

AEO Associates Limited

Unaudited Financial Statements

For the year ended 31 December 2022

Pages for filing with Registrar

Company Registration No. 08966520 (England and Wales)

AEO Associates Limited

Company Information

| | |
|--------------------------|--|
| Directors | P.J. Ager C.T. Ellis D.L. Oman |
| Accountants | Moore Kingston Smith LLP Betchworth House 57-65 Station Road Redhill Surrey RH1 1DL |
| Registered office | Kingsgate 62 High Street Redhill Surrey RH1 1SH |

AEO Associates Limited

Balance Sheet

As at 31 December 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|--|-------|-------------|------------------|---------------|------------------|
| Fixed assets | | | | | |
| Investments | 4 | | 4,512,095 | | 4,512,095 |
| Current assets | | | | | |
| Debtors | 5 | - | | 11,619 | |
| Cash at bank and in hand | | 977 | | 287 | |
| | | <u>977</u> | | <u>11,906</u> | |
| Creditors: amounts falling due within one year | 6 | (1,134,800) | | (863,013) | |
| Net current liabilities | | | (1,133,823) | | (851,107) |
| Total assets less current liabilities | | | 3,378,272 | | 3,660,988 |
| Creditors: amounts falling due after more than one year | 7 | | (998,453) | | (1,585,229) |
| Net assets | | | <u>2,379,819</u> | | <u>2,075,759</u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 3 | | 3 |
| Profit and loss reserves | | | 2,379,816 | | 2,075,756 |
| Total equity | | | <u>2,379,819</u> | | <u>2,075,759</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

AEO Associates Limited

Balance Sheet (Continued)

As at 31 December 2022

The financial statements were approved by the board of directors and authorised for issue on 11 April 2023 and are signed on its behalf by:

P.J. Ager
Director

Company Registration No. 08966520

AEO Associates Limited

Notes to the Financial Statements

For the year ended 31 December 2022

1 Accounting policies

Company information

AEO Associates Limited is a private company limited by shares incorporated in England and Wales. The registered office is Kingsgate, 62 High Street, Redhill, Surrey, RH1 1SH.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

During the period ended 31 August 2014 the company acquired the shares of Control Energy Costs Holdings Limited and its trading subsidiary, Control Energy Costs Limited. In order to finance this acquisition the company issued £1,018,000 loan notes, with a further £3,054,000 of deferred consideration secured against assets of the company and its subsidiaries payable over eight years. Subsequently, the payment periods have been renegotiated and run until March 2025. The total balance outstanding at 31 December 2022 was £1,685,229. At the Balance Sheet date the company had net current liabilities of £1,133,823. The directors have considered the company's and group's ability to meet the renegotiated loan repayments and expect these payments to be met as they fall due. As a result, the Directors continue to adopt the Going Concern basis in preparing the financial statements.

1.3 Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Cash at bank and in hand

Cash and cash equivalents include cash in hand and balances held at call with banks.

1.5 Financial instruments

The company only has financial instruments classified as basic and measured at amortised cost. The company has no financial instruments that are classified as 'other' or financial instruments measured at fair value.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

AEO Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. 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.

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Interest rate on interest free loan

Under FRS 102, long term loans that are at a below market rate of interest are required to be measured at amortised cost by discounting the initial repayment amount at the date of inception of the loan using a market rate of interest. This has required the directors to estimate the market rate of interest at which they would be able to borrow.

AEO Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

3 Employees

The average monthly number of persons employed by the company during the year was 0 (2021: 0).

4 Fixed asset investments

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Shares in group undertakings and participating interests | 4,512,095 | 4,512,095 |

5 Debtors

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Corporation tax recoverable | - | 11,619 |

6 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|------------------|----------------|
| Amounts owed to group undertakings | 4,000 | 4,000 |
| Other creditors | 1,130,800 | 859,013 |
| | <u>1,134,800</u> | <u>863,013</u> |

7 Creditors: amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|-----------------|-----------|-----------|
| Other creditors | 998,453 | 1,585,229 |

The other creditors falling due after more than one year are secured by a debenture charge over the assets of Control Energy Costs Holdings Limited and Control Energy Costs Limited.

8 Called up share capital

| | 2022 Number | 2021 Number | 2022 £ | 2021 £ |
|---|----------------|----------------|-----------|-----------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of £1 each | 3 | 3 | 3 | 3 |

9 Related party transactions

AEO Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

9 Related party transactions

(Continued)

At 31 December 2022, the company owed £4,000 (2021: £4,000) to Control Energy Costs Limited, a subsidiary undertaking.

During the year, the company received dividends of £409,000 (2021: £400,000) from Control Energy Costs Holdings Limited, a subsidiary undertaking.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.