

COMPANIES HOUSE

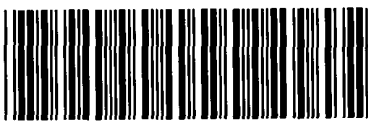
Financial Statements

Wainstones Investments Limited

For the period ended 30 December 2016

Registered number: 03090966

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COMPANIES HOUSE

Wainstones Investments Limited

Company Information

Directors

K Clarke
M F S Benson
M I Shields
J M Hodgson
D J Philpot
A White

Company secretary

J M Hodgson

Registered number

03090966

Registered office

4 Ellerbeck Way
Stokesley Business Park
Stokesley
MIDDLESBOROUGH
TS9 5JZ

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
2 Broadfield Court
SHEFFIELD
South Yorkshire
S8 0XF

Bankers

Natwest Bank Plc
2 Bridge Road
Stokesley
MIDDLESBOROUGH
TS9 5QZ

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Wainstones Investments Limited

Directors' report

For the period ended 30 December 2016

The directors present their report and the financial statements for the period ended 30 December 2016.

Principal activity

The principal activity of the company is the supply of power generation development, consultancy services and the rental of investment properties.

Directors

The directors who served during the period were:

K Clarke
M F S Benson
M I Shields
J M Hodgson
D J Philpot
A White

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

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 judgements 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.

Directors' report (continued)

For the period ended 30 December 2016

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 18 December 2017 and signed on its behalf.



J M Hodgson
Director



Independent auditor's report to the members of Wainstones Investments Limited

We have audited the financial statements of Wainstones Investments Limited for the period ended 30 December 2016, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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'.

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 Auditor's 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.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' responsibilities statement 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 December 2016 and of its profit 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.

Opinion on other matter 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 those financial statements and this report has been prepared in accordance with applicable legal requirements.



Independent auditor's report to the members of Wainstones Investments Limited (continued)

Matters on which we are required to report under the Companies Act 2006

In the light of our 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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' exemption in preparing the Director's report or Strategic report.

Grant Thornton UK LLP

Donna Steel (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Sheffield

19 December 2017

Statement of income and retained earnings

For the period ended 30 December 2016

	Note	2016 £	2015 £
Turnover		431,741	474,738
Cost of sales		(100,953)	(69,965)
Gross profit		330,788	404,773
Administrative expenses		(584,113)	(1,691,043)
Operating loss		(253,325)	(1,286,270)
Income from fixed assets investments		-	860
Interest receivable and similar income		393,606	271,002
Interest payable and expenses		-	(68)
Profit/(loss) before tax		140,281	(1,014,476)
Tax on profit/(loss)	7	(35,000)	-
Profit/(loss) after tax		105,281	(1,014,476)
Retained earnings at the beginning of the period		75,809,064	76,823,540
		75,809,064	76,823,540
Profit/(loss) for the period		105,281	(1,014,476)
Retained earnings at the end of the period		75,914,345	75,809,064

The notes on pages 7 to 18 form part of these financial statements.

Statement of financial position

As at 30 December 2016

	Note	30 December 2016 £	31 December 2015 £
Fixed assets			
Tangible assets	8	378,847	403,339
Investment property	10	5,350,385	5,350,000
		<u>5,729,232</u>	<u>5,753,339</u>
Current assets			
Debtors: amounts falling due after more than one year	11	48,773,974	27,239,053
Debtors: amounts falling due within one year	11	19,783,808	19,348,643
Current asset investments	12	25,141	23,243
Cash at bank and in hand	13	2,388,208	24,349,164
		<u>70,971,131</u>	<u>70,960,103</u>
Creditors: amounts falling due within one year	14	(785,988)	(904,348)
Net current assets		<u>70,185,143</u>	<u>70,055,755</u>
Total assets less current liabilities		<u>75,914,375</u>	<u>75,809,094</u>
Net assets		<u><u>75,914,375</u></u>	<u><u>75,809,094</u></u>
Capital and reserves			
Called up share capital	15	15	15
Capital redemption reserve	16	15	15
Profit and loss account	16	75,914,345	75,809,064
		<u>75,914,375</u>	<u>75,809,094</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2017.


J M Hodgson
 Director

The notes on pages 7 to 18 form part of these financial statements.

Notes to the financial statements

For the period ended 30 December 2016

1. General information

Wainstones Investments Limited is a private company incorporated in England. The Registered Office is 4 Ellerbeck Way, Stokesley Business Park, Middlesbrough, TS9 5JZ.

The company transitioned from the previously extant UK GAAP to FRS 102 as at 1 January 2015. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 19.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The principal activity of the company is the supply of power generation development, consultancy services and the rental of investment properties.

The following principal accounting policies have been applied:

2.2 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Notes to the financial statements

For the period ended 30 December 2016

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 4%
Fixtures and fittings	- 10 - 25% straight line
Office equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.5 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of income and retained earnings.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated 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.

