Registration number: 08113231

Wittington Investments (REOF) Limited

Directors' Report and Financial Statements

for the Period from 18 September 2021 to 17 September 2022

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Company Information

Directors

Sir Guy Weston
Charles Mason

Company secretary

Jennifer Dooley

Registered office

Weston Centre
10 Grosvenor Street
London
United Kingdom
W1K4QY

Directors' Report for the Period from 18 September 2021 to 17 September 2022

The directors present their report and the financial statements for the period from 18 September 2021 to 17 September 2022.

Directors' of the company

The directors, who held office during the period and up to the date of signing of the financial statements, were as follows:

- Sir Guy Weston
- Charles Mason

No director had at any time during the period any material interest in a contract with the company.

Company secretary

Jennifer Dooley

Principal activity

The principal activity of the company is that of an investment company.

Directors' liabilities

Directors' and officers' liability insurance has been purchased by the ultimate parent company, Wittington Investments Limited, and was in place throughout the period. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

Statement of directors' responsibilities

The directors acknowledge their responsibilities 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. These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. The presentation currency of these financial statements is sterling. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International accounting standards in conformity with the requirements of the Companies Act 2006. 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has 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.

Directors' Report for the Period from 18 September 2021 to 17 September 2022 (continued)

Going concern
The going concern basis has been applied in these financial statements. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Having reviewed the Board's best estimate of future cash flow requirements to February 2024 and letters of comfort provided by the ultimate parent company Wittington Investments Ltd (Wittington), the possibility that the financial headroom could be exhausted is considered to be extremely remote. The directors understand the risks, sensitivities and judgements included in the cash flow forecast and have a high degree of confidence in these forecast cash requirements. There is substantial financial headroom between this cash flow forecast and the forecast cash requirements and funding available to the Company over the period.

Audit
For the year ending 17th September 2022, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Political and charitable contributions
The Company made no political or charitable donations or incurred any political expenditure during the period.

Results and dividends
The statement of comprehensive income for the period is set out on page 4. The profit for the period is €2,108,272 (2021: loss of €1,802,103).

This report has been prepared in accordance with the special provisions of section 381 of the Companies Act 2006 relating to small companies. The directors have taken exemption under this regime not to disclose the strategic report.

Approved by the Board on 14 February 2023 and signed on its behalf by:

....
Sir Guy Weston
Director

Statement of Comprehensive Income
for the Period from 18 September 2021 to 17 September 2022

	Note	2022 €	2021 €
Administrative expenses	4	-	-
Other operating income	4	536	-
Operating profit		536	-
Expenses from investing activities	5	(62,606)	(1,748,293)
Income from financing activities	6	2,170,342	-
Profit/(loss) before tax		**2,108,272**	**(1,748,293)**
Taxation	7	-	(53,810)
Profit/(loss) for the period		**2,108,272**	**(1,802,103)**
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the period		**2,108,272**	**(1,802,103)**

The above results for the period were derived from continuing operations.

Balance Sheet as at 17 September 2022

	Note	2022 €	2021 €
Non-current assets			
Investments	11	-	1,591,103
Current assets			
Trade and other receivables	8	2	2
Total assets		**2**	**1,591,105**
Current liabilities			
Trade and other payables	9	-	(3,652,054)
Income tax	7	-	(47,321)
Total liabilities		**-**	**(3,699,375)**
Net assets/(liabilities)		**2**	**(2,108,270)**
Equity			
Called up share capital	10	2	2
Retained earnings		-	(2,108,272)
Total equity		**2**	**(2,108,270)**

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

For the year ending 17th September 2022, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 14 February 2023 and signed on its behalf by:

....
Sir Guy Weston
Director

The notes on pages 7 to 14 form an integral part of these financial statements.

Statement of Changes in Equity
for the Period from 18 September 2021 to 17 September 2022

	Share capital €	Retained earnings €	Total €
At 13 September 2020	2	(306,169)	(306,167)
Loss for the period	-	(1,802,103)	(1,802,103)
Other comprehensive income	-	-	-
Total comprehensive expense	-	(1,802,103)	(1,802,103)
At 18 September 2021	**2**	**(2,108,272)**	**(2,108,270)**
At 19 September 2021	2	(2,108,272)	(2,108,270)
Profit for the period	-	2,108,272	2,108,272
Other comprehensive income	-	-	-
Total comprehensive income	-	2,108,272	2,108,272
At 17 September 2022	**2**	-	**2**

The notes on pages 7 to 14 form an integral part of these financial statements.

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022

1 General information

The accounting reference date of the Company is the Saturday nearest to 15 September. Accordingly, these financial statements have been prepared to 17 September 2022.

The presentational and functional currency of these financial statements is Euros as the investments and income derived from these investments are undertaken in Euros.

