

Registration number: 07003607

# Judges Capital Limited

Directors' Report and Financial Statements

for the year ended 31 December 2018



## **Judges Capital Limited**

### **Company information**

<b>Directors</b>	Mr D Cicurel Mr M Lavelle Mr B Ormsby
<b>Secretary</b>	Mr G Reece
<b>Company number</b>	07003607
<b>Registered Office</b>	52c Borough High Street London SE1 1XN
<b>Auditor</b>	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Regent House 80 Regent Road Leicester LE1 7NH

## **Judges Capital Limited**

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# **Judges Capital Limited**

## **Directors' report for the year ended 31 December 2018**

The directors present their report and the financial statements for the year ended 31 December 2018. In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

### **Principal activity**

The principal activity of the company in the year continued to be that of a holding company. The statement of comprehensive income is set out on page 6 and shows the loss for the year. The directors remain confident in the company's position in the market place and that it will continue to remain strong and profitable through forward looking management and operational planning.

### **Going concern**

The company's investments have been financed by borrowings from its parent company. The company has no external debt and continues to benefit from the financial support of the parent company. The company therefore continues to adopt the going concern basis in preparing its financial statements.

### **Directors**

The directors who served during the year are as stated below:

Mr D Cicurel  
Mr M Lavelle  
Mr B Ormsby

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

## **Judges Capital Limited**

### **Directors' report for the year ended 31 December 2018**

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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is the earlier.

This report was approved by the board on 18 March 2019 and signed on its behalf by:



Mr G Reece  
Secretary

**Judges Capital Limited**  
**Company Registration Number: 07003607**

## **Judges Capital Limited**

### **Independent Auditor's Report to the members of Judges Capital Limited**

#### **Opinion**

We have audited the financial statements of Judges Capital Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the balance sheet, statement of changes in equity, and notes to the financial statements, 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 Financial Reporting Standard 101 'Reduced Disclosure Framework', The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Judges Capital Limited**

### **Independent Auditor's Report to the members of Judges Capital Limited**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' report set out on pages 1 to 2 but does not include the financial statements and our auditor's report thereon. 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

#### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

## Judges Capital Limited

### Independent Auditor's Report to the members of Judges Capital Limited

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

As explained more fully in the directors' responsibilities statement set out on pages 1 to 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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](http://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.

*Grant Thornton UK LLP*

Alison Seekings  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Leicester  
18 March 2019



## Judges Capital Limited

### Statement of comprehensive income for the year ended 31 December 2018

		2018 £	2017 £
	Notes		
Other external charges		-	(1)
<b>Operating loss</b>		<u>-</u>	<u>(1)</u>
Interest payable and similar charges		(772,442)	(746,301)
<b>Loss on ordinary activities before taxation</b>		<u>(772,442)</u>	<u>(746,302)</u>
Tax credit/(charge) on loss on ordinary activities	1	422,933	(143,638)
<b>Loss for the financial year and total comprehensive loss for the year</b>		<u>(349,509)</u>	<u>(889,940)</u>

All of the activities of the company are classed as continuing.

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

# Judges Capital Limited

## Balance sheet as at 31 December 2018

	Notes	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Investments	2		15,237,577		15,237,577
<b>Current assets</b>					
Debtors	3	279,300		23,665	
Cash at bank and in hand		<u>7,276</u>		<u>7,277</u>	
		286,576		30,942	
<b>Net current assets</b>			286,576		30,942
<b>Total net assets</b>			<u>15,524,153</u>		<u>15,268,519</u>
<b>Amounts owed to group companies</b>	4		15,703,121		15,097,978
<b>Capital and reserves</b>					
Called up share capital	5		1		1
Capital contribution reserve			878,541		878,541
Profit and loss account			(1,057,510)		(708,001)
<b>Shareholders' funds - all equity</b>			(178,968)		170,541
			<u>15,524,153</u>		<u>15,268,519</u>

The financial statements were approved by the board of directors on 18 March 2019 and signed on its behalf by:



Mr B Ormsby  
Director

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

## Judges Capital Limited

### Statement of changes in equity for the year ended 31 December 2018

	Share capital £	Capital contribution reserve £	Profit and loss account £	Total equity £
<b>Balance at 1 January 2018</b>	<b>1</b>	<b>878,541</b>	<b>(708,001)</b>	<b>170,541</b>
Loss for the year	-	-	(349,509)	(349,509)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(349,509)</b>	<b>(349,509)</b>
<b>Balance at 31 December 2018</b>	<b>1</b>	<b>878,541</b>	<b>(1,057,510)</b>	<b>(178,968)</b>
<b>Balance at 1 January 2017</b>	<b>1</b>	<b>878,541</b>	<b>181,939</b>	<b>1,060,481</b>
Loss for the year	-	-	(889,940)	(889,940)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(889,940)</b>	<b>(889,940)</b>
<b>Balance at 31 December 2017</b>	<b>1</b>	<b>878,541</b>	<b>(708,001)</b>	<b>170,541</b>

# **Judges Capital Limited**

## **Statement of accounting policies**

### **General information**

Judges Capital Limited is a company limited by shares. It was incorporated in England and its registered office is 52c Borough High Street, London, SE1 1XN. The principal activity of the company during the year was that of a holding company.

