Company Registration No. 05489000 (England and Wales)

CTL THREE LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

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CTL THREE LIMITED

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CTL THREE LIMITED

BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Investment properties	2		529,005		529,005
Investments	3		2,141,431		2,092,792
			2,670,436		2,621,797
Current assets					
Debtors	5	908		156,720	
Cash at bank and in hand		1,848		649	
		2,756		157,369	
Creditors: amounts falling due within one year	6	(1,665,585)		(1,463,946)	
Net current liabilities			(1,662,829)		(1,306,577)
Total assets less current liabilities			1,007,607		1,315,220
Creditors: amounts falling due after more than one year	7		(93,332)		(299,166)
Net assets			914,275		1,016,054
Capital and reserves					
Called up share capital	8		404,444		444,444
Capital redemption reserve			40,000		-
Profit and loss reserves			469,831		571,610
Total equity			914,275		1,016,054

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

CTL THREE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2018

The financial statements were approved by the board of directors and authorised for issue on 21 November 2018 and are signed on its behalf by:

Mr P A Hodgson
Director

Company Registration No. 05489000

1 Accounting policies

Company information
CTL Three Limited is a private company limited by shares incorporated in England and Wales. The registered office is 40-42 Beverley Road, Hull, East Yorkshire, HU3 1YE.

1.1 Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Investment properties
Investment properties, which are properties held to earn rentals and/or for capital appreciation, are initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently they are measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment properties are accounted for as tangible fixed assets.

1.3 Fixed asset investments
Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.4 Cash at bank and in hand
Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.5 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies (Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Investment properties

	2018
	£
Fair value	
At 1 July 2017 and 30 June 2018	529,005

The Investment Properties are included within the financial statements at an amount considered by the directors to be fair value. Given the short period of time since the properties were purchased, the directors consider that the fair value is not materially different to the original cost. The properties have not been valued by an independent qualified valuer.

3 Fixed asset investments

	2018	2017
	£	£
Investments	2,141,431	2,092,792

3 Fixed asset investments **(Continued)**

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2017	2,092,792
Additions	48,639
At 30 June 2018	2,141,431
Carrying amount	
At 30 June 2018	2,141,431
At 30 June 2017	2,092,792

4 Significant undertakings

The company also has significant holdings in undertakings which are not consolidated:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Insurance Partnership Financial Services Limited	England & Wales	Financial Services	Ordinary	100.00	
PCWM Limited	England & Wales	Financial Services	Ordinary	100.00	
Kirk Ella Investments Limited	England & Wales	Financial Services	Ordinary	100.00	
IFA Professional Planning Limited	England & Wales	Financial Services	Ordinary	100.00	

5 Debtors

Amounts falling due within one year:	**2018 £**	**2017 £**
Amounts owed by group undertakings	-	156,720
Other debtors	908	-
	908	156,720

6 Creditors: amounts falling due within one year

	2018	2017
	£	£
Amounts due to group undertakings	1,272,223	956,112
Other creditors	393,362	507,834
	1,665,585	1,463,946

7 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	93,332	299,166

8 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
404,444 Ordinary shares of £1 each	404,444	444,444
	404,444	444,444

9 Related party transactions

During the year, the company received dividends of £500,000 (2017: £450,000) from The Insurance Partnership Financial Services Limited, a subsidiary company.

In addition, the company paid loan interest of £10,050 (2017: £9,820) to Outwood Investments Limited, a company controlled by a director of the company.

At the year end, the company was owed £nil (2017: £156,720) by PCWM Limited, a subsidiary company. In addition, the company owed £1,172,223 (2017: £956,112) to The Insurance Partnership Financial Services Limited, £100,000 (2017: £nil) to IFA Professional Planning Limited, a subsidiary company and £180,000 (2017: £300,000) to Outwood Investments Limited.

During the year, the company paid dividends to the directors totalling £318,461 (2017: £311,372).

10 Parent company

The company is controlled by the director R.L. Worrell by virtue of his controlling interest in the company's equity share capital.