REGISTERED NUMBER: 03637521 (England and Wales)

# Unaudited Financial Statements

## for the Year Ended 31 October 2018

## for

## CHATLEIGH LIMITED

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## FOR THE YEAR ENDED 31 OCTOBER 2018


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**Company Information**
**FOR THE YEAR ENDED 31 OCTOBER 2018**

| | |
|---|---|
| **DIRECTORS:** | P J Medlock<br>J M Medlock<br>D J Medlock |
| **SECRETARY:** | P Phipps |
| **REGISTERED OFFICE:** | St. George's Lodge<br>33 Oldfield Road<br>Bath<br>Somerset<br>BA2 3NE |
| **REGISTERED NUMBER:** | 03637521 (England and Wales) |
| **ACCOUNTANTS:** | Haines Watts<br>Bath House<br>6-8 Bath Street<br>Bristol<br>BS1 6HL |

**Balance Sheet**
**31 OCTOBER 2018**

| | Notes | 2018 £ | 2018 £ | 2017 £ | 2017 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Investments | 4 | | **7,033,341** | | 8,874,933 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 5 | **15,119,460** | | 12,262,062 | |
| Cash at bank | | **4,755,497** | | 3,714,319 | |
| | | **19,874,957** | | 15,976,381 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 6 | **10,307,061** | | 7,849,037 | |
| **NET CURRENT ASSETS** | | | **9,567,896** | | 8,127,344 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **16,601,237** | | 17,002,277 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 7 | | **(1,000,000)** | | (1,000,000) |
| **PROVISIONS FOR LIABILITIES** | | | **-** | | (139,575) |
| **NET ASSETS** | | | **15,601,237** | | 15,862,702 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | 8 | | **6,647** | | 6,647 |
| Share premium | | | **249,815** | | 249,815 |
| Fair value reserve | | | **-** | | 1,128,407 |
| Retained earnings | | | **15,344,775** | | 14,477,833 |
| **SHAREHOLDERS' FUNDS** | | | **15,601,237** | | 15,862,702 |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements



continued...

**Balance Sheet - continued**
**31 OCTOBER 2018**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors on 15 July 2019 and were signed on its behalf by:

D J Medlock - Director

The notes form part of these financial statements

## 1. STATUTORY INFORMATION

Chatleigh Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

## 2. ACCOUNTING POLICIES

**Basis of preparing the financial statements**
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 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 on the historical cost convention. The principal accounting policies adopted are set out below.

**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.

**Turnover**
Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**Investments in subsidiaries**
Investments in subsidiary undertakings are recognised at cost.

**Cash and cash equivalents**
Cash and cash equivalents 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.

**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 instruments are recognised 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, which include trade and other debtors, amounts due from group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

2. ACCOUNTING POLICIES - continued

Basic financial liabilities, including trade and other creditors and amounts due to group undertakings 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

**Taxation**
Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Pension costs and other post-retirement benefits**
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2017 - 4 ) .

## 4. FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ | Listed investments £ | Unlisted investments £ | Totals £ |
|---|---|---|---|---|
| **COST OR VALUATION** | | | | |
| At 1 November 2017 | **909,566** | **7,091,307** | **874,060** | **8,874,933** |
| Additions | **-** | **1,995,025** | **50** | **1,995,075** |
| Disposals | **-** | **(3,033,381)** | **-** | **(3,033,381)** |
| Revaluations | **-** | **(179,276)** | **-** | **(179,276)** |
| Impairments | **-** | **-** | **(624,010)** | **(624,010)** |
| At 31 October 2018 | **909,566** | **5,873,675** | **250,100** | **7,033,341** |
| **NET BOOK VALUE** | | | | |
| At 31 October 2018 | **909,566** | **5,873,675** | **250,100** | **7,033,341** |
| At 31 October 2017 | 909,566 | 7,091,307 | 874,060 | 8,874,933 |

Cost or valuation at 31 October 2018 is represented by:

| | Shares in group undertakings £ | Listed investments £ | Unlisted investments £ | Totals £ |
|---|---|---|---|---|
| Valuation in 2017 | **-** | **82,455** | **-** | **82,455** |
| Valuation in 2018 | **-** | **(179,276)** | **-** | **(179,276)** |
| Cost | **909,566** | **5,970,496** | **250,100** | **7,130,162** |
| | **909,566** | **5,873,675** | **250,100** | **7,033,341** |

If other investments had not been revalued they would have been included at the following historical cost:

| | 2018 £ | 2017 £ |
|---|---|---|
| Cost | **6,867,189** | 8,222,961 |

Listed investments were valued on an open market basis on 31 October 2018 by UBS .

