

Company Registration No. 08833435 (England and Wales)

**CARLTON POWER LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**

## CARLTON POWER LIMITED

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**CARLTON POWER LIMITED****BALANCE SHEET****AS AT 30 DECEMBER 2018**

|   | Notes | 2018               |                    | 2017               |                |
|---|-------|--------------------|--------------------|--------------------|----------------|
|   |       | £                  | £                  | £                  | £              |
| <b>Fixed assets</b>                                   |       |                    |                    |                    |                |
| Investments   | 3     |                    | 127,196            |                    | 127,196        |
| <b>Current assets</b>                                 |       |                    |                    |                    |                |
| Debtors   | 4     | 701,825            |                    | 3,169,487          |                |
| Cash at bank and in hand                              |       | 17,757             |                    | 17,426             |                |
|   |       | <u>719,582</u>     |                    | <u>3,186,913</u>   |                |
| <b>Creditors: amounts falling due within one year</b> | 5     | <u>(4,329,205)</u> |                    | <u>(3,026,555)</u> |                |
| <b>Net current (liabilities)/assets</b>               |       |                    | <u>(3,609,623)</u> |                    | <u>160,358</u> |
| <b>Total assets less current liabilities</b>          |       |                    | <u>(3,482,427)</u> |                    | <u>287,554</u> |
| <b>Capital and reserves</b>                           |       |                    |                    |                    |                |
| Profit and loss reserves                              |       |                    | <u>(3,482,427)</u> |                    | <u>287,554</u> |
| <b>Total equity</b>                                   |       |                    | <u>(3,482,427)</u> |                    | <u>287,554</u> |

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

For the financial year ended 30 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 30 September 2019 and are signed on its behalf by:

J M Hodgson  
Director

Company Registration No. 08833435

**CARLTON POWER LIMITED****STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 DECEMBER 2018**

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|  | <b>Profit and<br/>loss reserves</b> |
|--|-------------------------------------|
|  | <b>£</b>                            |
| <b>Balance at 31 December 2016</b>               | 641,116                             |
| <b>Year ended 30 December 2017:</b>              |                                     |
| Loss and total comprehensive income for the year | (353,562)                           |
| <b>Balance at 30 December 2017</b>               | <u>287,554</u>                      |
| <b>Year ended 30 December 2018:</b>              |                                     |
| Loss and total comprehensive income for the year | (3,769,981)                         |
| <b>Balance at 30 December 2018</b>               | <u><u>(3,482,427)</u></u>           |

## **CARLTON POWER LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 DECEMBER 2018**

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#### **1 Accounting policies**

##### **Company information**

Carlton Power Limited is a private company limited by shares incorporated in England and Wales. The registered office is 26 Ellerbeck Court, Stokesley Business Park, Stokesley, North Yorkshire, TS9 5PT.

##### **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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

##### **1.2 Going concern**

Wainstones Investments Limited has confirmed in writing its intention to continue to support the company for at least 12 months from the date of approval of these financial statements, by providing the company with sufficient funds to enable it to meet its liabilities as they fall due. Wainstones Investments Limited has also confirmed that intercompany loans will not be recalled for at least 12 months from the date of approval of the financial statements. On this basis the accounts have been prepared on a going concern basis.

##### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

##### **1.4 Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

##### **1.5 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.

## CARLTON POWER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 DECEMBER 2018**

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**1 Accounting policies**

**(Continued)**

**1.6 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 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.

**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.

**1.7 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.

**CARLTON POWER LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 DECEMBER 2018****1 Accounting policies****(Continued)****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.

**1.8 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 13 (2017 - 13).

**3 Fixed asset investments**

|                              | 2018           | 2017           |
|------------------------------|----------------|----------------|
|                              | £              | £              |
| Shares in group undertakings | 127,196        | 127,196        |
|                              | <u>127,196</u> | <u>127,196</u> |

**4 Debtors**

|   | 2018           | 2017             |
|---|----------------|------------------|
|   | £              | £                |
| <b>Amounts falling due within one year:</b> |                |                  |
| Trade debtors                               | -              | 326              |
| Amounts owed by group undertakings          | 15,977         | 3,158,794        |
| Other debtors                               | 685,848        | 10,367           |
|   | <u>701,825</u> | <u>3,169,487</u> |

**CARLTON POWER LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 DECEMBER 2018****5 Creditors: amounts falling due within one year**

|                                    | <b>2018</b>             | <b>2017</b>             |
|------------------------------------|-------------------------|-------------------------|
|                                    | <b>£</b>                | <b>£</b>                |
| Trade creditors                    | 12,122                  | 79,147                  |
| Amounts owed to group undertakings | 505,753                 | 401,295                 |
| Taxation and social security       | 31,695                  | 79,044                  |
| Other creditors                    | 3,779,635               | 2,467,069               |
|                                    | <u>4,329,205</u>        | <u>3,026,555</u>        |
|                                    | <u><u>4,329,205</u></u> | <u><u>3,026,555</u></u> |

**6 Called up share capital**

|                               | <b>2018</b>     | <b>2017</b>     |
|-------------------------------|-----------------|-----------------|
|                               | <b>£</b>        | <b>£</b>        |
| <b>Ordinary share capital</b> |                 |                 |
| <b>Issued and fully paid</b>  |                 |                 |
| 7 Ordinary shares of 1p each  | -               | -               |
|                               | <u>-</u>        | <u>-</u>        |
|                               | <u><u>-</u></u> | <u><u>-</u></u> |

**7 Contingent liabilities**

In 2014, the company acquired 100% of the share capital of Thorpe Marsh Power Limited. In addition to the purchase price of £1, the sale and purchase agreement defines a number of amounts that become payable by Carlton Power Limited if Thorpe Marsh Power Limited achieves a specified milestone.

Achievement of the specified milestone is subject to a number of conditions outside the control of both Carlton Power Limited and Thorpe Marsh Power Limited and therefore is considered remote. Consequently, a potential liability of £15,935,957 (2017: £15,935,957) has not been provided for in these financial statements.

As part of the acquisition of Thorpe Marsh Power Limited in 2014 the shareholder loan that was payable by Thorpe Marsh Power Limited to the seller was assigned to the company. The loan amounted to £7,465,512 (2017: £7,465,512), and is included in the £15,935,957 above. This loan has not been recognised in these financial statements as Thorpe Marsh Power Limited is unlikely to have the resources to pay unless it achieves contingent future milestones.

**8 Directors' transactions**

| <b>Description</b> | <b>% Rate</b> | <b>Opening<br/>balance</b> | <b>Closing balance</b> |
|--------------------|---------------|----------------------------|------------------------|
|                    |               | <b>£</b>                   | <b>£</b>               |
| Director loan      | -             | 6,619                      | 6,619                  |
|                    |               | <u>6,619</u>               | <u>6,619</u>           |
|                    |               | <u><u>6,619</u></u>        | <u><u>6,619</u></u>    |

