

COMPANY REGISTRATION NUMBER: 04265943

Applerigg Limited
Financial Statements
31 December 2022

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Applerigg Limited

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Directors

Oliver Sargent	<i>Non-executive Chairman</i>
Mark Fuller	<i>Non-executive Director</i>
David Gudgin	<i>Executive Director (appointed 28 March 2023)</i>
Bruce Offergelt	<i>Executive Director</i>
Paolo Scalco	<i>Executive Director (resigned 6 April 2023)</i>
Sir Christopher Scott, Bt.	<i>Non-executive Director</i>
Mr Edward Scott	<i>Non-executive Director</i>
Mrs Katrina Shenton	<i>Non-executive Director (appointed 21 June 2022)</i>

Secretary

Amba Secretaries Limited

Registered office

New Kings Court
Tollgate, Chandler's Ford
Eastleigh
SO53 3LG

Company number

04265943

Auditor

Shipleys LLP
10 Orange Street
London
WC2H 7DQ

Applerigg Limited

Strategic Report

The Directors present the Strategic Report and the audited Financial Statements of Applerigg Limited ("the Company") for the year ended 31 December 2022.

Business Review

In 2022 Applerigg continued the strategy outlined in last year's Report and Accounts, which is to invest in "asset backed" opportunities and to grow Yealand Fund Services Limited ("Yealand"). This entity was formed in April 2022 when Yealand Administration Limited ("Yealand Administration") was merged with Carvetian Capital Management Limited ("Carvetian") through a group reconstruction using the merger accounting method provided under FRS 102 and the merged business was renamed Yealand Fund Services.

The key objective of Applerigg's strategy is to deliver for its shareholders a sustained increase in the value of the Company over the medium to long term.

2022 proved to be another challenging year as the Group faced operating under the economic impact of the Ukraine conflict, which severely affected both the markets and general business confidence.

Yealand reported an increase in its operating profit to £537k (2021: £469k). The 2021 figure is the aggregated result of the Yealand Administration and Carvetian businesses for that year and included the "Long Term Incentive Plan" ("LTIP") payment of £305k to the estate of Laura Russell-Young, the Managing Director of Yealand and Carvetian). Comparing the Yealand 2022 result with the prior year, which excludes the impact of the LTIP payment, shows that the Yealand operating profit reduced by £237k. This highlights that in 2022 the increase in operating costs, to reflect the investment in the business, exceeded the growth in income, which was significantly impacted by falling markets.

Applerigg acquired Xenia Venues Limited ("Xenia") in May 2022 to be the holding company for the Group's wedding venues platform and also recruited in 2022 the central management team that will acquire, develop and operate a group of unique wedding venues. Xenia is actively seeking potential wedding venues.

Following its minority investment in Cartmel, a company set up to build and operate Glenburnie Lodge, a care home in Wenvoe, South Wales, Applerigg established Brathay Care Communities Limited ("Brathay") to be the holding company for the Group's care home platform where Applerigg will be the majority shareholder. A new managing director was appointed in the last quarter of 2022 and Brathay is actively seeking sites in the South West and Wales.

The liquidation of Sand Aire (Singapore) (Pte) Ltd ("Sandaire Singapore") was completed in March 2022 but the liquidation of the Northbridge companies, which has been ongoing since 2017, is still not finalised. As reported last year, the remaining balance due from the liquidator is a normal debtor balance as the companies are no longer treated as subsidiaries.

Future Developments

As outlined in the Business Review, Applerigg's key objective is to deliver a sustained increase in the value of the Company over the medium to long term.

Applerigg plans to achieve this by continuing to support the development of Yealand and believes that the merging of the Yealand Administration and Carvetian businesses will enhance the opportunities

Applerigg Limited**Strategic Report**

Future Developments (continued)

for future growth, which is in the best interests of all the stakeholders - the clients, the team and the Company's shareholders.

Applerigg will also seek further "asset backed" opportunities in sectors where our investment will provide a socially beneficial service as well as an attractive return on the investment for shareholders. The investment can take different forms, including a "build from scratch" opportunity such as the new care home platform and the acquisition and consolidation of existing businesses such as the wedding venues platform.

The asset backed opportunities will take both time and investment to develop and become mature businesses, but Applerigg is able to take a long term view to growing the value of these businesses. This also means that the economic return is also likely to be earned over the medium to long term.

Applerigg is focusing on the care home and wedding venue sectors but will also explore other strategic opportunities, which have the potential to add long-term value for shareholders. As a consequence, the Company may, in some instances, need to absorb the costs incurred to evaluate opportunities that are not pursued.

Risks and uncertainties

Risk	Impact on Company	Assessment of change in risk year-on-year	Mitigation of risk
Loss of large Yealand client	Loss of revenue and hence lower profitability of Yealand.	Retention of Yealand's larger clients remained strong with no losses.	All Yealand's client relationships are closely managed and regularly monitored to ensure that all clients are satisfied with the services provided. The continued growth of Yealand will help to ensure that the loss of any single client has a reducing effect.
Long term market downturn and volatility	Reduction in revenue and hence lower profitability of Yealand.	Global equity and bond markets continued to be volatile over the course of 2022 to reflect the economic impact of the Ukraine conflict.	Yealand is not able to control the impact of market movements upon its revenues but it ensures that costs are managed to accommodate any significant volatility in income. In addition there are a number of fees that are not correlated with the markets.

