

Reg

Company Registration Number FC016180

103072/20

HALLEY INVESTMENT COMPANY LIMITED

UNAUDITED  
FINANCIAL STATEMENTS

31 DECEMBER 2013



**ArmstrongWatson<sup>®</sup>**  
Accountants & Financial Advisers

# HALLEY INVESTMENT COMPANY LIMITED

## COMPANY INFORMATION

<b>DIRECTORS</b>	Viscount Petersham M J W Scriven
<b>COMPANY SECRETARY</b>	D Stevens
<b>REGISTERED NUMBER</b>	FC016180
<b>REGISTERED OFFICE</b>	Cedar House 20 Parliament Street Hamilton Bermuda HM12
<b>ACCOUNTANTS</b>	Armstrong Watson Chartered Accountants Number 3 Acorn Business Park Keighley Road Skipton North Yorkshire BD23 2UE
<b>BANKERS</b>	Barclays Bank PLC 77 North Street Keighley West Yorkshire BD21 3RZ

# HALLEY INVESTMENT COMPANY LIMITED

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# HALLEY INVESTMENT COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
<b>TURNOVER</b>	1	4,000	4,000
Administrative expenses		(18,018)	(22,461)
<b>OPERATING LOSS</b>		(14,018)	(18,461)
<b>EXCEPTIONAL ITEMS</b>			
Net profit on sale of tangible fixed assets		84,280	171,743
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		70,262	153,282
Income from other fixed asset investments		1,750,000	-
Interest receivable and similar income		-	3,457
Interest payable and similar charges		(27,300)	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,792,962	156,739
Tax on profit on ordinary activities	2	(13,478)	(39,305)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	9	1,779,484	117,434

The notes on pages 4 to 9 form part of these financial statements

**HALLEY INVESTMENT COMPANY LIMITED**  
**REGISTERED NUMBER FC016180**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

	Note	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Investment property	3		160,000		160,000
Investments	4		70,758		70,758
			230,758		230,758
<b>CURRENT ASSETS</b>					
Debtors amounts falling due after more than one year	5	1,298,673		1,298,673	
Debtors amounts falling due within one year	5	308,000		48,699	
Cash at bank		84,132		45,505	
			1,690,805		1,392,877
<b>CREDITORS</b> amounts falling due within one year	6	(476,927)		(235,783)	
<b>NET CURRENT ASSETS</b>			1,213,878		1,157,094
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,444,636		1,387,852
<b>CREDITORS</b> amounts falling due after more than one year	7		(91,000)		(91,000)
<b>NET ASSETS</b>			1,353,636		1,296,852
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		6,750		6,750
Revaluation reserve	9		140,000		140,000
Profit and loss account	9		1,206,886		1,150,102
<b>SHAREHOLDERS' FUNDS</b>			1,353,636		1,296,852

# HALLEY INVESTMENT COMPANY LIMITED

## BALANCE SHEET (continued) AS AT 31 DECEMBER 2013

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2013 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company's financial statements have been delivered 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 by



**M J W Scriven**  
Director  
Date 3 September 2014

The notes on pages 4 to 9 form part of these financial statements

# HALLEY INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### 1.2 Turnover

Turnover comprises revenue recognised by the company in respect of invoiced amounts for rents receivable during the year, exclusive of Value Added Tax and trade discounts.

Income is recognised in the period to which it relates.

#### 1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

#### 1.4 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

#### 1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### 1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

# HALLEY INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 2. TAXATION

	2013 £	2012 £
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on profit for the year	14,000	35,900
Adjustments in respect of prior periods	(522)	3,405
	<b>13,478</b>	<b>39,305</b>
	<b>13,478</b>	<b>39,305</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 24%) The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	1,792,962	156,739
	<b>1,792,962</b>	<b>156,739</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 24%)	358,592	37,617
<b>Effects of</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,460	-
Adjustments to tax charge in respect of prior periods	(522)	3,405
Short term timing difference leading to an increase (decrease) in taxation	(52)	737
Dividends from group companies	(350,000)	-
Marginal relief	-	(2,454)
	<b>13,478</b>	<b>39,305</b>
	<b>13,478</b>	<b>39,305</b>

### 3. INVESTMENT PROPERTY

	Freehold investment property £
<b>Valuation</b>	
At 1 January 2013 and 31 December 2013	<b>160,000</b>
	<b>160,000</b>

The 2013 valuations were made by the directors, on an open market value for existing use basis



# HALLEY INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 4. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2013 and 31 December 2013	70,758
<b>Net book value</b>	
At 31 December 2013	70,758
At 31 December 2012	70,758

#### Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Elvaston Investments Limited	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Elvaston Investments Limited	7,360,521	1,906,527

