

**Kellen Capital Limited**  
(a company limited by guarantee)

Directors' report and  
financial statements

**Year ended 31 December 2017**

**Registered number: 06393979**



# Kellen Capital Limited (a company limited by guarantee)

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# Kellen Capital Limited (a company limited by guarantee)

## Directors and other information

<b>Directors</b>	W F M McKinstry V Rosati C Price A N Le Gal I Bell K Chada (appointed 6 February 2018)
<b>Secretary</b>	W F M McKinstry (resigned 6 February 2018) K Chada (appointed 6 February 2018)
<b>Registered office</b>	One Silk Street London EC2Y 8HQ
<b>Auditor</b>	KPMG The Soloist Building 1 Lanyon Place Belfast BT1 3LP
<b>Company registration number</b>	06393979

# Kellen Capital Limited (a company limited by guarantee)

## Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2017.

### Results and dividends

The loss for the year is £2k (2016: loss of £2k).

No dividend was paid in the year (2016: £Nil).

### Political and charitable donations

No donations for political or charitable purposes were made during the year (2016: £Nil).

### Directors and their interests

The directors who served during the year are shown on page 1.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

By order of the board

A handwritten signature in black ink, consisting of a series of loops and a horizontal line at the end, positioned above the printed name of the director.

W F M McKinsty  
Director

Date: 22 June 2018

# Kellen Capital Limited (a company limited by guarantee)

## Strategic report

### Principal activities

The company is an intermediate holding company. The company did not trade during the year.

### Review of business and future developments

The company's sole member is Carmel Capital II Sarl, a company incorporated in Luxembourg. The company's only asset is an investment in the non-voting share capital of Kellen Investments Limited.

Carmel Capital II Sarl, the parent company of the group within which the the company operates is owned by Utilities of Australia Pty Ltd as trustee for the Utilities Trust of Australia ("UTA") and RBS Pension Trustee Limited as trustee for The Royal Bank of Scotland Group Pension Fund (Main Fund Section) ("RBSGPF"). UTA is a wholesale Australian trust investing in infrastructure securities and RBSGPF is a registered pension scheme in the United Kingdom.


### *Principal risks and uncertainties*

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of Lionrai Investments No.1 Limited. Accordingly the principal risks and uncertainties are discussed in the annual report and accounts of Lionrai Investments No.1 Limited, which does not form part of this report.

### *Key Performance Indicators*

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. A discussion of the development, performance and position of the business in the context of the Lionrai Group as a whole is provided in the Group's annual report which does not form part of this report.

By order of the board

  
W F M McKinstry  
Director

Date: 22 June 2018

## Kellen Capital Limited (a company limited by guarantee)

### Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the directors' report, strategic 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 they have elected to prepare the financial statements in accordance with 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 assets, liabilities and financial position of the Company and of its profit or loss 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 estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2006.

The directors are 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.

On behalf of the board

  
W F M McKinstry  
Director

22 June 2018



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1 Lanyon Place  
Belfast BT1 3LP  
Northern Ireland

Telephone +44 28 9024 3377  
Fax +44 28 9089 3893  
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## Independent auditor's report to the members of Kellen Capital Limited

### 1 Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Kellen Capital Limited ("the company") for the year ended 31 December 2017 set out on pages 8 to 19, which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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.

#### **We have nothing to report on going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

A list of Partners' names is available for inspection at the above address.



## Independent auditor's report to the members of Kellen Capital Limited *(continued)*

### **1 Report on the audit of the financial statements *(continued)***

#### ***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic and directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

#### ***Matters on which we are required to report by exception***

Under the Companies Act 2006 we are required 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.

We have nothing to report on these matters/in regard to these matters.





## Independent auditor's report to the members of Kellen Capital Limited *(continued)*

### **2 Respective responsibilities and restrictions on use**

#### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 4, 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 they 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 management either intends to liquidate the company or to cease operations, or has 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.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

#### ***The purpose of our audit work and to whom we owe our responsibilities***

Our 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.

**Tom McEvoy (Senior Statutory Auditor)**  
**for and on behalf of**  
**KPMG Statutory Auditor**  
*The Soloist Building*  
*1 Lanyon Place*  
*Belfast*  
*BT1 3LP*

26 June 2018

# Kellen Capital Limited (a company limited by guarantee)

## Profit and loss account and other comprehensive income

for the year ended 31 December 2017

	<i>Note</i>	<b>2017 £'000</b>	<b>2016 £'000</b>
<b>Turnover</b>	<b>2</b>	-	-
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		-	-
Net operating expenses	<b>3</b>	<b>(3)</b>	<b>(3)</b>
		<hr/>	<hr/>
<b>Operating loss</b>	<b>4</b>	<b>(3)</b>	<b>(3)</b>
Interest payable and similar charges		-	-
Interest receivable and similar income		-	1
		<hr/>	<hr/>
<b>Loss before taxation</b>		<b>(3)</b>	<b>(2)</b>
Taxation	<b>7</b>	<b>1</b>	-
		<hr/>	<hr/>
<b>Loss for the financial year</b>		<b>(2)</b>	<b>(2)</b>
		<hr/>	<hr/>
<b>Other comprehensive income for the year, net of income tax</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>		<b>(2)</b>	<b>(2)</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 11 to 19 form part of these financial statements.

