

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**



CREDITINCOME INVESTMENTS (NO 3) LIMITED
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COMPANY INFORMATION

Directors	Sir John Ritblat M G Cohen J W J Ritblat
Registered number	11881626
Registered office	c/o Landau Baker Limited Mountcliff House 154 Brent Street London NW4 2DR
Independent auditors	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Accountants	Landau Baker Limited Mountcliff House 154 Brent Street London NW4 2DR

CREDITINCOME INVESTMENTS (NO 3) LIMITED

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CREDITINCOME INVESTMENTS (NO 3) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors' responsibilities statement

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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Principal activity

The principal activity of the Company is that of investment in horses.

Results and dividends

The loss for the year, after taxation, amounted to £636 (2020 - profit £NIL).

The directors recommended a dividend for the year of £Nil (2020 - £Nil).

Going concern

The directors have carried out a review of the impact of the COVID-19 pandemic on the operations of the company and have concluded that the preparation of these financial statements on the going concern basis is justified.

The directors continue to adopt the going concern basis in preparing the financial statements which assume that the company will continue in operation for the 12 months following the Balance Sheet date.

Directors

The directors who served during the year were:

Sir John Ritblat
M G Cohen
J W J Ritblat

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, RSM UK Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 November 2021 and signed on its behalf.



M G Cohen
Director

CREDITINCOME INVESTMENTS (NO 3) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CREDITINCOME INVESTMENTS (NO 3) LIMITED

Opinion

We have audited the financial statements of Creditincome Investments(No 3) Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statements 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of the company'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 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 related 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.

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 contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

CREDITINCOME INVESTMENTS (NO 3) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CREDITINCOME INVESTMENTS (NO 3) LIMITED

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 company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to

CREDITINCOME INVESTMENTS (NO 3) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CREDITINCOME INVESTMENTS (NO 3) LIMITED

ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

We have not identified any laws and regulations that have an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.

RSM UK Audit LLP

Stacy Eden (Senior statutory auditor)

for and on behalf of
RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
13 December 2021

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Administrative expenses		(636)	-
Operating (loss)/profit		<u>(636)</u>	<u>-</u>
(Loss)/profit for the financial year		<u>(636)</u>	<u>-</u>
Other comprehensive income for the year			
Total comprehensive income for the year		<u>(636)</u>	<u>-</u>

The notes on pages 9 to 14 form part of these financial statements.


CREDITINCOME INVESTMENTS (NO 3) LIMITED
REGISTERED NUMBER: 11881626

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Current assets			
Stock	7	39,158	-
Debtors: amounts falling due within one year	8	100	100
		<u>39,258</u>	<u>100</u>
Creditors: amounts falling due within one year	9	(39,794)	-
Net current (liabilities)/assets		<u>(536)</u>	<u>100</u>
Total assets less current liabilities		<u>(536)</u>	<u>100</u>
Net (liabilities)/assets		<u>(536)</u>	<u>100</u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account		(636)	-
		<u>(536)</u>	<u>100</u>

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 2A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 November 2021.



M G Cohen
Director

The notes on pages 9 to 14 form part of these financial statements.

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	100	-	100
Comprehensive income for the year			
Loss for the year	-	(636)	(636)
	<u> </u>	<u> </u>	<u> </u>
Other comprehensive income for the year	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total comprehensive income for the year	-	(636)	(636)
	<u> </u>	<u> </u>	<u> </u>
Total transactions with owners	-	-	-
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	<u>100</u>	<u>(636)</u>	<u>(536)</u>

The notes on pages 9 to 14 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Total equity
	£	£
Other comprehensive income for the year	<u> </u>	<u> </u>
	-	-
Total comprehensive income for the year	<u> </u>	<u> </u>
	-	-
Shares issued during the year	100	100
	<u> </u>	<u> </u>
Total transactions with owners	100	100
	<u> </u>	<u> </u>
At 31 March 2020	<u>100</u>	<u>100</u>

CREDITINCOME INVESTMENTS (NO 3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Creditincome Investments (No 3) Limited is a private Company, limited by shares, incorporated in England under the Companies Act on 17 May 2016.

The address of the Company's registered office and principal place of business is provided on the company information page.

The Company's principal activities and nature of the Company's operations are disclosed within the Directors' Report on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention, modified to include investments at fair value. They comply with the financial reporting standards of the Financial Reporting Council including FRS102 section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102). The financial statements of Creditincome Investments Limited for the year ended 31 March 2020 were also prepared under this regime.

The financial statements are presented in sterling which is also the functional currency of the company.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reducing disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs paragraph 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;

The information is included in the consolidated financial statements of Creditincome Limited as at 31 March 2021 and these financial statements may be obtained from the registered office.

CREDITINCOME INVESTMENTS (NO 3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Going concern

The directors have carried out a review of the impact of the COVID 19 pandemic on the operations of the company and have concluded that the preparation of these financial statement on the going concern basis is justified.

The directors continue to take comfort in the financial support provided by the shareholder loan which is non-recall in nature and therefore due for repayment only when the company have sufficient resources to do so.

The directors continue to adopt the going concern basis in preparing the financial statements which assume that the company will continue in operation for the 12 months following the Balance Sheet signing date.

2.4 Revenue

Revenue 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.

2.5 Stocks of Horses

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured at fair value with changes recognised in the income statement.

2.7 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.

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.8 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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, management are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During the period no estimates of judgements have been applied to the accounts of the Company. All transactions are supported by third party documentation.

4. Employees

No directors are remunerated through the company.

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Employees	<u>3</u>	<u>3</u>

5. Auditor's remuneration

Auditor's remuneration is borne by the Company's parent, Creditincome Limited.

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. Taxation

	2021 £	2020 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below.

	2021 £	2020 £
(Loss)/profit on ordinary activities before tax	(636)	-
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(121)	-
Effects of:		
Expenses not deductible for tax purposes	121	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

7. Stock

	2021 £	2020 £
Horses	39,158	-
	39,158	-

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Debtors

	2021 £	2020 £
Called up share capital not paid	100	100
	<u>100</u>	<u>100</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	39,470	-
Accruals and deferred income	324	-
	<u>39,794</u>	<u>-</u>

10. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value	<u>39,258</u>	<u>-</u>
Financial liabilities		
Other financial liabilities measured at fair value	<u>(39,794)</u>	<u>-</u>

11. Retained earnings

Retained earnings represents cumulative profits and losses, net of distributions to owners.

12. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

CREDITINCOME INVESTMENTS (NO 3) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Share capital (continued)

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

13. Ultimate controlling party

The directors consider that the ultimate parent undertaking is Creditincome Limited. Creditincome Limited is the immediate parent, and is the smallest and the largest company for which consolidated accounts including Creditincome Investments (No 3) Limited are prepared. The consolidated accounts of Creditincome Limited are available from its registered office, c/o Landau Baker Limited, Mountcliff House, 54 Brent Street, London, NW4 2DR.