### **Statement of compliance**

The financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' and are presented in Sterling (£).

### **Basis of preparation**

The company meets the definition of a qualifying entity under FRS 101. The financial statements have therefore been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

As permitted by FRS 101, for both periods presented, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash flow statement, share based payments, fair value measurements, comparative reconciliations for tangible and intangible assets, standards not yet effective, related party transactions with other wholly-owned members of the group and key management personnel compensation. Equivalent disclosures are, where required, given in the group accounts of Judges Scientific plc. The group accounts of Judges Scientific plc are available to the public.

The financial statements have been prepared on the historical cost basis.

### **Use of accounting estimates and judgements**

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

#### **Judgements in applying accounting policies**

- The directors do not consider there to be any significant judgements in applying accounting policies.

#### **Sources of estimation uncertainty**

- The carrying value of investments is assessed based on the current trading performance, the expected future performance and net assets of the investment.

The principal accounting policies are set out below.

# **Judges Capital Limited**

## **Statement of accounting policies**

### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### **Taxation**

Current tax is the tax currently payable based on taxable profit for the year.

### **Investments**

Fixed asset investments are stated at cost less provision for impairment.

### **Group accounts**

These financial statements contain information about Judges Capital Limited as an individual company and do not contain consolidated information as the parent of a group. The company is entitled to an exemption under Section 400 of the Companies Act 2006 from the obligation to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Judges Scientific plc, a company registered in the UK.

### **Equity**

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Capital contribution reserve" represents shares issued by the ultimate parent company as part of the consideration in the acquisition of Scientifica Limited.
- "Profit and loss account" represents retained profits and losses.

## Judges Capital Limited

### Notes to the financial statements for the year ended 31 December 2018

#### 1. TAX ON LOSS ON ORDINARY ACTIVITIES

	2018 £	2017 £
<b>Current tax</b>		
Current tax (credit)/charge on loss for the year	(146,764)	143,638
Adjustment in respect of prior years	(276,169)	-
<b>Tax per statement of comprehensive income</b>	<u>(422,933)</u>	<u>143,638</u>

The charge for the year can be reconciled to the loss per the statement of comprehensive income as follows:

	2018 £	2017 £
Loss on ordinary activities before tax	(772,442)	(746,302)
Tax on loss at standard UK tax rate of 19% (2017: 19.25%)	(146,764)	(143,638)
<b>Effect of:</b>		
Group relief	-	287,276
Adjustments in respect of prior years	(276,169)	-
<b>Tax per statement of comprehensive income</b>	<u>(422,933)</u>	<u>143,638</u>

#### 2. FIXED ASSET INVESTMENTS

<b>Subsidiary undertakings</b>	<b>£</b>
Cost and net book value - 1 January 2018 and 31 December 2018	<u>15,237,577</u>

The company holds 100% of the ordinary share capital of Scientifica Limited which is a company incorporated in the UK.

#### 3. DEBTORS

	2018 £	2017 £
Corporation tax receivable	-	23,665
Amounts due from group companies	279,300	-
	<u>279,300</u>	<u>23,665</u>

## Judges Capital Limited

### Notes to the financial statements for the year ended 31 December 2018

#### 4. CREDITORS: AMOUNTS OWED TO GROUP COMPANIES

	2018 £	2017 £
Amounts owed to group companies	<u>15,703,121</u>	<u>15,097,978</u>

The amount owed to group companies is in respect of a subordinated loan advanced by the ultimate parent undertaking. This loan bears interest at the rate of 5% and is repayable on demand at any time after 30 June 2020 provided that all liabilities to third parties falling due on or before that date have been met.

#### 5. CALLED UP SHARE CAPITAL

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

#### 6. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Judges Scientific plc, the company is exempt from the requirements of FRS101 to disclose transactions within the group.

#### 7. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of this company is Judges Scientific plc, which is incorporated in England and Wales. The only group undertaking for which consolidated accounts are prepared is that headed by Judges Scientific plc. Bank loans advanced to or guaranteed by Judges Scientific plc amounting at 31 December 2018 to £14,836,000 (2017: £18,072,000) are secured on the company's assets.