## 5. DEBTORS

| | 2018 £ | 2017 £ |
|---|---|---|
| Amounts falling due within one year: | | |
| Amounts owed by group undertakings | **5,767,056** | 4,957,796 |
| Other debtors | **747,921** | 1,778,881 |
| VAT | **966** | 910 |
| | **6,515,943** | 6,737,587 |

5. **DEBTORS - continued**

| | 2018 | 2017 |
|---|---|---|
| | £ | £ |
| Amounts falling due after more than one year: | | |
| Other debtors | **8,603,517** | 5,524,475 |
| Aggregate amounts | **15,119,460** | 12,262,062 |

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2018 | 2017 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | **-** | 889 |
| Trade creditors | **6,462** | - |
| Amounts owed to group undertakings | **10,139,220** | 6,444,990 |
| Tax | **82,778** | 99,480 |
| Social security and other taxes | **243** | 304 |
| Other creditors | **-** | 1,177,602 |
| Accruals and deferred income | **78,358** | 125,772 |
| | **10,307,061** | 7,849,037 |

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

| | 2018 | 2017 |
|---|---|---|
| | £ | £ |
| Shares classed as financial liabilities | **1,000,000** | 1,000,000 |
| | **1,000,000** | 1,000,000 |

8. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2018 £ | 2017 £ |
|---|---|---|---|---|
| 664,700 | Ordinary | £0.01 | **6,647** | 6,647 |

Share classed as financial liabilities include £1,000,000 Preference shares of £1 each.

## 9. OTHER FINANCIAL COMMITMENTS

Two Four One Limited is an underwriting member of Lloyd's and a fully owned subsidiary of the company. The company has entered into an agreement to maintain funds in Two Four One Limited so that it can meet its obligations. Due to the nature of the industry, both the amounts and the dates of future payments are uncertain. In the period the company advanced a loan of £832,333 (2017: £406,769) to Two Four One Limited.

The company is a member of D.R. Leighton LLP, which is an underwriting member of Lloyd's. The company has entered into an agreement to maintain funds in D.R.Leighton LLP so that it can meet its obligations. Due to the nature of the industry, both the amounts and the dates of future payments are uncertain. In the period the company advanced a loan of £176,926 (2017: £184,880) to D.R. Leighton LLP.

The company is a member of IQ Capital Fund III LP. The company has entered into an agreement to invest £500,000 in IQ Capital Fund III LP. As at 31 October 2018 the company invested £25,000 and therefore the company is committed to invest another £475,000 although the dates of future payments are uncertain.

## 10. RELATED PARTY DISCLOSURES

Chatleigh Holdings Limited is the parent company. During the period Chatleigh Holdings Limited advanced a loan totalling £3,694,230 to the company. At the year end the company owed £10,139,220 (2017: £6,444,990) to Chatleigh Holdings Limited. The loan is interest free and has no set date of repayment.

Chatleigh Energy Limited is a 50% subsidiary in which D J Medlock and P J Medlock are directors. There was no movement on the loan between the companies. At the year end Chatleigh Energy Limited owed £21,250 (2017: £21,250) to the company. The loan is interest free and has no set date of repayment.

Two Four One Limited is a subsidiary in which D J Medlock and P J Medlock are directors. During the period the company advanced loans to Two Four One Limited of £832,333. At the year end £1,441,332 (2017: £608,999) was owed by Two Four One Limited to the company. The loan is interest free and has no set date of repayment.

The company is a member of D.R. Leighton LLP. During the period the company advanced loans to D.R. Leighton LLP of £176,926. At the year end £361,806 (2017: £184,880) was owed by D.R. Leighton LLP to the company. The loan is interest free and has no set date of repayment.

Braydon Manor Renewable Energy Limited is a subsidiary in which D J Medlock and P J Medlock are directors. During the period Braydon Manor Renewable Energy Limited repaid loans to the company of £200,000. At the period end £3,941,444 (2017: £4,141,444) was owed by Braydon Manor Renewable Energy Limited to the company. The loan is interest free and has no set date of repayment.

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.