

Registered Company Number 04285259

CHRISTAL HOUSE CONTRACTS LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

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**CHRISTAL HOUSE CONTRACTS LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 AUGUST 2023**

Officers and Professional Advisers:

Directors Nicholas Tesseyman, BA (to 2 September 2022)
Jenny Baxter, BSc (from 2 November 2022)
Neil Maidment, MA, FCII
Christopher Steane, MA, LLB

Company Secretary Andrea Wellstead

Registered Office The Counting House
Christ's Hospital Horsham
West Sussex RH13 0YP

Auditor Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Banker Barclays Bank plc
2 Carfax
Horsham
West Sussex
RH12 1DN

Solicitor Forsters LLP
22 Baker Street
London
W1U 3BW

**CHRISTAL HOUSE CONTRACTS LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 AUGUST 2023**

The Directors of Christal House Contracts Limited (the Company) present their report and the audited financial statements for the year ended 31 August 2023. This report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006. Christal House Contracts Limited is a company registered in England and Wales, number 04285259, and is a wholly-owned subsidiary of Christ's Hospital Foundation (the Foundation).

PRINCIPAL ACTIVITY

The principal activity of the Company is to build and operate a photovoltaic solar farm.

BUSINESS REVIEW

Financial Results

The Company completed the construction of a 1.17MWp solar farm near Christ's Hospital which started operating on 1 March 2016. In 2017 50 KWp of roof top solar panels were added at Westons Farm, Itchingfield. The Company made a profit of £20,010 (2022: £15,503) for the year ended 31 August 2023.

Under an amendment and restatement agreement dated 28 June 2022 to the original loan with the Foundation, the Company is now entitled to elect for up to three capital repayment holidays during the life of the facility. On 8 March 2023, the Company gave written notice under the amendment and restatement agreement that it had elected for a capital repayment holiday for the next capital repayment due to be paid by 18 March 2023.

Looking Forward

During the financial year ending 31 August 2024, the Company will continue to supply electricity to Christ's Hospital, Westons Farm and the national grid.

Following the signing of the amendment and restatement agreement on 28 June 2022, the Company took a capital repayment holiday in March 2023. Conservative cash flow projections with sensitivity analysis have been prepared to assess whether the Company will be able to service its debt repayments to Christ's Hospital Foundation (the Foundation) in line with the repayment schedule. These indicate that the Company's financial resources are sufficient to ensure it is a going concern for the foreseeable future, being at least 12 months from the signing of the financial statements. Accordingly, the Board believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Directors and their Interests

The Directors during the year are shown on page 1 of this report. The Directors who held office during the year had no financial interests in the Company.

CHRISTAL HOUSE CONTRACTS LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 AUGUST 2023

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 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 surplus or deficit of the Company for that year. 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; 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 ensuring that adequate accounting records are maintained 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 ensuring their proper application in accordance with company law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

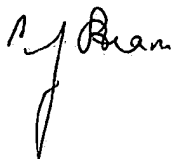
So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware and we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by the Companies Act 2006.

Auditor

Crowe U.K. LLP has expressed its willingness to continue as auditor for the next financial year.

Approved by the Board of Directors on 29 February 2024 and signed on its behalf by



Christopher Steane
Director

**CHRISTAL HOUSE CONTRACTS LIMITED
REPORT OF THE AUDITOR
YEAR ENDED 31 AUGUST 2023**

Independent Auditor's Report to the Members of Christal House Contracts Limited

Opinion

We have audited the financial statements of Christal House Contracts Limited for the year ended 31 August 2023 which comprise the Profit and Loss, Balance Sheet and notes to the financial statements, including 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 August 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information

**CHRISTAL HOUSE CONTRACTS LIMITED
REPORT OF THE AUDITOR
YEAR ENDED 31 AUGUST 2023**

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 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.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report have 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 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 by the Company, 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 exemption in preparing the Directors report and from the requirement to prepare a strategic report.

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

**CHRISTAL HOUSE CONTRACTS LIMITED
REPORT OF THE AUDITOR
YEAR ENDED 31 AUGUST 2023**

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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. 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 identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and financial reporting standards. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Company for fraud. The laws and regulations we considered in this context for the UK operations included Taxation legislation and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

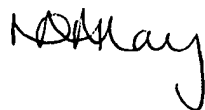
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, analytical procedures and sample testing of income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, and reading minutes of meetings of those charged with governance.

**CHRISTAL HOUSE CONTRACTS LIMITED
REPORT OF THE AUDITOR
YEAR ENDED 31 AUGUST 2023**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
Date: 7 March 2024

CHRISTAL HOUSE CONTRACTS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2022 £
Turnover		206,369	209,590
Cost of Sales		(177,840)	(185,254)
Gross profit		<u>28,529</u>	<u>24,336</u>
Administrative expenses		(9,808)	(8,929)
Interest receivable		1,289	96
Profit on ordinary activities before taxation		<u>20,010</u>	<u>15,503</u>
Taxation	8	-	-
Profit on ordinary activities after taxation		<u>20,010</u>	<u>15,503</u>
Profit and loss account at 1 September		(172,442)	(187,945)
Profit and loss account at 31 August		<u>(152,432)</u>	<u>(172,442)</u>

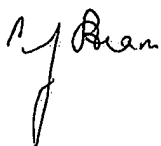
There are no other recognised gains or losses in either period other than the amounts recorded above, all of which relate to the continuing activities of the Company.