Applerigg Limited**Strategic Report**

Risks and uncertainties (continued)

Risk	Impact on Company	Assessment of change in risk year-on-year	Mitigation of risk
Unexpected increase in costs	Reduction in profitability.	BAU ("business as usual") costs were closely monitored across the Group. All exceptional and project costs were first estimated and then managed and controlled.	Monthly management accounts are prepared against detailed budgets/forecasts and reviewed by management on a monthly basis. The Applerigg Board reviews actual and latest forecast results at each quarterly Board Meeting.
Failure to satisfy regulatory requirements	Fine or removal of permissions.	No additional/revised permissions were required or necessary to undertake all of Yealand's current regulated business activities.	Periodic review by internal and external compliance of all Yealand's regulated business activities and permissions to ensure that all are in place.
Asset backed strategy is not successful	Asset backed opportunities do not deliver the expected returns	Applerigg focused on sectors which were identified after thorough research of the potential risks and returns. All individual investments were subject to extensive due diligence	The sectors and individual investment opportunities were reviewed by the Applerigg Investment Committee, which is independent of the Applerigg Management Team.

Coronavirus (COVID-19)

As reported in the 2021 Annual Accounts, the impact of COVID-19 was less invasive for the Group than it was for businesses operating in other sectors of the economy.

The Company and its operating businesses, continued to be vigilant about the potential impact of COVID-19. The Group's staff, who worked from the office and home as appropriate, operated efficiently and effectively and maintained throughout 2022 a high level of service to all stakeholders - clients, staff and shareholders.

Ukraine Conflict

As reported in 2021 Annual Accounts, the Company considered the direct impact of the conflict between Russia and Ukraine upon the Applerigg Group and determined that there was no significant impact as there was no direct exposure and minimal exposure within the funds managed and/or administered by Yealand.

Applerigg Limited

Strategic Report

There was a greater indirect impact in 2022 as the conflict contributed to higher volatility in world markets including some significant falls early in the year. This impacted Yealand as its revenues are mostly correlated with the markets.

Activities and Financial Objectives

Applerigg Limited acts as a holding company and its principal investment is in the Yealand operating business as the other asset backed businesses are at an early stage in their development.

The Company is committed to delivering a sustainable increase in its long-term value to its shareholders by pursuing a strategy of investing in companies and businesses that it believes will produce robust attractive returns over the medium to long term.

In 2022, Yealand provided Authorised Corporate Director ("ACD") and administration services to Open Ended Investment Companies ("OEICs"). In some cases it provided only administration services where the ACD was an externally owned and managed FCA regulated company.

Review of Operations

Yealand provided ACD, administration and registration services to OEICs and Unit Trusts, which mostly have a relatively small number of shareholders, where the requirement is for a premium level of service.

Applerigg funded the operating costs of Brathay and Xenia, largely employment and legal and professional fees to reflect that both companies were established in 2022.

Applerigg increased its funding of Cartmel to ensure that the external funding of the final projected build cost did not exceed 90%.

Under the terms of the "Sale and Purchase Agreement" signed by the Company and Schroder & Co Limited ("Schroders") relating to the sale of Sand Aire Limited ("Sandaire") to Schroders in 2020, the purchase price would be reduced if the annual revenues from the Sandaire clients fell as a result of client losses and/or withdrawals. The comparison of the annual revenues in November 2022 with the equivalent revenues at the date of the sale identified that there was a fall, which resulted in a reduction of £3.8m in the sale price. This has been reported as a "loss" in the 2022 Accounts.

As advised to all shareholders, the boards of Applerigg and Stramongate SA ("Stramongate") determined that it was in the best interests of the shareholders of both companies for the Applerigg Limited shares held by Stramongate to be distributed to the underlying shareholders. This required a formal legal process to ensure that no inadvertent tax event was triggered by the restructuring with the costs being borne equally by the two companies. Applerigg's share of the costs in 2022 was £89,000.

As noted in the Business Review the liquidation of Sandaire Singapore was completed in 2022 but the liquidation of the Northbridge companies is still ongoing.

Applerigg Limited**Strategic Report**

Financial Review**Turnover**

Turnover for the year of £4,716k (2021: £4,505k for the comparable businesses) represented an increase of 5% over the 2021 figure.

Expenses

Expenses for the year of £5,278k (2021: £4,986k for the comparable businesses) represented an increase of 6% over the 2021 figure to reflect the investment in the Yealand and the launch of the two asset backed platforms.

Key Performance Indicators

Performance can be assessed by reference to the annual profit on ordinary activities, the operating profit before goodwill amortisation, other one-offs and taxation, and the total funds that were managed and advised by Yealand.