All of the results of the company derive from continuing operations.


# Kellen Capital Limited (a company limited by guarantee)

## Balance sheet

as at 31 December 2017

	Note	2017 £'000	2016 £'000
<b>Fixed assets</b>			
Tangible assets		-	-
Investments	8	20,077	20,077
		<u>20,077</u>	<u>20,077</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	9	3	44
Cash at bank and in hand	10	-	-
		<u>3</u>	<u>44</u>
<b>Total current assets</b>		3	44
<b>Creditors: Amounts falling due within one year</b>	11	(33)	(72)
		<u>(30)</u>	<u>(28)</u>
<b>Net current liabilities</b>		(30)	(28)
<b>Total assets less current liabilities</b>		20,047	20,049
<b>Net assets</b>		<u>20,047</u>	<u>20,049</u>
<b>Reserves</b>			
Capital contribution	13	20,077	20,077
Profit and loss account		(30)	(28)
		<u>20,047</u>	<u>20,049</u>
<b>Members' funds</b>		20,047	20,049

On behalf of the board of directors

  
W F M McKinstry  
Director

Date: 22 June 2018

Company registration number: 06393979

The notes on pages 11 to 19 form part of these financial statements.

# Kellen Capital Limited (a company limited by guarantee)

## Statement of changes in equity

for the year ended 31 December 2017

	Capital contribution £'000	Profit and loss account £'000	Total £'000
At 1 January 2016	20,077	(26)	20,051
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(2)	(2)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the year	-	(2)	(2)
	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recorded directly in equity</b>			
Dividends	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2016</b>	<b>20,077</b>	<b>(28)</b>	<b>20,049</b>
	<hr/>	<hr/>	<hr/>
At 1 January 2017	20,077	(28)	20,049
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(2)	(2)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the year	-	(2)	(2)
	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recognised in equity</b>			
Dividends	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2017</b>	<b>20,077</b>	<b>(30)</b>	<b>20,047</b>
	<hr/>	<hr/>	<hr/>

The accompanying notes form an integral part of the financial statements.

# Kellen Capital Limited (a company limited by guarantee)

## Notes

*forming part of the financial statements*

### 1 Accounting policies

Kellen Capital Limited (the "company") is a company limited by guarantee without share capital and incorporated and domiciled in the United Kingdom.

The company is exempt by virtue of the Companies Act 2006 from the requirement to prepare group financial statements on the grounds that its results are included in the group accounts of Lionrai Investments No.1 Limited which are publicly available. These financial statements present information about the company as an individual undertaking and not about its group.

#### ***Basis of preparation***

These financial statements are prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000 (unless otherwise stated).

The company's ultimate parent undertaking, Lionrai Investments No.1 Limited includes the company in its consolidated financial statements. The consolidated financial statements of Lionrai Investments No.1 Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from Company Registry, Linenhall Street, Belfast. 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 FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Lionrai Investments No.1 Limited include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 20.

The financial statements are prepared on the historical cost basis.

# Kellen Capital Limited (a company limited by guarantee)

## Notes (continued)

### 1 Accounting policies (continued)

#### ***Classification of financial instruments issued by the company***

In accordance with FRS 102.22, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability.

#### ***Basic financial instruments***

##### *Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Investments in preference and ordinary shares*

Investments in preference and ordinary shares are measured initially at transaction price less attributable transaction costs. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment with changes recognised in profit or loss.

##### *Investments in subsidiaries*

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

# Kellen Capital Limited (a company limited by guarantee)

## Notes (continued)

### 1 Accounting policies (continued)

#### ***Impairment excluding deferred tax assets***

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

#### ***Provisions***

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

#### ***Expenses***

##### *Interest receivable and Interest payable*

Interest receivable and similar income include interest receivable on funds invested. Interest payable and similar charges include interest payable on intercompany borrowings.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest rate method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established.

#### ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

# Kellen Capital Limited (a company limited by guarantee)

## Notes (continued)

### 1 Accounting policies (continued)

#### *Taxation (continued)*

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### *Going concern*

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report on page 3.

The company is expected to continue to generate positive cash flows for the foreseeable future after taking account of the current finances available to it from within the Lionrai Investments No.1 Limited Group. The company forecasts and projections, after taking account of reasonable levels of possible changes in trading performance, show that it is capable of operating well within the level of the current cash resources available to it.

As a result of the above, and notwithstanding the net current liability position at 31 December 2017, the directors consider it appropriate to prepare the financial statements on a going concern basis.

### 2 Analysis of turnover and profits

The company is a holding company and has made no supply of goods or services in the year.

### 3 Net operating expenses

Net operating expenses are all considered to be administrative expenses.



# Kellen Capital Limited (a company limited by guarantee)

## Notes (continued)

### 4 Expenses and auditor's remuneration

Included in profit and loss is the following

	2017 £'000	2016 £'000
Auditor remuneration	1	1

KPMG were paid £Nil for non-audit related services (2016: £Nil).