### 5 DEBTORS

	2013 £	2012 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	1,298,673	1,298,673
<b>Due within one year</b>		
Amounts owed by group undertakings	300,000	-
Other debtors	8,000	48,699
	308,000	48,699

# HALLEY INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

<b>6</b>	<b>CREDITORS:</b> <b>Amounts falling due within one year</b>		
		<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Amounts owed to group undertakings	<b>2,900</b>	2,900
	Corporation tax	<b>14,000</b>	35,900
	Other creditors	<b>460,027</b>	196,983
		<u><b>476,927</b></u>	<u><b>235,783</b></u>
<b>7</b>	<b>CREDITORS</b> <b>Amounts falling due after more than one year</b>		
		<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Share capital treated as debt (Note 8)	<b>91,000</b>	91,000
		<u><b>91,000</b></u>	<u><b>91,000</b></u>
<b>8.</b>	<b>SHARE CAPITAL</b>		
		<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	<b>Shares classified as capital</b>		
	<b>Allotted, called up and fully paid</b>		
	6,750 Ordinary shares of £1 each	<b>6,750</b>	6,750
		<u><b>6,750</b></u>	<u><b>6,750</b></u>
	<b>Shares classified as debt</b>		
	<b>Allotted, called up and fully paid</b>		
	91,000 Net 10 5% non redeemable cumulative preference shares of £1 each	<b>91,000</b>	91,000
		<u><b>91,000</b></u>	<u><b>91,000</b></u>

# HALLEY INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 8 SHARE CAPITAL (continued)

There are arrears of dividend on the above preference shares in the current year of £Nil

The respective rights of the different classes of share capital are as follows

#### Dividends

Dividends shall be applied in the following manner and priority

- 1) Preference shares to receive a 10 5% dividend per annum together with any arrears, and
- 2) Any further dividends shall be paid to ordinary shareholders

#### Winding up

On a winding up the surplus assets available to shareholders shall be applied in the following manner and priority

- 1) Repayment of capital to preference shareholders, and
- 2) Any balance shall be paid to ordinary shareholders

#### Voting

Preference shareholders have no voting rights, other than on a winding up or at a meeting called to reduce the share capital of the company, at which they have equal voting rights with ordinary shareholders. Ordinary shareholders have voting rights in all circumstances

### 9. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 January 2013	140,000	1,150,102
Profit for the financial year		1,779,484
Dividends Equity capital		(1,722,700)
	140,000	1,206,886
At 31 December 2013	140,000	1,206,886

### 10. DIVIDENDS

	2013 £	2012 £
<b>Dividends paid on equity capital</b>		
Dividends paid on equity capital	1,722,700	-
	1,722,700	-
<b>Dividends paid on shares classed as debt</b>		
Dividends paid on shares classed as debt	27,300	-
	27,300	-
<b>Total dividends paid</b>	1,750,000	-

# HALLEY INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 11 RELATED PARTY TRANSACTIONS

Included in debtors is an amount due from a subsidiary company, Elvaston Investments Limited, of £1,298,673 (2012- £1,298,673) This amount is not due for repayment before 31 December 2014 and is interest free

Included in debtors is an amount due from a subsidiary company, Elvaston Investments Limited, of £300,000 (2012- £Nil) This amount is interest free and was repaid shortly following the year end

Included in other debtors is an amount due from The Stanhope Trust of £Nil (2012- £44,699) This amount is interest free and repayable on demand

Included in creditors, amounts falling due within one year, is an amount of £7,742 (2012- £Nil) due to The Earl of Harrington The balance is interest free and repayable on demand

The Earl of Harrington had a beneficial interest in all of the allotted ordinary share capital of the company through The Stanhope Trust, of which he is the sole life tenant

Included in creditors is an amount due to The Stanhope Trust of £255,301 (2012- £Nil) This amount is interest free and repayable on demand

Included in creditors are amounts due to group undertakings Elvaston Properties Limited of £2,900 (2012- £2,900)

Included in creditors are the following amounts due to related parties Doublard Investment Company Limited - £37,848 (2012- £37,848), The Chesterfield Trust - £149,744 (2012- £149,744) and Stanhope Gardens Limited - £5,210 (2012- £5,210)

All creditor balances are repayable within one year and are interest free

The Earl of Harrington has a beneficial interest in all the issued share capital of Doublard Investment Company Limited and Stanhope Gardens Limited as sole life tenant of The Chesterfield Trust

### 12 CONTROLLING PARTY

The Stanhope Trust owns all of the allotted ordinary share capital of the company Throughout the current and previous year, The Earl of Harrington had a beneficial interest in all of the allotted ordinary share capital through The Stanhope Trust, of which he is the sole life tenant