The Consolidated operating profit/(loss) after goodwill amortisation and other one-offs that is shown in the consolidated profit and loss account can be analysed as follows:

	2022	2021	Change
			%
Operating profit/(loss) on ordinary activities (before goodwill)			
Amortisation and the (loss)/profit on sale of Sandaire) - £'000	(560)	320	(275)
Funds managed/administered by Yealand - £m	3,269	3,598	(9)
	2022	2021	
	£'000	£'000	
Yealand – operating profit	537	469	
Applerigg – operating costs	(844)	(941)	
Applerigg – Equity Harvest Fund carried interest	-	792	
Applerigg – restructuring costs	(89)	-	
Applerigg – operating loss	(933)	(149)	
Xenia -operating loss	(132)	-	
Brathay – operating loss	(32)	-	
Consolidated operating (loss)/profit before goodwill			
amortisation and the (loss)/profit on sale of Sandaire	(560)	320	
Goodwill amortisation	(48)	(40)	
(Loss)/profit on sale of Sandaire	(3,754)	238	
Consolidated operating (loss)/profit after goodwill			
amortisation and sale of Sandaire	(4,362)	518	

Applerigg Limited

Strategic Report

Key Performance Indicators (continued)

The Consolidated operating loss before goodwill and the (loss)/profit on sale of Sandaire includes the profit for Yealand, the net expenses of the Company (including the restructuring costs) and those of its other non-trading subsidiaries (Xenia and Brathay). The 2021 comparative figure for Yealand represents the combined profit of Yealand Administration and Carvetian in that year.

The increase in the Yealand profit reflects in part that the 2021 result included the one-off LTIP payment and the costs of the FCA review of hosted ACDs incurred in that year. In 2022 Yealand's income increased by circa £150k but there was a greater increase in its operating costs to reflect the investment in the business as it emerged from the constraints of the pandemic and that falling markets reduced Yealand's income.

The increase in Applerigg's net operating costs, which exclude all costs associated with the sale of Sandaire, reflects that 2021 included the one-off receipt of £792k relating to the Company's carried interest in the Equity Harvest Fund, which was wound up in that year. The restructuring costs in 2022 relate to the restructuring of the Applerigg shareholdings outlined in the Review of Operations above.

The operating losses of Brathay and Xenia reflect the expenses of these businesses, largely employment and legal and professional fees, which were incurred in 2022. Xenia was acquired in May 2022 and Brathay appointed its managing director in November 2022.

The loss recognised in 2022 relating to the sale of Sandaire in 2020 reflects the reduction in the sale price following the reduction in the annualised income as a result of client losses and withdrawals in the two year period following the sale.

Going Concern

As noted above, the Ukraine conflict and other economic factors resulted in significant falls in the markets, which had an impact on the Yealand revenues in 2022. The Company's accounts, and those of its operating subsidiaries, have been prepared on the going concern basis of accounting, which assumes that the Company and its operating businesses will be able to operate as going concerns for a period of at least twelve months from the date that the accounts are authorised for issue.

Applerigg remains in a very strong financial position at the end of 2022. The Company's balance sheet has no debt, and it has the funds to support the growth of Yealand and to invest in asset backed opportunities in line with its strategy.

Yealand had already demonstrated in 2021 its ability to continue to operate efficiently and effectively and to maintain its high level of service in challenging circumstances. 2022 showed that Yealand has the resources to invest in the business to support its planned growth.

Post balance sheet events

There were no post balance sheet events.

Applerigg Limited

Strategic Report

Directors and their interests

The names of the Company's directors who served during the year are listed on page 3

In accordance with Article 82, Sir Christopher Scott will retire and in accordance with Article 87, Mr David Gudgin and Mrs Katrina Shenton will retire and, all being eligible, will seek reappointment at the forthcoming Annual General Meeting.

No director held any material interest during the year in any contract of significance relating to the business of the Company other than those disclosed in note 25.

Corporate governance

As part of the reconstruction of the Stramongate group at the end of 2001, the Company was established as a separate entity from Stramongate Limited. The shareholders of Stramongate Limited received shares in Stramongate S.A. ("Stramongate") following a share exchange in 2011. While the Company and Stramongate are owned by common shareholders they are managed as separate businesses with independent boards of directors. In 2022, the Applerigg Limited shares held by Stramongate were transferred to the underlying shareholders, which effectively ended the formal ties between the two companies.

All contractual relationships between the Company and its subsidiaries are on an "arm's length" basis.

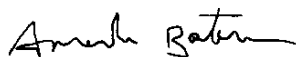
Yealand, which is authorised and regulated by the FCA, maintains processes and procedures to identify, manage and control the potential conflicts of interest.

Section 172(1) Statement

The Directors of the Company confirm to have acted, in good faith, in the way they consider would be most likely to promote the success of the Company for the benefits of its members as a whole, and in doing so have had regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the Company's employees,
- (c) the need to foster the Company's business relationships with suppliers, customers and others,
- (d) the impact of the Company's operations on the community and environment,
- (e) the desirability of the Company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the Company.

This Strategic Report was approved by order of the Board and signed on its behalf on 16 May 2023.



Amba Secretaries Limited
Company Secretary

Applerigg Limited

Directors' Report

Year ended 31 December 2022

The Directors present their report and the audited Financial Statements of Applerigg Limited ("the Company") for the year ended 31 December 2022.