2 Basis of preparation

The Company financial statements have been prepared in accordance with FRS 101: 'Reduced Disclosure Framework'. The Company applies the recognition, measurement and disclosure requirements of applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

The following accounting standards and amendments were adopted during the period and had no significant impact on the Company's Financial Statements:

- Amendments to IFRS 4 Insurance Contracts – Extension of the Temporary Exemption from Applying IFRS 9;
- Amendment to IFRS 16 Leases (COVID-19-Related Rent Concessions beyond 30 June 2021); and
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2. Financial authorities have announced the timing of key interest rate benchmark replacements such as LIBOR in the UK, the US and the EU and other territories, with remaining USD tenors expected to cease in 2023.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash flow statement and related notes, presentation of comparative information in respect of certain assets, certain related party transactions, capital management, compensation of Key Management Personnel, financial instruments and effects of standards not yet effective. Where required, equivalent disclosures are given in the consolidated financial statements of Wittington Investments Limited which is the Company's ultimate parent undertaking.

The consolidated financial statements of Wittington Investments Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House. The Company is incorporated and domiciled in England and Wales.

Measurement convention

The financial statements are prepared on historical cost basis except for financial instruments required to be measured at fair value through profit or loss or other comprehensive income, and those financial assets so designated at initial recognition.

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022 (continued)

2 Basis of preparation (continued)

Going concern

The going concern basis has been applied in these financial statements. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Having reviewed the Board's best estimate of future cash flow requirements to February 2024 and letters of comfort provided by the ultimate parent company Wittington Investments Ltd (Wittington), the possibility that the financial headroom could be exhausted is considered to be extremely remote. The directors understand the risks, sensitivities and judgements included in the cash flow forecast and have a high degree of confidence in these forecast cash requirements. There is substantial financial headroom between this cash flow forecast and the forecast cash requirements and funding available to the Company over the period.

3 Accounting policies

Critical accounting judgements and key sources of estimation uncertainty

In application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience or other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The carrying value of investments is a critical accounting judgement. The Company undertakes an annual review of its investments for indicators of impairment and tests for impairment where such an indicator arises.

Summary of significant accounting policies and key accounting estimates

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

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the tax expected to be payable on taxable income for the period, using tax rates enacted or substantively enacted during the period, together with any adjustment to tax payable in respect of previous years.

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022 (continued)

3 Accounting policies (continued)

Deferred tax is recognised in respect of all temporary differences identified at the balance sheet date. Temporary differences are differences between the carrying amount of the Company's assets and liabilities and their tax base. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the asset is realised or the liability is settled, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Deferred tax assets that are not eligible for offset against deferred tax liabilities are recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits in the foreseeable future, against which the deductible temporary difference can be utilised.

Financial instruments
Financial assets and financial liabilities are recognised in the Company Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

(a) Trade and other receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

(b) Trade and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

(c) Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds received. Own equity instruments that are reacquired (treasury or own shares) are deducted from equity. No gain or loss is recognised in the Company Statement of Comprehensive Income on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022 (continued)

3 *Accounting policies (continued)*

(d) Financial assets at fair value through profit and loss

The Company's primary function is to invest in private equity funds where the value of the Company's investments represents a small proportion of the total fund value. Equity financial instruments held by the Company are measured at fair value in the Balance Sheet, as determined either by the equity funds or by the Directors. Gains and losses arising from changes in fair value are recognised in the Statement of Comprehensive Income net of fund management expenses.

Investments where the fair value derives mainly from the underlying assets, such as investments managed by fund managers, are valued based on methodologies derived from application of the International Private Equity and Venture Capital Valuation Guidelines (December 2018). Generally the valuation reflects the estimated price a market participant would receive from a hypothetical sale of the investee company in an orderly transaction given current market conditions.

Dividend income is recognised when a dividend is declared by the subsidiaries and associates in which the company has invested.

Fair Value Measurement Hierarchy

FRS 101 requires certain disclosures which require the classification of financial assets and liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement. The fair value hierarchy has the following levels:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices)

(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

4 Operating profit

Other operating income includes a foreign exchange gain of €536 (2021: €nil) on group undertakings balances, which are denominated in GBP.

The Company did not employ staff at any time during the period nor make any payments in respect of wages and salaries.

The directors of the Company were remunerated as employees of Wittington Investments Limited and did not receive any remuneration, from any source, specifically for their services as Directors of the Company during the current or preceding financial period.

Auditor's remuneration	2022 €	2021 €
Audit fees payable to the Company's auditor (borne by the parent company)	-	2,316

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022 (continued)

4 Operating profit (continued)

For the year ending 17th September 2022, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated financial statements of the Company's ultimate parent, Wittington Investments Limited.

5 Expenses from investing activities

	2022 €	2021 €
Fair value loss on investments	(62,606)	(1,748,293)

6 Income from financing activities

	2022 €	2021 €
Other income	2,170,342	-

On 15th September 2022, Wittington Investments Limited waived an outstanding loan balance of €2,170,342 owed by Wittington Investments (REOF) Limited. This is included in Other income.

