

CARBLINE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 APRIL 2022

CARBLINE LIMITED

COMPANY INFORMATION

DIRECTORS

Mark Pears CBE (appointed 5 February 2021)
Sir Trevor Pears CMG (appointed 5 February 2021)
David Pears (appointed 5 February 2021)
WPG Registrars Limited (appointed 1 February 2022)

COMPANY SECRETARY

William Bennett (appointed on 5 February 2021)

REGISTERED NUMBER

13181630

REGISTERED OFFICE

Ground Floor
30 City Road
London
EC1Y 2AB

INDEPENDENT AUDITORS

Gravita ABG LLP
Chartered Accountants & Statutory Auditor
Ground Floor
30 City Road
London
EC1Y 2AB

CARBLINE LIMITED

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CARBLINE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 APRIL 2022

The directors present their report and the financial statements for the period ended 30 April 2022.

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 company was incorporated on 5 February 2021 and commenced trading on 23 July 2021.

The principal activity of the company is to act as a holding company.

DIRECTORS

The directors who served during the period were:

Mark Pears CBE (appointed 5 February 2021)
Sir Trevor Pears CMG (appointed 5 February 2021)
David Pears (appointed 5 February 2021)
WPG Registrars Limited (appointed 1 February 2022)

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.

CARBLINE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2022**

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 31 January 2023 and signed on its behalf.

William Bennett
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARBLINE LIMITED

OPINION

We have audited the financial statements of Carbline Limited (the 'Company') for the period ended 30 April 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity, and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted this statement is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARBLINE LIMITED (CONTINUED)

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

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.

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARBLINE LIMITED (CONTINUED)

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including, but not limited to, the Companies Act 2006, and taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- understanding the business model as part of the control and business environment;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations and;
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence and enquiring with the company of actual and potential non-compliance with laws and regulations; and
- reading the minutes of meetings of those charged with governance.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment by for example forgery, or intentional misrepresentations or through collusion. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARBLINE LIMITED (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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.

Ian Hughes ACA (Senior statutory auditor)

for and on behalf of

Gravita ABG LLP

Chartered Accountants

Statutory Auditor

30 City Road

London

EC1Y 2AB

1 February 2023

CARBLINE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 APRIL 2022**

	05 Feb 2021 to 30 April 2022	
	£	Note
Turnover	41,667	
GROSS PROFIT	<u>41,667</u>	
Administrative expenses	(117,900)	
OPERATING LOSS	<u>(76,233)</u>	
Interest receivable and similar income	2,908	5
Interest payable and similar charges	(1,189,941)	6
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(1,263,266)</u>	
Taxation on loss	-	7
LOSS FOR THE PERIOD	<u><u>(1,263,266)</u></u>	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>(1,263,266)</u></u>	

The notes on pages 10 to 15 form part of these financial statements.

CARBLINE LIMITED
REGISTERED NUMBER: 13181630

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2022

	Note	2022 £
FIXED ASSETS		
Investments	8	30,180,739
		<u>30,180,739</u>
CURRENT ASSETS		
Debtors: amounts falling due within one year	9	101
Cash at bank and in hand		38,442
		<u>38,543</u>
Creditors: amounts falling due within one year	10	(31,335,548)
		<u>(31,297,005)</u>
NET CURRENT LIABILITIES		<u>(31,297,005)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,116,266)</u>
NET LIABILITIES		<u><u>(1,116,266)</u></u>
CAPITAL AND RESERVES		
Called up share capital	11	35,100
Capital reserve	12	111,900
Profit and loss account	12	(1,263,266)
		<u>(1,116,266)</u>
EQUITY DEFICIT		<u><u>(1,116,266)</u></u>

The Company's financial statements have been prepared in accordance with the 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 on 31 January 2023.

David Pears
Director

The notes on pages 10 to 15 form part of these financial statements.