Directors

The directors of the Company throughout the year, and subsequently, were:

Oliver Sargent	<i>Non-executive Chairman</i>
Mark Fuller	<i>Non-executive Director</i>
David Gudgin	<i>Executive Director (appointed 28 March 2023)</i>
Stephen Hill	<i>Non-executive Director (resigned 16 March 2022)</i>
Bruce Offergelt	<i>Executive Director</i>
Paolo Scalco	<i>Executive Director (resigned 6 April 2023)</i>
Sir Christopher Scott, Bt.	<i>Non-executive Director</i>
Edward Scott	<i>Non-executive Director</i>
Katrina Shenton	<i>Non-executive Director (appointed 21 June 2022)</i>

Qualifying third party indemnity provisions

The Company has put in place qualifying third party indemnity provisions for the directors of Applerigg Limited.

Principal activity of Group and Company

The Company acts as the holding company for the Group's investments in its operating subsidiary that currently focuses on fund administration and ACD services and its planned care home and wedding venue operations.

Directors' duties

The Company's directors' overarching duty is to act in good faith and in a way that is the most likely to promote the success of the Company as set out in Section 172 of the Companies Act 2003 ("Section 172"). In doing so, the Directors must take into consideration the interests of the various stakeholders of the Company, the impact the Company has on the community and the environment, take a long-term view on consequences of the decisions they make as well as aim to maintain a reputation for high standards of business conduct and fair treatment between members of the Company.

Auditor

All the Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the Company's auditor is unaware.

In 2022 the Company following a formal tender process appointed Shipleys LLP as the auditor of the Company and its audited subsidiaries. In accordance with section 485 of the Companies Act 2006, a resolution proposing to reappoint Shipleys LLP will be put at the Annual General Meeting.

Applerigg Limited

Directors' Report

Year ended 31 December 2022

Carbon report

The Company is not required to report on guidelines complying with the Streamlined Energy and Carbon Reporting (SECR) regulations. However, the Directors are cognisant of the impact of climate change on the environment and global economies. In light of this they have taken appropriate steps to ensure that the Company minimises its carbon footprint, which includes the reduction of paper usage and the holding of meetings by video conference to avoid unnecessary travel.

Dividends

The Directors do not recommend the payment of a dividend on the ordinary shares for the year under review (2021: nil).

Likely future developments in the business of the Company

Information on likely future developments in the business of the Company has been included in the Strategic Report.

Financial risk management

Business risk

The key business risk for the Group is that Yealand does not generate revenues to cover its expenses in the event of a reduction in income from either a significant downturn in the market or the loss of one or more clients. To address this risk Yealand has produced a consolidated strategic plan and a detailed annual budget/forecast against which performance is reported and measured.

The key business risk for Applerigg is not investing in opportunities that deliver a long-term increase in value to its shareholders. This will be addressed by investing in a number of asset based opportunities to diversify the execution risk, by undertaking appropriate due diligence before investing and by maintaining, post investment, effective and efficient oversight of its investments.

Directors' responsibilities

The Directors are responsible for preparing the Strategic report, the Report of the Directors 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 group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

Applerigg Limited

Directors' Report

Year ended 31 December 2022

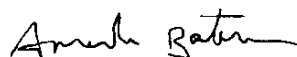
In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and 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.

Approval

This Report of the Directors was approved by order of the Board and signed on its behalf on 16 May 2023.



Amba Secretaries Limited
Company Secretary

Applerigg Limited

Independent Auditor's Report to the Members of Applerigg Limited Year ended 31 December 2022

Opinion

We have audited the financial statements of Applerigg Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and of the parent company's affairs as at 31 December 2022 and of the group's loss 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 group 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent 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.

Applerigg Limited

Independent Auditor's Report to the Members of Applerigg Limited (continued) Year ended 31 December 2022

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
 - the parent company 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.
-

Applerigg Limited

Independent Auditor's Report to the Members of Applerigg Limited (continued) Year ended 31 December 2022

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the Group and Company's business, controls, legal and regulatory frameworks, laws and regulations and assessed the susceptibility of the Company's financial statements to material misstatement from irregularities, including fraud, are instances of non-compliance with laws and regulations.

- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management; journal entry testing; review of bank letters, board minutes and any correspondence received from regulatory bodies; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

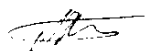
Applerigg Limited

Independent Auditor's Report to the Members of Applerigg Limited (continued)
Year ended 31 December 2022

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.

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.



Robert Wood (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

16 May 2023

Applerigg Limited**Consolidated Statement of Comprehensive Income
Year ended 31 December 2022**

	Note	2022 £000	2021 £000
Turnover	4	4,716	4,505
Gross profit		4,716	4,505
Administrative expenses		(5,278)	(4,986)
Other operating income	5	2	801
Operating (loss)/profit	6	(560)	320
Goodwill amortisation	7	(48)	(40)
Sale of Sand Aire Limited	11	(3,754)	238
Other interest receivable and similar income	12	261	3
(Loss)/profit before taxation		(4,101)	521
Tax on (loss)/profit	13	92	(92)
(Loss)/profit for the financial year and total comprehensive income		(4,009)	429
Loss for the financial year attributable to:			
The owners of the parent company		(4,008)	429
Non-controlling interests		(1)	–
		(4,009)	429

All the activities of the group are from continuing operations.

The notes on pages 24 to 39 form part of these financial statements.