7 Income tax

Tax (charged)/credited in the statement of comprehensive income:

	2022 €	2021 €
Current taxation		
UK corporation tax at 19% (2021: 19%)	-	(7,766)
Adjustment for prior periods	-	(46,044)
	-	**(53,810)**
Deferred taxation		
Deferred tax credit	-	-
Total income tax charge in Statement of Comprehensive Income	-	**(53,810)**

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022 (continued)

7 Income tax (continued)

Reconciliation of effective tax rate	2022 €	2021 €
Profit/(loss) before tax	2,108,272	(1,748,293)
Multiplied at the standard rate of corporation tax of 19% (2021: 19%)	(400,572)	332,176
Adjustment to tax charge in respect of previous years	7,766	(46,044)
Share of tax from partnership	-	(7,766)
Movement on deferred tax asset not recognised	11,895	(332,176)
Current year tax movement recorded in group company (see note 11)	389,966	-
Prior year tax adjustments recorded in group company (see note 11)	(7,766)	-
Foreign exchange differences	(1,289)	-
Total income tax charge in Statement of Comprehensive Income	-	**(53,810)**

Finance Bill 2021 which was substantively enacted on 24 May 2021 increased the main rate of corporation tax in the UK to 25% with effect from 1 April 2023.

8 Trade and other receivables

	2022 €	2021 €
Amounts due from related parties	2	2

The directors consider that the carrying amount of receivables approximates their fair value due to the short maturities or otherwise immediate or short-term access and realisability.

9 Trade and other payables

	2022 €	2021 €
Amounts due to related parties	-	3,652,054

On 15th September 2022, Wittington Investments Limited waived an outstanding loan balance of €2,170,342 owed by Wittington Investments (REOF) Limited.

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022 (continued)

9 Trade and other payables (continued)

Amounts owed to group undertakings are non-interest bearing and are payable on demand.

The directors consider that the carrying amount of payables approximates their fair value due to the short maturities or otherwise immediate or short-term access and realisability.

10 Share capital

Issued, allotted, called up and fully paid shares

	2022		2021	
	No.	€	No.	€
Ordinary shares of £1 each	2	2	2	2

11 Investments measured at fair value

The carrying values of all investments that are measured at fair value are as follows:

	Investments at fair value through Profit and Loss €
At 19 September 2021	**1,591,103**
Additions	-
Disposals [i]	(1,528,497)
Fair value loss	(62,606)
At 17 September 2022	-

(i) On 30th June 2022 the Company sold two investments in partnerships to Wittington Investments PEF (EURO) Limited. Aggregate consideration of €772,014 was received and reflected the fair value of these interests on that date. The Company was indemnified by Wittington Investments PEF (EURO) Limited for any taxation liabilities arising in relation to having held the interests, or being a partner in the Partnerships, to the extent that such liabilities arose on or after 18 September 2021.

Notes to the Financial Statements for the Period from 18 September 2021 to 17 September 2022 (continued)

11 Investments measured at fair value (continued)

The investments measured at fair value are valued at 17 September 2022 according to the fair value hierarchy as set out in the accounting policies.

	2022			2021		
	Level 1 €	Level 2 €	Level 3 €	Level 1 €	Level 2 €	Level 3 €
Investments measured at fair value through Profit and Loss	-	-	-	-	1,591,103	-

At 18 September 2021, the Company held interests in two separate Partnerships, each of which held investments in unquoted investments. Investments classified as level 2 represent the Company's allocable share of Partnership investments and include interests in non-redeemable, closed-end private investment funds that do not trade in an active market and represent illiquid long-term investments that generally require future capital commitments.

The fair value of investments classified as level 2 are determined by the General Partners of the funds invested in. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital Valuations Guidelines as endorsed by the British Venture Capital Association. The basis of valuation in these guidelines include valuing investments at the price of recent comparative industry price earnings ratios discounted for marketability and performance of the investment, by review of comparable M&A deals in appropriate sectors, and net asset valuations for asset based investments.

Because of the inherent uncertainties of valuing unquoted investments, the eventual realisation proceeds may differ from the estimated fair value and the difference could be significant. Appropriate provisions are made against all individual values where necessary to reflect unsatisfactory financial performance or a fall in comparable ratings, leading to impairment in value.

12 Parent and ultimate parent undertaking

The company's immediate and ultimate parent is Wittington Investments Limited.

The ultimate controlling party is Wittington Investments Limited and, through their control of Wittington Investments Limited, the trustees of the Garfield Weston Foundation ("the Foundation"), the Foundation, a grant making trust and registered charity, is the majority shareholder of Wittington Investments Limited. The Trustees of the Foundation are Persons with Significant Control in relation to Wittington, the immediate parent.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Wittington Investments Limited, incorporated in England.

The address of Wittington Investments Limited is:
Weston Centre
10 Grosvenor Street
London
W1K 4QY
England

Wittington Investments Limited is also the smallest group in which these financial statements are consolidated.