



Alexander Sloan
Accountants and Business Advisers

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

PAGES FOR FILING WITH REGISTRAR

Company Registration No. SC005140 (Scotland)

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CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

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CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	6	144,301		144,301	
Investments	7	6,989,555		6,989,555	
		<u>7,133,856</u>		<u>7,133,856</u>	
Current assets					
Debtors	10	4,690,101		4,925,870	
Creditors: amounts falling due within one year	11	(310,090)		(411,565)	
		<u>4,380,011</u>		<u>4,514,305</u>	
Net current assets					
		<u>11,513,867</u>		<u>11,648,161</u>	
Total assets less current liabilities					
Creditors: amounts falling due after more than one year	12	(319,810)		(319,810)	
		<u>11,194,057</u>		<u>11,328,351</u>	
Net assets					
Capital and reserves					
Called up share capital	14	270,965		270,965	
Capital redemption reserve		759,225		759,225	
Profit and loss reserves		10,163,867		10,298,161	
		<u>11,194,057</u>		<u>11,328,351</u>	
Total equity					

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

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

The financial statements were approved by the board of directors and authorised for issue on 29 May 2019 and are signed on its behalf by:



Mr Charles Croxton Connell
Director

Company Registration No. SC005140

The notes on pages 3 to 9 form an integral part of these financial statements.

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2017		270,965	759,225	10,488,801	11,518,991
Year ended 31 December 2017:					
Loss and total comprehensive income for the year		-	-	(122,899)	(122,899)
Dividends		-	-	(67,741)	(67,741)
Balance at 31 December 2017		270,965	759,225	10,298,161	11,328,351
Year ended 31 December 2018:					
Loss and total comprehensive income for the year		-	-	(66,553)	(66,553)
Dividends		-	-	(67,741)	(67,741)
Balance at 31 December 2018		270,965	759,225	10,163,867	11,194,057

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Charles Connell & Company (Holdings) Limited is a private company limited by shares and incorporated in Scotland. The registered office is Woodend, Craigallan, Milngavie, Glasgow, G62 8EN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial assets does not include shares in subsidiaries.

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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Taxation

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

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.

1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.8 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

1.9 Dividends

Dividends distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Directors	2	2
Administrative Staff	-	1
	<u>2</u>	<u>3</u>

4 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	20,000	20,000
Sums paid to third parties for directors' services	10,000	10,000
	<u>30,000</u>	<u>30,000</u>

The company classifies the directors as the key management of the company.

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Interest payable and similar expenses

	2018 £	2017 £
Interest on preference shares	19,189	19,189

6 Tangible fixed assets

	Heritable land £
Cost	
At 1 January 2018 and 31 December 2018	144,301
Depreciation and impairment	
At 1 January 2018 and 31 December 2018	-
Carrying amount	
At 31 December 2018	144,301
At 31 December 2017	144,301

The carrying value of land and buildings comprises:

	2018 £	2017 £
Heritable	144,301	144,301

7 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	8	6,989,555	6,989,555

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

7 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018 & 31 December 2018	7,012,555
Impairment	
At 1 January 2018 & 31 December 2018	23,000
Carrying amount	
At 31 December 2018	6,989,555
At 31 December 2017	6,989,555

8 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Charles Connell & Company Limited	Scotland	Investment company	Ordinary	100.00	
Charles Connell & Company (Colquhalzie Farms) Limited	Scotland	Farming	Ordinary	100.00	
Connell Renewables Limited	Scotland	Generation of electricity	Ordinary	100.00	
Connell Ventures Limited	Scotland	Investment company	Ordinary	100.00	
The Earn Shipping Company Limited	England	Dormant company	Ordinary	100.00	

9 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	4,687,794	4,921,245
Carrying amount of financial liabilities		
Measured at amortised cost	629,900	731,375

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	4,687,794	4,921,245
Other debtors	1,470	4,009
Prepayments and accrued income	837	616
	<u>4,690,101</u>	<u>4,925,870</u>

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	300,000	300,000
Accruals and deferred income	10,090	111,565
	<u>310,090</u>	<u>411,565</u>

12 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Other borrowings	13	<u>319,810</u>	<u>319,810</u>

13 Loans and overdrafts

	2018 £	2017 £
Redeemable preference shares	<u>319,810</u>	<u>319,810</u>
Payable after one year	<u>319,810</u>	<u>319,810</u>

14 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
54,193 Ordinary shares of £5 each	<u>270,965</u>	<u>270,965</u>

CHARLES CONNELL & COMPANY (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

15 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Steven Cunningham BA (Hons) CA.
The auditor was Alexander Sloan.

16 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018	2017
Amounts due to related parties	£	£
Subsidiary undertakings	300,000	300,000

Amounts due to and from subsidiaries are interest free balance and repayable on demand.

The following amounts were outstanding at the reporting end date:

	2018	2017
Amounts due from related parties	£	£
Subsidiary undertakings	4,687,794	4,921,245

Amounts due to and from subsidiaries are interest free balance and repayable on demand.