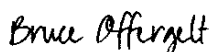
Applerrigg Limited**Consolidated Statement of Financial Position
31 December 2022**

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	14	107	147
Tangible assets	15	51	26
Investments	16	731	661
		<u>889</u>	<u>834</u>
Current assets			
Debtors	17	3,364	7,777
Cash at bank and in hand		28,051	28,046
		<u>31,415</u>	<u>35,823</u>
Creditors: amounts falling due within one year	18	2,750	3,094
		<u>5</u>	<u>—</u>
Net current assets		<u>28,665</u>	<u>32,729</u>
Total assets less current liabilities		<u>29,554</u>	<u>33,563</u>
Net assets		<u>29,554</u>	<u>33,563</u>
Capital and reserves			
Called up share capital	20	5,777	5,777
Share premium account	21	30,134	30,134
Profit and loss account	21	(6,356)	(2,348)
Equity attributable to the owners of the parent company		<u>29,555</u>	<u>33,563</u>
Non-controlling interests		<u>(1)</u>	<u>—</u>
		<u>29,554</u>	<u>33,563</u>

These financial statements were approved by the board of directors and authorised for issue on 16 May 2023, and are signed on behalf of the board by:



Oliver Sargent
Chairman



Bruce Offergelt
Director

Company registration number: 04265943

The notes on pages 24 to 39 form part of these financial statements.

Applerigg Limited**Company Statement of Financial Position
31 December 2022**

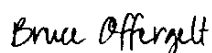
	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	15	6	–
Investments	16	3,235	3,165
		<u>3,241</u>	<u>3,165</u>
Current assets			
Debtors	17	2,109	6,466
Cash at bank and in hand		23,263	23,119
		<u>25,372</u>	<u>29,585</u>
Creditors: amounts falling due within one year	18	958	857
Net current assets		<u>24,414</u>	<u>28,728</u>
Total assets less current liabilities		<u>27,655</u>	<u>31,893</u>
Net assets		<u>27,655</u>	<u>31,893</u>
Capital and reserves			
Called up share capital	20	5,777	5,777
Share premium account	21	30,134	30,134
Profit and loss account	21	(8,256)	(4,018)
Shareholders' funds		<u>27,655</u>	<u>31,893</u>

The loss for the financial year of the parent company was £4,238k (2021: £146k profit).

These financial statements were approved by the board of directors and authorised for issue on 16 May 2023, and are signed on behalf of the board by:



Oliver Sargent
Chairman



Bruce Offergelt
Director

Company registration number: 04265943

The notes on pages 24 to 39 form part of these financial statements.

Applerigg Limited**Consolidated Statement of Changes in Equity**
Year ended 31 December 2022

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Equity attributable to the owners of the parent company £000	Non- controlling interests £000	Total £000
At 1 January 2021	5,777	30,134	(2,777)	33,134	–	33,134
Profit for the year			429	429	–	429
Total comprehensive income for the year	–	–	429	429	–	429
At 31 December 2021	5,777	30,134	(2,348)	33,563	–	33,563
Loss for the year			(4,008)	(4,008)	(1)	(4,009)
Total comprehensive income for the year	–	–	(4,008)	(4,008)	(1)	(4,009)
At 31 December 2022	5,777	30,134	(6,356)	29,555	(1)	29,554

The notes on pages 24 to 39 form part of these financial statements.

Applerigg Limited**Company Statement of Changes in Equity
Year ended 31 December 2022**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total £000
At 1 January 2021	5,777	30,134	(4,164)	31,747
Profit for the year			146	146
Total comprehensive income for the year	–	–	146	146
At 31 December 2021	5,777	30,134	(4,018)	31,893
Loss for the year			(4,238)	(4,238)
Total comprehensive income for the year	–	–	(4,238)	(4,238)
At 31 December 2022	5,777	30,134	(8,256)	27,655

The notes on pages 24 to 39 form part of these financial statements.

Applerigg Limited**Consolidated Statement of Cash Flows**
Year ended 31 December 2022

	2022	2021
	£000	£000
Cash flows from operating activities		
(Loss)/profit for the financial year	(4,009)	429
<i>Adjustments for:</i>		
Depreciation of tangible assets	34	30
Goodwill arising on acquisition	(8)	-
Amortisation of intangible assets	48	40
Bad debt write off	-	74
Other interest receivable and similar income	(261)	(3)
<i>Changes in:</i>		
Trade and other debtors	4,413	(1,536)
Trade and other creditors	(343)	(1,126)
Cash generated from operations	(126)	(2,092)
Interest received	261	3
Net cash from/(used in) operating activities	135	(2,089)
Cash flows from investing activities		
Purchase of tangible assets	(60)	(2)
Proceeds from sale of subsidiaries	-	-
Sale of tangible fixed assets	-	1
Acquisition of interests in associates and joint ventures	(70)	-
Purchases of other investments	-	(651)
Net cash (used in)/from investing activities	(127)	(652)
Net increase/(decrease) in cash and cash equivalents	5	(2,741)
Cash and cash equivalents at beginning of year	28,046	30,787
Cash and cash equivalents at end of year	28,051	28,046

The notes on pages 24 to 39 form part of these financial statements.