### 5 Employee information

The company had no employees during the year (2016: Nil).

### 6 Directors' remuneration

The directors did not receive any remuneration from the company in the year (2016: £Nil).

### 7 Taxation

	2017 £'000	2016 £'000
<b>Current tax</b>		
UK corporation tax for the year	(1)	-
<b>Total current tax credit</b>	(1)	-
<b>Deferred tax</b>		
Origination/reversal of timing differences	-	-
<b>Total deferred tax charge/(credit)</b>	-	-
<b>Total tax credit</b>	(1)	-

# Kellen Capital Limited (a company limited by guarantee)

## Notes (continued)

### 7 Taxation (continued)

The tax credit for the year is the same as (2016: lower than) the standard rate of corporation tax in the UK as shown below:

	2017 £'000	2016 £'000
<b>Current tax reconciliation</b>		
Loss on ordinary activities before tax	(3)	(2)
	<hr/>	<hr/>
Current tax at 19.25% (2016: 20%)	(1)	-
<b>Effects of:</b>		
Timing difference not recognised	-	-
	<hr/>	<hr/>
<b>Total tax credit</b>	<b>(1)</b>	<b>-</b>
	<hr/>	<hr/>

All tax is recognised in the profit and loss account.

#### **Factors that may affect future tax charges:**

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted in November 2015. A further rate reduction to 17% (to be effective from 1 April 2020) was announced in the March 2016 Budget and was substantively enacted in September 2016.

This will reduce the company's future current tax charge.

### 8 Investments

	2017 £	2016 £
<b>Cost</b>		
At 1 January 2017	20,076,752	20,076,752
	<hr/>	<hr/>
At 31 December 2017	20,076,752	20,076,752
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2017	20,076,752	20,076,752
	<hr/>	<hr/>

The investment relates to 20,076,752 ordinary A shares of £1 each in Kellen Investments Limited and is stated at cost. These shares carry no voting rights.

# Kellen Capital Limited (a company limited by guarantee)

## Notes (continued)

### 9 Debtors

#### *Amounts falling due within one year*

	2017 £'000	2016 £'000
Amounts owed by group undertakings	3	44
	<u>3</u>	<u>44</u>

### 10 Cash and cash equivalents

	2017 £'000	2016 £'000
Cash at bank and in hand	-	-
	<u>-</u>	<u>-</u>
Cash and cash equivalents	-	-
	<u>-</u>	<u>-</u>

There were no significant non-cash transactions in the year. There are no restrictions on cash and cash equivalents held.

### 11 Creditors

#### *Amounts falling due within one year*

	2017 £'000	2016 £'000
Amounts owed to group undertakings	26	23
Accruals and deferred income	7	49
	<u>33</u>	<u>72</u>

# Kellen Capital Limited (a company limited by guarantee)

## Notes (continued)

### 12 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the company's interest-bearing loans and borrowings which are measured at amortised cost.

	2017 £'000	2016 £'000
<b>Creditors:</b> amounts falling due within less than one year		
Amounts owed to subsidiary undertakings	26	23
	<hr/>	<hr/>
	26	23
	<hr/>	<hr/>

#### Terms and debt repayment schedule

	Currency	Nominal Interest rate	Year of maturity	Repayment schedule	2017 £	2016 £
Amounts owed to subsidiary undertakings	£GBP	Libor + variable rate margin		On demand	26	23
					<hr/>	<hr/>
					26	23
					<hr/>	<hr/>

### 13 Reserves

#### Capital contribution reserve

The capital contribution reserve arises as a result of a group restructuring exercise in prior years.

### 14 Capital commitments

	2017 £'000	2016 £'000
<b>Capital expenditure</b>		
Contracted for but not provided	-	-
	<hr/>	<hr/>

# Kellen Capital Limited (a company limited by guarantee)

## Notes *(continued)*

### **15 Contingent liabilities**

At 31 December 2017 the company had no contingent liabilities (2016: £Nil).

### **16 Financial commitments**

At 31 December 2017 the company had no annual commitments under non-cancellable operating leases (2016: £Nil).

### **17 Related party disclosures**

In accordance with FRS 102.33.1A, the company is not required to disclose transactions between wholly owned subsidiaries.

### **18 Company status**

The company is limited by guarantee. Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it shall be wound up while he is a member or within one year after he ceases to be a member, for payment of the company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

### **19 Ultimate controlling party**

The company's immediate parent undertaking is Carmel Capital II Sarl, a company incorporated in Luxembourg, with registered office address at 1-3, Boulevard de la Foire, L-1528 Luxembourg. Group accounts are not prepared at this level.

Lionrai Investments No.1 Limited is the parent company of the largest group of companies of which Kellen Capital Limited is a member and for which group accounts are drawn up and are available from 197 Airport Road West, Belfast, BT3 9ED.

The directors regard Lionrai Investments No.1 Limited to be the ultimate parent company and Utilities Trust of Australia & Royal Bank of Scotland Group Pension Fund (Main Fund Section) to be the ultimate controlling parties.

### **20 Accounting estimates and judgements**

There are no critical judgements in applying the company's accounting policies.