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.

Notes to the financial statements

For the period ended 30 December 2016

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 income and retained earnings.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

The Company's functional and presentational currency is GBP.

2.12 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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.

2.13 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.14 Taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Notes to the financial statements

For the period ended 30 December 2016

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make a significant judgements and estimates.

Investment property valuations are calculated annually on an open market for existing use basis, based on valuations provided previously by external valuers, however management reserve the right to override any such valuations if deemed inappropriate. The value of investment properties is significant and any fluctuations in this value can have a significant impact on the Company's financial position and profit or loss.

There are no further key judgements or estimates made by the directors in the preparation of these financial statements (and no related areas of estimated uncertainty).

4. Liability limitation agreement with the auditor

The company has entered into a liability limitation with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the period ended 30 December 2016. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 guidance on auditor liability agreements, and was approved by the shareholders on 11 January 2017.

5. Auditor's remuneration

	2016	2015
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	20,000	20,000

6. Employees

In 2015, and up to March 2016, the average number of monthly employees, including directors was 12. From April 2016, the employees were transferred from Wainstones Investments Limited to Carlton Power Limited, a related party company.

Notes to the financial statements

For the period ended 30 December 2016

7. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	35,000	-
	<u>35,000</u>	<u>-</u>
Total current tax	<u>35,000</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>35,000</u>	<u>-</u>

Notes to the financial statements

For the period ended 30 December 2016

8. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2016	425,000	43,929	93,437	562,366
Additions	-	-	5,233	5,233
Revaluations	(45,000)	-	-	(45,000)
At 30 December 2016	<u>380,000</u>	<u>43,929</u>	<u>98,670</u>	<u>522,599</u>
Depreciation				
At 1 January 2016	31,168	41,495	86,364	159,027
Charge for the period on owned assets	7,600	2,434	5,859	15,893
On revalued assets	(31,168)	-	-	(31,168)
At 30 December 2016	<u>7,600</u>	<u>43,929</u>	<u>92,223</u>	<u>143,752</u>
Net book value				
At 30 December 2016	<u>372,400</u>	<u>-</u>	<u>6,447</u>	<u>378,847</u>
At 31 December 2015	<u>393,832</u>	<u>2,434</u>	<u>7,073</u>	<u>403,339</u>

The freehold property includes £380,000 in relation to freehold land and buildings at 4 Ellerbeck Way, Stokesley, which was revalued on 16 June 2016 on the basis of existing use by the independent qualified valuers. The valuation was undertaken in accordance with the Appraisal and Valuation manual of the Royal Institution of Chartered Surveyors in the United Kingdom by GSC Grays, a firm of independent chartered surveyors. The directors do not consider the value to have materially changed at the balance sheet date.

If the freehold property had been accounted for under the historic cost accounting rules, the property would have been included at a cost of £358,055 with a net book value of £317,475.

Notes to the financial statements

For the period ended 30 December 2016

9. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Lordstones Developments Limited	Ordinary	100 %	Land and property rental

The aggregate of the share capital and reserves as at 30 December 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves 30 December £	Profit/(loss) 30 December £
Lordstones Developments Limited	10,211,560	(1,765,666)
	<u>10,211,560</u>	<u>(1,765,666)</u>

Notes to the financial statements

For the period ended 30 December 2016

10. Investment property

	Freehold investment property £
Valuation	
At 1 January 2016	5,350,000
Additions at cost	385
At 30 December 2016	5,350,385

The investment property includes £850,000 in relation to freehold land and buildings at 26 Ellerbeck Court, Stokesley, which was revalued on 12 May 2015 on the basis of existing use by the independent qualified valuers. The valuation was undertaken in accordance with the Appraisal and Valuation manual of the Royal Institution of Chartered Surveyors in the United Kingdom by GSC Grays, a firm of independent chartered surveyors. The directors do not consider the value to have materially changed at the balance sheet date.

The remaining £4,500,385 relates to Lower Langage Farm and adjacent land which were valued at cost and by the directors on the basis of existing use. No external valuation has been obtained however the directors do not consider the value to have materially changed at the balance sheet date.

If the investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	30 December 2016 £	31 December 2015 £
Historic cost	5,891,970	5,891,585
	5,891,970	5,891,585

Notes to the financial statements

For the period ended 30 December 2016

11. Debtors

	30 December 2016 £	31 December 2015 £
Due after more than one year		
Amounts owed by group undertakings	9,911,334	7,323,413
Due from associated undertakings	38,862,640	19,915,640
	<u>48,773,974</u>	<u>27,239,053</u>
	30 December 2016 £	31 December 2015 £
Due within one year		
Trade debtors	1,525	25,333
Amounts owed by associated undertakings	-	370,759
Other debtors	19,775,303	18,944,468
Prepayments and accrued income	6,980	8,083
	<u>19,783,808</u>	<u>19,348,643</u>

Included within other debtors due within one year is a loan to Mr K Clarke, a director, amounting to £13,954,170 (2015 - £13,123,282). Advances made to the director during the year amounted to £830,988. The amount repaid during the year was £100. No interest is charged on this loan.