Applerigg Limited

Notes to the Financial Statements (continued) **Year ended 31 December 2022**

1. General information

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The Directors have at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue to operate for the foreseeable future and for a time that extends beyond a date that is 12 months after the date the financial statements were approved. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The preparation of the financial statements, on a going concern basis and in compliance with FRS102, requires the use of certain critical accounting estimates. It also requires the Group management to exercise judgement in applying the Group's accounting policies.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the Company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of Applerigg Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

Applerigg Limited

Notes to the Financial Statements (continued)
Year ended 31 December 2022

3. Accounting policies (continued)

Consolidation (continued)

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Non-controlling interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors and management have exercised certain judgements in relation to the long-term incentive plan accrual made in the accounts. This calculation is derived from the external valuation of the company performed by an independent valuer. The valuation involves unobservable input relating to cashflow forecasts prepared by management and an illiquid discount rate.

The Directors also determine whether there are indicators of impairment of the Company's unlisted investments. The Directors use independent valuations or discounted cash flow techniques to determine whether there has been an impairment of the asset.

The useful life of tangible and intangible assets is an accounting estimate and they are depreciated and amortised respectively over their useful lives.

The Directors do not consider there to be any other items within the financial statements subject to key judgements or uncertainty.

Revenue recognition

Turnover, which is recognised on an accruals basis, represents amounts received for the management of authorised collective investment schemes, i.e. Alternative Investment Funds and UCITS Funds, after accounting for discounts, third party investment management and administration fees. Turnover also includes administration, hosting, and registration fees. Turnover is shown net of VAT.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Applerigg Limited

Notes to the Financial Statements (continued) **Year ended 31 December 2022**

3. Accounting policies (continued)

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date.

Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the Company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately

Applerigg Limited

Notes to the Financial Statements (continued) **Year ended 31 December 2022**

3. Accounting policies (continued)

Intangible assets (continued)

from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 10% straight line
----------	---------------------

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 10 years straight line
Equipment	- 3-5 years straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

Applerigg Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2022

3. Accounting policies (continued)

Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the Company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Applerigg Limited**Notes to the Financial Statements (continued)**
Year ended 31 December 2022**3. Accounting policies (continued)*****Financial instruments (continued)***

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution pension plans

Contributions to defined contribution pension plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2022	2021
	£000	£000
Rendering of services	4,716	4,505

The turnover is largely attributable to the principal activity of the Group and wholly undertaken in the United Kingdom.

5. Other operating income

	2022	2021
	£000	£000
Other operating income	2	801

Other operating income in 2021 includes the £792k Equity Harvest Fund distribution.

Applerigg Limited**Notes to the Financial Statements (continued)**
Year ended 31 December 2022**6. Operating profit**

Operating profit or loss is stated after charging/crediting:

	2022	2021
	£000	£000
Depreciation of tangible assets	35	30
Impairment of trade debtors	–	74
Foreign exchange differences	(1)	–
	<u> </u>	<u> </u>

7. Goodwill amortisation

	2022	2021
	£000	£000
Amortisation of goodwill	(48)	(40)
	<u> </u>	<u> </u>

8. Auditor's remuneration

	2022	2021
	£000	£000
Fees payable for the audit of the financial statements	15	24
	<u> </u>	<u> </u>

Fees payable to the company's auditor and its associates for other services:

Audit-related assurance services	9	13
Other non-audit services	4	–
The audit of the Company's subsidiaries	19	40
Tax compliance services	2	13
	<u> </u>	<u> </u>
	49	90
	<u> </u>	<u> </u>

9. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2022	2021
	No.	No.
Administrative staff	40	35
	<u> </u>	<u> </u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2022	2021
	£000	£000
Wages and salaries	2,586	1,931
Social security costs	248	220
Other pension costs	164	142
	<u> </u>	<u> </u>
	2,998	2,293
	<u> </u>	<u> </u>

Applerrigg Limited**Notes to the Financial Statements (continued)****Year ended 31 December 2022****10. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services was:

	2022	2021
	£000	£000
Remuneration	408	480
Contribution to money purchase pension scheme	15	15
Benefits in kind	11	9
	<u>434</u>	<u>504</u>

No payments were made to key management personnel other than directors during the year.

The highest paid director received remuneration of £151k (2021: £155k).

11. Sale of Sand Aire Limited

	2022	2021
	£000	£000
Adjustment to the sale price of Sand Aire Limited	(3,754)	238
	<u>(3,754)</u>	<u>238</u>

12. Other interest receivable and similar income

	2022	2021
	£000	£000
Interest on cash and cash equivalents	261	3
	<u>261</u>	<u>3</u>

13. Tax on (loss)/profit**Major components of tax income**

	2022	2021
	£000	£000
Current tax:		
UK current tax income	(92)	92
Tax on (loss)/profit	<u>(92)</u>	<u>92</u>

Reconciliation of tax (income)/expense

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

Applerigg Limited**Notes to the Financial Statements (continued)**
Year ended 31 December 2022**13. Tax on (loss)/profit (continued)**

	2022	2021
	£000	£000
(Loss)/profit on ordinary activities before taxation	(4,099)	521
(Loss)/profit on ordinary activities by rate of tax	(779)	99
Adjustment to tax charge in respect of prior periods	(92)	–
Effect of expenses not deductible for tax purposes	739	39
Effect of capital allowances and depreciation	(5)	2
Effect of revenue exempt from tax	–	(45)
Deferred tax asset not recognised	45	–
Utilisation of prior year tax losses		(3)
Tax on (loss)/profit	(92)	92

Deferred tax

The group has unrecognised deferred tax assets carried forward of £682k (2021: £968k) in respect of unutilised losses. The group has unrecognised tax losses carried forward of £2,727k (2021: £5,093k).

