Registered number: 07548551

# PENKELLY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2023

## CONTENTS

# BALANCE SHEET
## AS AT 31 MARCH 2023

| | Note | | 2023 £ | | 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 4 | | 2,741 | | 2,620 |
| Investments | 5 | | 1,290,466 | | 1,847,614 |
| Investment property | | | 84,949 | | - |
| | | | 1,378,156 | | 1,850,234 |
| **Current assets** | | | | | |
| Debtors: amounts falling due within one year | 7 | 16,942 | | 18,976 | |
| Cash at bank and in hand | 8 | 287,733 | | 2,723 | |
| | | 304,675 | | 21,699 | |
| Creditors: amounts falling due within one year | 9 | (139,799) | | (548,228) | |
| **Net current assets/(liabilities)** | | | 164,876 | | (526,529) |
| **Total assets less current liabilities** | | | 1,543,032 | | 1,323,705 |
| **Net assets** | | | 1,543,032 | | 1,323,705 |
| **Capital and reserves** | | | | | |
| Called up share capital | | | 100 | | 100 |
| Profit and loss account | | | 1,542,932 | | 1,323,605 |
| | | | 1,543,032 | | 1,323,705 |

## BALANCE SHEET (CONTINUED)
## AS AT 31 MARCH 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**Mr J Good**
Director

Date: 20 December 2023

The notes on pages 5 to 13 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 MARCH 2023

| | Called up share capital | Profit and loss account | Total equity |
|---|---|---|---|
| | £ | £ | £ |
| At 1 April 2022 | 100 | 1,323,605 | 1,323,705 |
| **Comprehensive income for the year** | | | |
| Profit for the year | - | 494,327 | 494,327 |
| **Other comprehensive income for the year** | - | - | - |
| **Total comprehensive income for the year** | - | 494,327 | 494,327 |
| **Contributions by and distributions to owners** | | | |
| Dividends: Equity capital | - | (275,000) | (275,000) |
| **Total transactions with owners** | - | (275,000) | (275,000) |
| **At 31 March 2023** | 100 | 1,542,932 | 1,543,032 |

The notes on pages 5 to 13 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 MARCH 2022

| | Called up share capital | Profit and loss account | Total equity |
|---|---|---|---|
| | £ | £ | £ |
| At 1 April 2021 | 100 | 477,523 | 477,623 |
| **Comprehensive income for the year** | | | |
| Profit for the year | - | 1,016,082 | 1,016,082 |
| **Other comprehensive income for the year** | - | - | - |
| **Total comprehensive income for the year** | - | 1,016,082 | 1,016,082 |
| **Contributions by and distributions to owners** | | | |
| Dividends: Equity capital | - | (170,000) | (170,000) |
| **Total transactions with owners** | - | (170,000) | (170,000) |
| **At 31 March 2022** | 100 | 1,323,605 | 1,323,705 |

The notes on pages 5 to 13 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 MARCH 2023

### 1. General information

Penkelly Limited is a private company limited by share capital, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is Meadowbrook, Marsh, Aylesbury, Buckinghamshire, HP17 8SP.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is recognised as follows:

1) Share of joint venture results - upon realisation of the profit ot loss in the joint venture undertaking.

2) Fees receivable - turnover is measured as the fair value of the consideration received for services provided.

#### 2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

## 2. Accounting policies (continued)

### 2.6 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.7 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

### 2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|---|---|---|
| Fixtures and fittings | - | 20% |
| Computer equipment | - | 20% |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## 2. Accounting policies (continued)

### 2.9 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

### 2.10 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

### 2.11 Valuation of investments

Investments in joint ventures are carried in the balance sheet at cost as adjusted for post-acquisition changes, less any impairment.

### 2.12 Valuation of invetments in horses

Investments in horses are carried in the balance sheet at cost, less any impairment.

### 2.13 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.

### 2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.15 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.

## 2. Accounting policies (continued)

### 2.16 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

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

**Basic financial assets**

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

**Other financial assets**

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

**Financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

## 2. Accounting policies (continued)

### 2.16 Financial instruments (continued)

**Derecognition of financial instruments**

**Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

### 2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## 3. Employees

The average monthly number of employees, including directors, during the year was 4 (2022 - 4).

## 4. Tangible fixed assets

| | Fixtures and fittings | Computer equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| At 1 April 2022 | 28,134 | 2,507 | 30,641 |
| Additions | 2,220 | - | 2,220 |
| At 31 March 2023 | 30,354 | 2,507 | 32,861 |
| **Depreciation** | | | |
| At 1 April 2022 | 26,327 | 1,694 | 28,021 |
| Charge for the year on owned assets | 1,844 | 255 | 2,099 |
| At 31 March 2023 | 28,171 | 1,949 | 30,120 |
| **Net book value** | | | |
| At 31 March 2023 | 2,183 | 558 | 2,741 |
| **At 31 March 2022** | 1,807 | 813 | 2,620 |

## 5. Fixed asset investments

| | Other fixed asset investments | Investment in joint ventures | Loans to joint ventures | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost or valuation** | | | | |
| At 1 April 2022 | 50,000 | 317 | 1,818,075 | 1,868,392 |
| Additions | 84,190 | 66 | 116,557 | 200,813 |
| Disposals | - | (2) | (497,416) | (497,418) |
| On disposal of subsidiaries | - | - | (865,987) | (865,987) |
| Foreign exchange movement | - | - | 620,888 | 620,888 |
| Revaluations | - | - | 37,977 | 37,977 |
| Amounts written off | - | - | (11,316) | (11,316) |
| At 31 March 2023 | 134,190 | 381 | 1,218,778 | 1,353,349 |
| **Impairment** | | | | |
| At 1 April 2022 | - | - | 20,778 | 20,778 |
| Charge for the period | - | - | 42,105 | 42,105 |
| At 31 March 2023 | - | - | 62,883 | 62,883 |
| **Net book value** | | | | |
| At 31 March 2023 | 134,190 | 381 | 1,155,895 | 1,290,466 |
| **At 31 March 2022** | 50,000 | 317 | 1,797,297 | 1,847,614 |

## 6. Investment property

| | Freehold investment property |
|---|---|
| | £ |
| **Valuation** | |
| Additions at cost | 84,949 |
| **At 31 March 2023** | 84,949 |

The 2023 valuations were made by the directors, on an open market value for existing use basis.

**At 31 March 2023**

## 7. Debtors

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Trade debtors | 2,160 | 4,320 |
| Other debtors | 6,552 | 10,803 |
| Prepayments and accrued income | 8,230 | 3,853 |
| | 16,942 | 18,976 |

## 8. Cash and cash equivalents

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Cash at bank and in hand | 287,733 | 2,723 |
| Less: bank overdrafts | - | (234,721) |
| | 287,733 | (231,998) |

## 9. Creditors: Amounts falling due within one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Bank overdrafts | - | 234,721 |
| Trade creditors | 17,586 | 7,409 |
| Corporation tax | 110,116 | 239,694 |
| Other taxation and social security | 377 | 326 |
| Other creditors | 7,397 | 59,790 |
| Accruals and deferred income | 4,323 | 6,288 |
| | 139,799 | 548,228 |

## 10. Related party transactions

During the year, the company received fee income of £267,200 (2022: £7,200) from a company with common directors. At the year end, a balance of £2,160 (2022: £4,320) was due from this company.

Included within other creditors is £7,180 (2022: £16,631) due to the director of the company. This amount is interest free and repayable on demand.