CARBLINE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2022**

	Called up share capital £	Capital reserve £	Profit and loss account £	Total equity £
COMPREHENSIVE INCOME FOR THE PERIOD				
Loss for the period	-	-	(1,263,266)	(1,263,266)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(1,263,266)	(1,263,266)
Shares issued during the period	35,100	-	-	35,100
Share based payments	-	111,900	-	111,900
AT 30 APRIL 2022	<u>35,100</u>	<u>111,900</u>	<u>(1,263,266)</u>	<u>(1,116,266)</u>

The notes on pages 10 to 15 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2022**

1. GENERAL INFORMATION

Carbline Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ground Floor, 30 City Road, London EC1Y 2AB. The principal place of business is Haskell House, 152 West End Lane, London, NW6 1SD.

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 other than where additional disclosure is required to show a true and fair view.

The company's functional and presentational currency is GBP and rounded to the nearest £1.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

At the balance sheet date the company had net current liabilities of £31,297,005. The validity of the going concern concept is dependent on the continued support of the creditors. The directors believe that the going concern concept is applicable as the company will be able to meet its debts as and when they fall due, as they are confident that the principal creditors will continue to provide support as required for a period of at least 12 months from the date of approval of 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 turnover can be reliably measured. Turnover is measured as the fair value of the fees receivable, exclusive of Value Added Tax.

2.4 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.5 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.

2.6 ASSOCIATES AND JOINT VENTURES

Associates and Joint Ventures are held at cost less impairment.

2.7 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.8 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.

2.9 CREDITORS

Short-term creditors are measured at the transaction price.

2.10 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans from related parties.

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 debtors and creditors, 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

CARBLINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2022**

3. AUDITORS' REMUNERATION

**05 Feb 2021 to
30 April
2022
£**

Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements

6,000

4. EMPLOYEES

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

**05 Feb
2021 to
30 April
2022
No.**

Directors

3

5. INTEREST RECEIVABLE AND SIMILAR INCOME

**05 Feb 2021 to
30 April
2022
£**

Interest receivable from group companies

2,908

2,908

6. INTEREST PAYABLE AND SIMILAR CHARGES

**05 Feb 2021 to
30 April
2022
£**

Loans from group undertakings

1,189,941

1,189,941

CARBLINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2022**

7. TAXATION

**05 Feb 2021 to
30 April
2022
£**

TOTAL CURRENT TAX

-

TAXATION ON LOSS ON ORDINARY ACTIVITIES

-

FACTORS AFFECTING TAX CHARGE FOR THE PERIOD

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

**05 Feb 2021 to
30 April
2022
£**

Loss on ordinary activities before tax

(1,263,266)

Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%

(240,021)

EFFECTS OF:

Expenses not deductible for tax purposes

21,261

Unrelieved tax losses carried forward

218,760

TOTAL TAX CHARGE FOR THE PERIOD

-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

CARBLINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2022**

8. FIXED ASSET INVESTMENTS

	Investment in associates £
COST OR VALUATION	
Additions	30,180,739
	<hr/>
At 30 April 2022	<u>30,180,739</u>

9. DEBTORS

	2022 £
Other debtors	101
	<hr/>
	<u>101</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £
Amounts owed to group undertakings	31,175,306
Accruals and deferred income	160,242
	<hr/>
	<u>31,335,548</u>

11. SHARE CAPITAL

	2022 £
ALLOTTED, CALLED UP AND FULLY PAID	
35,000 Ordinary A shares shares of £1.00 each	<u>35,000</u>
ALLOTTED, CALLED UP AND PARTLY PAID	
10,000 Ordinary B shares shares of £0.01 each	<u>100</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2022**

12. RESERVES

Capital reserve

The capital reserve includes all current period movements.

Profit and loss account

The profit and loss account includes all current period retained profit and losses.

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions from disclosure available to subsidiary undertakings under FRS102 Section 1A, paragraph 1 AC.35 in connection with intra group transactions.

14. CONTROLLING PARTY

The company became a wholly owned subsidiary of The William Pears Group of Companies Limited in the period. The company's ultimate holding company is William Pears Group Limited, a company incorporated in England. The registered office is Ground Floor, 30 City Road, London, EC1Y 2AB.

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.