>500</u>	<u>263,963</u>	<u>264,463</u>

The jointly controlled entity is Merkland and Reay Forest Hydro Limited, a hydro electric company whose registered office is 4<sup>th</sup> Floor, 115 George Street, Edinburgh, EH2 4JN. A 50% shareholding is held.

	Carrying value £	Loan £	Total £
<b>Associate</b>			
<b>Carrying value</b>			
At 1 January 2017	33,234	62,267	95,501
Adjustments	4,009	(4,009)	-
Accrued interest	-	2,967	2,967
Loan repayments	-	(11,000)	(11,000)
At 31 December 2017	<u>37,243</u>	<u>50,225</u>	<u>87,468</u>

The associate is Gilkes Energy (Ederline Hydro) Limited, a hydro electric company whose registered office is 15 Atholl Crescent, Edinburgh, EH3 8HA. A 25% shareholding is held.

	Carrying value £	Loan £	Total £
<b>Other investments</b>			
<b>Carrying value</b>			
At 1 January 2017	5,701,472	2,569,731	8,271,203
Additions	-	938,430	938,430
Accrued interest	-	114,218	114,218
Movement in the fair value of other investments	(112,120)	-	(112,120)
At 31 December 2017	<u>5,589,352</u>	<u>3,622,379</u>	<u>9,211,731</u>

During the year the company received dividends from an investment amounting to £13,050 (2016 - £14,850).

Fair value was determined by reference to a market valuation.



## GROSVENOR GREEN ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2017

#### 7. FIXED ASSET INVESTMENTS (continued)

The other investments held are detailed below:

Name	Country of incorporation	Principal Activity	Shareholding
Torrential Potential Limited	Scotland	Hydro electric company	10.0%
Mulard Renewables Limited	Scotland	Hydro electric company	5.0%
Redstart Renewables Limited	England	Hydro electric company	11.5%
Goldeneye Renewables Limited	England	Hydro electric company	12.3%
Osprey Green Power Limited	England	Hydro electric company	11.8%
Goshawk Energy Limited	England	Hydro electric company	11.8%
Nightjar Sustainable Power Limited	England	Hydro electric company	7.8%
Guillemot Green Energy Limited	England	Hydro electric company	3.9%
Gilkes Hydro Investments Limited	England	Hydro electric company	12.6%

Loans receivable constitute financing transactions and are measured at the present value of the future cash flows, discounted at a market rate of interest.

#### 8. DEBTORS

	2017 £	2016 £
Amounts falling due within one year:		
Amounts owed by a group undertaking	100	100
Other debtors	9,000	-
	<u>9,100</u>	<u>100</u>

#### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Amounts owed to a group undertaking	7,484,115	6,684,129
Amounts owed to the jointly controlled entity	500	500
Accruals and deferred income	-	7,913
	<u>7,484,615</u>	<u>6,692,542</u>

## GROSVENOR GREEN ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2017

#### 10. PROVISION FOR LIABILITIES

Deferred taxation	£
At 1 January 2017	291,497
Credited to profit and loss account	(268,465)
	<hr/>
At 31 December 2017	23,032
	<hr/>
<b>Representing:</b>	
A deferred tax liability on the fair value adjustments, payable after 12 months	75,098
	<hr/>
A deferred tax asset on the tax losses available	(52,066)
	<hr/>

#### 11. CALLED-UP SHARE CAPITAL AND RESERVES

	2017 £	2016 £
Allotted, called-up and fully-paid 100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>

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

The company's profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

#### 12. RELATED PARTY TRANSACTIONS

During the year the company received management income of £nil (2016 - £110,000) from a company with a common director.

#### 13. CONTROLLING PARTY AND ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is Wheatsheaf Group Limited, a company registered in England and Wales. Wheatsheaf Group Limited is wholly owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster.

Wheatheaf Group Limited heads the largest and smallest group of undertakings of which the company is a member and for which group financial statements have been prepared for the year ended 31 December 2017.

Copies of the consolidated financial statements of Wheatheaf Group Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.