As a result of Finance Act 2021 the corporation tax rate has increased from 19% to 25% with effect from 1 April 2023 and been used to calculate the 2022 unrecognised deferred tax asset.

14. Intangible assets

Group	Goodwill	Contract	Relationship	Total
	£000	Value	Value	£000
Cost		£000	£000	
At 1 January 2022	15,137	183	4,710	20,030
Arising on acquisitions in year	8	–	–	8
At 31 December 2022	15,145	183	4,710	28,038
Amortisation				
At 1 January 2022	15,137	183	4,563	19,883
Charge for the year	8	–	40	48
At 31 December 2022	15,145	183	4,603	19,931
Carrying amount				
At 31 December 2022	–	–	107	107
At 31 December 2021	–	–	147	147

Applerigg Limited**Notes to the Financial Statements (continued)**
Year ended 31 December 2022**14. Intangible assets (continued)**

The company has no intangible assets.

The goodwill and relationship value are usually amortised over a period of 10 years. The contract value is amortised over 1 year. The current intangible asset net book value relates to Yealand Fund Services Limited (previously Carvetian Capital Management Limited). The goodwill arising from the acquisition of Xenia Venues Limited in 2022 was fully amortised in 2022 as it was less than £10k

15. Tangible assets

Group	Fixtures fittings and equipment £000	Total £000
Cost		
At 1 January 2022	466	466
Additions	60	60
	<u> </u>	<u> </u>
	–	–
At 31 December 2022	<u>526</u>	<u>526</u>
Depreciation		
At 1 January 2022	440	440
Charge for the year	35	35
	<u> </u>	<u> </u>
	–	–
At 31 December 2022	<u>475</u>	<u>475</u>
Carrying amount		
At 31 December 2022	<u>51</u>	<u>51</u>
At 31 December 2021	<u>26</u>	<u>26</u>

Applerigg Limited**Notes to the Financial Statements (continued)**
Year ended 31 December 2022**15. Tangible assets (continued)**

Company	Equipment £000
Cost	
At 1 January 2022	–
Additions	7
	<u>7</u>
At 31 December 2022	<u>7</u>
Depreciation	
At 1 January 2022	–
Charge for the year	1
	<u>1</u>
At 31 December 2022	<u>1</u>
Carrying amount	
At 31 December 2022	<u>6</u>
At 31 December 2021	<u>–</u>

16. Investments

Group	Interests in associates £000	Other investments £000	Total £000
Share of net assets/cost			
At 1 January 2022	651	150	801
Additions	70	–	70
	<u>721</u>	<u>150</u>	<u>871</u>
At 31 December 2022	<u>721</u>	<u>150</u>	<u>871</u>
Impairment			
At 1 January 2022 and 31 December 2022	<u>–</u>	<u>140</u>	<u>140</u>
Carrying amount			
At 31 December 2022	<u>721</u>	<u>10</u>	<u>731</u>
At 31 December 2021	<u>651</u>	<u>10</u>	<u>661</u>

Applerigg Limited**Notes to the Financial Statements (continued)****Year ended 31 December 2022****16. Investments (continued)**

Company	Shares in group undertakings £000	Shares in participating interests £000	Total £000
Cost			
At 1 January 2022	2,520	651	3,171
Additions	—	70	70
At 31 December 2022	2,520	721	3,241
Impairment			
At 1 January 2022 and 31 December 2022	6	—	6
Carrying amount			
At 31 December 2022	2,514	721	3,235
At 31 December 2021	2,514	651	3,165

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	<i>Class of share</i>	<i>Principle activity</i>	<i>Percentage of shares held</i>
Subsidiary undertakings			
Applerigg International Limited*+	Ordinary	Dormant	100
Applerigg Services Limited*+	Ordinary	Dormant	100
Yealand Fund Services Limited#	Ordinary	ACD and Fund Administration	100
Carvetian Nominees Limited*#	Ordinary	Dormant	100
Lord North Street Limited+~	Ordinary	Non-trading	100
The Private Investment Office Limited+~	Ordinary	Non-trading	100
Yealand Group Limited#~	Ordinary	Non-trading	100
YFS Care Communities Limited #~	Ordinary	Non-trading	100
Xenia Venues Ltd+~	Ordinary	Holding Company	99
High House Holdco Limited*+	Ordinary	Dormant	99
High House Opco Limited*+	Ordinary	Dormant	99
High House Propco Limited*+	Ordinary	Dormant	99
Associates			
Cartmel Care Homes Limited*+	Ordinary	Investment	28

*Exempt from audit

Registered Offices:

+ New Kings Court Tollgate, Chandler's Ford, Eastleigh, SO53 3LG

Stuart House, St John's Street, Peterborough, PE1 5DD

Applerigg Limited**Notes to the Financial Statements (continued)****Year ended 31 December 2022****16. Investments (continued)**

The investment in Cartmel Care Homes Limited is comprised of £3k in Ordinary Share capital and a shareholder loan of £658k.