CHRISTAL HOUSE CONTRACTS LIMITED
BALANCE SHEET AT
31 AUGUST 2023

	Notes	2023 £	2022 £
Fixed assets	9	1,004,478	1,078,696
Current assets			
Debtors	10	54,358	58,240
Cash at bank and in hand		181,171	84,820
		235,529	143,060
Creditors: Amounts falling due within one year	11	(144,437)	(146,196)
NET CURRENT ASSETS / (LIABILITIES)		91,092	(3,136)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,095,570	1,075,560
Creditors: Amounts falling due after one year	12	(1,248,000)	(1,248,000)
NET LIABILITIES		(152,430)	(172,440)
Capital and Reserves			
Share capital - authorised and issued		2	2
Profit and loss account		(152,432)	(172,442)
SHAREHOLDER DEFICIT		(152,430)	(172,440)

These financial statements have been prepared in accordance with the provisions of the small companies' regime within Part 15 of the Companies Act 2006.

The financial statements on pages 8 and 9, and the notes on pages 10 to 12 were approved and authorised for issue by the Board of Directors on 29 February 2024 and signed on its behalf by:



Christopher Steane
Director

**CHRISTAL HOUSE CONTRACTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023**

1. Company Information

The Company is a private limited company incorporated in the UK (registered number 04285259) and operates from its registered office The Counting House, Christ's Hospital, Horsham, RH13 0YP.

2. Accounting policies

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and FRS 102, the Financial Reporting Standard applicable in the United Kingdom, applicable to small entities.

Following the signing of the amendment and restatement agreement on 28 June 2022, the Company took a capital repayment holiday in March 2023. Conservative cash flow projections with sensitivity analysis have been prepared to assess whether the Company will be able to service its debt repayments to Christ's Hospital Foundation (the Foundation) in line with the repayment schedule. These indicate that the Company's financial resources are sufficient to ensure it is a going concern for the foreseeable future, being at least 12 months from the signing of the financial statements. Accordingly, the Board believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Turnover is measured at the fair value of the consideration receivable and recognised on a daily basis in line with the production of the electricity.

Fixed assets costing more than £5,000 are capitalised and depreciation is charged in equal annual instalments over their economic lives. This is 21 years in relation to the initial capital cost of the solar farm.

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to pounds sterling at the balance sheet date at an appropriate year end exchange rate.

3. Ultimate parent undertaking

Christ's Hospital, as Trustee for Christ's Hospital Foundation, is the ultimate parent undertaking.

A copy of the consolidated accounts of the Foundation can be obtained from the Finance Director, the Counting House, Christ's Hospital, Horsham, West Sussex, RH13 0YP.

CHRISTAL HOUSE CONTRACTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

4. Related party transactions

The Company has taken advantage of the exemption in FRS 102 on disclosure of related party transactions as it is 100% owned within a group and the consolidated accounts are publicly available.

5. Directors' emoluments

No Director received or waived any emoluments during the year or the prior year.

6. Employee information

The Company has no employees.

7. Professional Fees	2023	2022
	£	£
Audit fee for the year	<u>2,500</u>	<u>1,800</u>

8. Taxation

There is no corporation tax liability. No deferred tax asset has been recognised for carried forward losses.

CHRISTAL HOUSE CONTRACTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

9. Tangible Fixed Assets **£**

Cost

At 1 September 2022 and at 31 August 2023 1,558,574

Depreciation

At 1 September 2022 479,878

Charge for the year 74,218

At 31 August 2023 554,096

Net Book value at 31 August 2023 **1,004,478**

Net Book value at 31 August 2022 1,078,696

10. Debtors

	2023	2022
	£	£
Trade debtors	30,827	34,940
Amounts owed from Christ's Hospital School	<u>23,531</u>	<u>23,300</u>
	<u>54,358</u>	<u>58,240</u>

11. Creditors falling due within one year

	2023	2022
	£	£
Other creditors and accruals	4,245	5,060
VAT	22	966
Amounts owed to Christ's Hospital Foundation	<u>140,170</u>	<u>140,170</u>
	<u>144,437</u>	<u>146,196</u>

12. Creditors falling due after more than one year

	2023	2022
	£	£
Amounts owed to Christ's Hospital Foundation	<u>1,248,000</u>	<u>1,248,000</u>

CHRISTAL HOUSE CONTRACTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

In March 2016 the Company entered into a £1,500,000 loan facility for a term of 20 years for the purpose of constructing a Solar Farm. This was increased, for solar panels to be constructed at Westons Farm, to £1,560,000 in February 2017. Annual repayments of £104,000 commenced in March 2021, with interest payable in arrears at a fixed rate of 5.25%. The first interest payment was made in March 2017.

Under an amendment and restatement agreement dated 28 June 2022 to this facility, the Company is entitled to elect for up to three capital repayment holidays during the life of the facility provided it notifies the lender in writing no later than five business working days before the next capital repayment date. On 8 March 2023, the Company gave written notice under the amendment and restatement agreement that it had elected for a capital repayment holiday for the next capital repayment due to be paid by 18 March 2023.