12. Current asset investments

	30 December 2016 £	31 December 2015 £
Listed investments	25,141	23,243
	<u>25,141</u>	<u>23,243</u>

Notes to the financial statements

For the period ended 30 December 2016

13. Cash and cash equivalents

	30 December 2016 £	31 December 2015 £
Cash at bank and in hand	2,388,208	24,349,164
	<u>2,388,208</u>	<u>24,349,164</u>

14. Creditors: Amounts falling due within one year

	30 December 2016 £	31 December 2015 £
Trade creditors	23,767	22,892
Corporation tax	602,637	305,190
Other taxation and social security	17,764	199,482
Amount due to related party	-	234,964
Accruals and deferred income	141,820	141,820
	<u>785,988</u>	<u>904,348</u>

15. Share capital

	30 December 2016 £	31 December 2015 £
Shares classified as equity		
Allotted, called up and fully paid		
1,500 Ordinary shares of £0.01 each	15	15
	<u>15</u>	<u>15</u>

16. Reserves

Capital redemption reserve

This is a non-distributable reserve and represents paid up share capital.

Profit and loss account

The profit and loss account includes all current and prior period profits and losses.

Notes to the financial statements

For the period ended 30 December 2016

17. Related party transactions

The company provides working capital funding to Lordstones Developments Limited, a subsidiary company. At 30 December 2016 £9,405,039 (2015 - £6,779,531) was owed by Lordstone Developments Limited.

During the period the company paid certain expenses and received rental income on behalf of Manor Close Investments Limited, a company under common ownership. At 30 December 2016 the balance owed by Manor Close Investments Limited was £506,295 (2015 - £543,882).

Wainstones Energy Limited, Langage Solar Park Limited, Landscape Matters Limited, Higher Trevartha Limited, GEB Power Limited, Trafford Energy Limited, Carlton Power Limited, Thorpe Marsh Power Limited, Langage Energy Park Limited and Wainstones Estates Limited are related parties by virtue of common directors.

During the period rent of £43,800 (2015 - £43,800) was charged to Wainstones Energy Limited. The company also provided working capital funding to Wainstones Energy Limited. At 30 December 2016 £13,275,220 (2015 - £9,582,898) was owed by Wainstones Energy Limited, including interest receivable of £160,636.

During the period rent was receivable from Langage Solar Park Limited amounting to £250,000 (2015 - £250,000). The company also provides working capital funding to Langage Solar Park Limited. At 30 December 2016 £3,896,000 (2015 - £5,696,126) was owed by Langage Solar Park Limited.

During the period rent amounting to £12,000 (2015 - £12,000) was charged to Landscape Matters Limited. At 30 December 2016 £350,164 (2015 - £370,759) was owed by Landscape Matters Limited.

The company provides working capital funding to Higher Trevartha Solar Park Limited. At 30 December 2016 £2,844,691 (2015 - £3,149,159) was owed by Higher Trevartha Solar Park Limited.

The company provides working capital funding to GEB Power Limited. At 30 December 2016 £365,224 (2015 - £365,224) was owed by GEB Power Limited.

The company provides working capital funding to Trafford Energy Limited. At 30 December 2016 £1,679 (2015 - £1,678) was owed by Trafford Energy Limited.

The company provides working capital funding to Carlton Power Limited. At 30 December 2016 £1,281,192 (2015 - £208,700) was owed by Carlton Power Limited.

The company provides working capital funding to Thorpe Marsh Power Limited. At 30 December 2016 £15,735,340 (2015 - £911,853) was owed by Thorpe Marsh Power Limited, including interest receivable of £189,015.

During 2014, Langage Energy Park Limited transferred ownership of certain land and buildings to the company by way of a dividend in specie. The land and buildings transferred were valued by the directors of Langage Energy Park Limited at £4.5m. At 30 December 2016 the company was owed £34,766 by Langage Energy Park Limited (2015 - £234,964 owed to Langage Energy Park Limited).

The company provides working capital funding to Wainstones Estates Limited. At the period end £1,078,366 (2015 - £Nil) was owed by Wainstones Estates Limited.

At the balance sheet date the amount owed by the director, Mr K Clarke, was £13,954,170 (2015 - £13,123,282). No interest is charged on the loan.

Notes to the financial statements

For the period ended 30 December 2016

18. Controlling party

The company is a wholly owned subsidiary of Carlton Investments (Holdings) Limited. The ultimate controlling party is Mr K Clarke by virtue of his 100% shareholding.

19. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.