A total of £60k representing the amount due from Cartmel Midco Limited, a subsidiary of Cartmel Care Homes Limited, was reclassified from 'Other debtors' to 'Investments' during the year to reflect its nature as a long term investment loan on which no interest is payable.

All of the above marked with a ~ have taken advantage of the exemption from audit under provisions of s479A of the Companies Act 2006 ("the Act"), and the members of those companies have not required the company to obtain an audit for the years in question in accordance with Section 476 of the Act.

17. Debtors

	Group		Company	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade debtors	1,611	1,177	–	–
Amounts owed by group undertakings	–	–	356	51
Prepayments and accrued income	100	172	100	15
Other debtors	1,651	6,428	1,653	6,400
	<u>3,364</u>	<u>7,777</u>	<u>2,109</u>	<u>6,466</u>

18. Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	2,160	2,117	102	8
Amounts owed to group undertakings	–	–	759	759
Accruals and deferred income	402	717	74	–
Social security and other taxes	70	187	–	17
Other creditors	118	73	23	73
	<u>2,750</u>	<u>3,094</u>	<u>958</u>	<u>857</u>

The amounts owed to group undertakings are unsecured, interest free and are payable on demand.

Applerigg Limited**Notes to the Financial Statements (continued)**
Year ended 31 December 2022**19. Employee benefits****Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £164k (2021: £142k)

20. Called up share capital**Issued, called up and fully paid**

	2022		2021	
	No.	£000	No.	£000
Ordinary shares of £0.01 each fully paid	406,013,730	4,060	406,013,730	4,060
Ordinary shares of £0.01 each part paid	3,773,625	38	3,773,625	38
Deferred shares of £0.01 each	167,892,099	1,679	167,892,099	1,679
	<u>577,679,454</u>	<u>5,777</u>	<u>577,679,454</u>	<u>5,777</u>

The fully paid ordinary shares have the right to participate in dividends and to receive notice of and to attend meetings of the Company. On a return of capital on liquidation or otherwise, the surplus assets of the Company remaining after payment of its liabilities, costs and expenses shall be distributed among the holders of ordinary shares in proportion to the numbers of ordinary shares held by them.

The deferred shares shall have the following rights and be subject to the following restrictions:

Income

Deferred shares shall have no right to participate in any dividend or other distribution of income of the Company.

Capital

On a return of capital on liquidation or otherwise, the surplus assets of the Company remaining after payment of its liabilities, costs and expenses shall be distributed among the holders of ordinary shares in proportion to the numbers of ordinary shares held by them, provided that, after the sum of £10,000 has been paid in respect of each ordinary share, the next £100 of any remaining balance shall be distributed among the holders of the deferred shares in proportion to the numbers of deferred shares held by them in full satisfaction of their rights in respect of such surplus.

Voting

The holders of deferred shares shall not in that capacity have any right to receive notice of or to attend meetings of the Company and the deferred shares shall carry no right to vote.

Transfer

None of the restrictions on the transfer of shares shall apply to deferred shares, but the directors of the Company shall instead of absolute discretion whether to approve any proposed transfer of deferred shares and no such transfer shall be made or registered without such approval.

Applerigg Limited**Notes to the Financial Statements (continued)**
Year ended 31 December 2022**Compulsory Transfer**

Compulsory transfer shall not apply to deferred shares, but on completion of a qualifying sale the Purchaser shall be entitled to purchase and be registered as the holder of all the deferred shares in consideration for payment of the sum of £100 which shall be paid to the Company to be held on behalf of the holders of the deferred shares and, if more than one, as nearly as possible in proportion to their respective holdings.

21. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

22. Analysis of changes in net debt

	At 1 Jan 2022	Cash flows	At 31 Dec 2022
	£000	£000	£000
Cash at bank and in hand	28,046	5	28,051

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2022	2021	2022	2021
	£000	£000	£000	£000
Not later than 1 year	82	37	-	-
Later than 1 year and not later than 5 years	286	-	-	-
	<u>368</u>	<u>37</u>	<u>-</u>	<u>-</u>

24. Contingencies

The Company has agreed to act as 'Authorised Guarantor' for the rent on the lease for the premises that Yealand Fund Services Limited has signed with Anglo Scandinavian Estates III LLP who is the owner of the building. The contingent liability is for a sum of up to a maximum of £75,583 (2021: £75,583).

Applerigg Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2022

25. Related party transactions

Company and Group

The total amount transferred to Cartmel Care Homes Limited by the Company covered the amounts payable by the Company and other co-investors, largely the participating directors of Applerigg with respect to interest free shareholders' loans. During the year £10,000 was transferred to Cartmel Care Homes. At the balance sheet date, the total amount due to the Company and Group with respect to these shareholders' loans was £658,000 (2021: £648,000).

During the year Cartmel Care Midco Limited, a subsidiary of Cartmel Care Homes Limited, repaid £790,000 of the £850,000 interest free loan. At the balance sheet date £60,000 was outstanding (2021: £850,000).

26. Controlling party

The shares of Applerigg Limited are held directly and indirectly on behalf of the descendants of Sir James William Scott, who are considered to be the Ultimate Controlling Party.