

Eltham Court Limited
Directors' Report and Accounts
for the year ended 31 March 2019

Registered Number: 10628773



Eltham Court Limited
Directors' Report and Accounts
for the year ended 31 March 2019

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Directors' report for the year ended 31 March 2019

The directors present their annual report on the affairs of Eltham Court Limited (the 'Company'), together with the accounts, for the year ended 31 March 2019. The 2018 comparatives relate to the period 20 February 2017 to 31 March 2018. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activity and future developments

The principal activity of the Company is to make investments. The directors expect the Company to carry on business in a similar fashion in the future.

Results and dividends

The profit for the financial year was £2,179,151 (2018 - £3,824,868). Dividends of £656,000 (2018 - nil) have been paid in respect of the year under review.

Events after the Balance Sheet date

Subsequent to the year end, the Company received income and paid interim dividends as described in note 18.

Financial risk management

The financial risk management policies of the Company are given in note 5 to the accounts.

Directors

The directors of the Company holding office during the year and up to the date of signing of these accounts were:

T.R. Pearson
R.M.L. Pearson
D.J.M. Pearson
J.L.T. Pearson

The directors have the benefit of a qualifying third party indemnity provision (as defined in section 234 of the Companies Act 2006) as they maintain Directors' and Officers' insurance in respect of the Company and its directors. This insurance was in force throughout the financial year and up to the date of approval of these accounts.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have prepared the accounts 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' ('FRS 102'). Under company law the directors must not approve the accounts 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 year. In preparing the accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Eltham Court Limited

Directors' report for the year ended 31 March 2019 (continued)

Statement of directors' responsibilities (continued)

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 enable them to ensure that the accounts 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.

Strategic Report

The Company qualifies as a small company in accordance with the Companies Act 2006 and as such a Strategic report has not been included within these accounts.

On behalf of the Board,

A handwritten signature in black ink, appearing to be 'T.R. Pearson', with a long horizontal stroke extending to the right.

T.R. Pearson
Director
3 December 2019

First floor, Boundary House
91/93 Charterhouse Street
London
EC1M 6HR

Eltham Court Limited

Profit and Loss Account for the year ended 31 March 2019

	Note	Year ended 31 March 2019 £	Period ended 31 March 2018 £
Turnover	6	2,076,521	3,811,350
Administrative expenses		(80,792)	(4,797)
Establishment costs		-	(18,121)
Operating profit		1,995,729	3,788,432
Interest receivable and similar income	7	1,149	344
Net changes in the fair value of investments	8	213,890	44,558
Profit before taxation		2,210,768	3,833,334
Tax on profit	9	(31,617)	(8,466)
Profit for the financial year / period		2,179,151	3,824,868

The accompanying notes on pages 6 to 18 are an integral part of these accounts.

Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	10	3,449,590	2,220,142
Current assets			
Cash at bank and in hand		1,949,992	1,624,192
		1,949,992	1,624,192
Creditors: amounts falling due within one year	11	(480)	-
Net current assets		1,949,512	1,624,192
Total assets less current liabilities		5,399,102	3,844,334
Provisions for liabilities	13	(40,083)	(8,466)
Net assets		5,359,019	3,835,868
Capital and reserves			
Called-up share capital	14	2,750	2,750
Share premium account		8,250	8,250
Profit and loss account	16	5,348,019	3,824,868
Total equity		5,359,019	3,835,868

The accompanying notes on pages 6 to 18 are an integral part of these accounts.

The accounts on pages 3 to 18 were authorised for issue by the board of directors on 3 December 2019 and were signed on its behalf.

For the financial year ended 31 March 2019 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.



T.R. Pearson
Director
3 December 2019

Eltham Court Limited

Statement of Changes in Equity for the year ended 31 March 2019

	Note	Called-up share capital £	Share premium account £	Profit and loss account £	Total equity £
Balance as at 20 February 2017		-	-	-	-
Profit for the financial period		-	-	3,824,868	3,824,868
Total comprehensive income		-	-	3,824,868	3,824,868
Subscriptions of ordinary shares		2,750	8,250	-	11,000
Total transactions with owners recognised directly in equity		2,750	8,250	-	11,000
Balance as at 31 March 2018		2,750	8,250	3,824,868	3,835,868
Balance as at 1 April 2018		2,750	8,250	3,824,868	3,835,868
Profit for the financial year		-	-	2,179,151	2,179,151
Total comprehensive income		-	-	2,179,151	2,179,151
Dividends	15	-	-	(656,000)	(656,000)
Total transactions with owners recognised directly in equity		-	-	(656,000)	(656,000)
Balance as at 31 March 2019		2,750	8,250	5,348,019	5,359,019

The accompanying notes on pages 6 to 18 are an integral part of these accounts.

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019

1. General information

The Company is a private company limited by shares and is incorporated in England and Wales with reference 10628773. Its registered office is First floor, Boundary House, 91/93 Charterhouse Street, London EC1M 6HR.

2. Statement of compliance

The accounts of the Company have been prepared in compliance with:

- Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102'); and
- The Companies Act 2006.

3. Accounting policies

The principal accounting policies applied in the preparation of these accounts are set out below. The policies have been consistently applied throughout the year and preceding period, unless otherwise stated. The Company has adopted FRS 102 in these accounts.

(a) Basis of preparation

The accounts are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through the Profit and Loss Account and in accordance with the Companies Act 2006 and FRS 102.

The preparation of accounts in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the accounts are explained in note 4.

(b) Exemptions under FRS 102

FRS 102 allows an entity certain disclosure exemptions. The Company has taken advantage of the exemption from preparing a statement of cash flows under FRS 102 section 7.1(b) on the basis that it qualifies as small under the Act.

(c) Going concern

The director has reviewed the Company's projected profit and has a reasonable expectation that the Company has adequate resources to continue for the foreseeable future. The Company therefore continues to adopt the going concern basis.

(d) Turnover

Turnover is accounted for on an accruals basis and represents investment returns receivable in the normal course of business.

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

3. Accounting policies (continued)

(e) Dividends

Dividends are recognised when the dividend is paid or approved by shareholders. These amounts are recognised in the Statement of Changes in Equity.

(f) Transaction costs

Transaction costs incurred on any security transaction are recognised in the Profit and Loss Account.

(g) Taxation

Taxation expense 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. In this case tax is also recognised in other comprehensive income or directly in equity, respectively.

Current or deferred taxation assets or liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year. Tax is calculated on the basis of tax rates and laws that have been enacted or substantially enacted by the year end.

Deferred tax arises from timing differences that are the differences between taxable profits and profits as stated within the accounts. These timing differences arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the accounts. Deferred tax is recognised on all timing differences at the Balance Sheet date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date and that are expected to apply to the reversal of the timing difference.

(h) Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, which include cash at bank and in hand balances and debtors, are measured at fair value which is normally the transaction price. Such assets are subsequently carried at amortised cost using the effective rate method. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

Financial assets measured at amortised cost are assessed for objective evidence of impairment at each Balance Sheet date. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Profit and Loss Account.

Fixed asset investments in investee companies are initially measured at fair value and the changes in fair value are recognised in the Profit and Loss Account. Other financial assets are initially measured at fair value which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Profit and Loss Account.

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

3. Accounting policies (continued)

(h) Financial instruments (continued)

Basic financial liabilities, which include creditors, are measured at fair value which is normally the transaction price. Such liabilities are subsequently carried at amortised cost using the effective rate method. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Financial liabilities are derecognised when the liability is extinguished, being the date that the contractual obligation is discharged, cancelled or expires.

Financial assets and liabilities are offset and the net amounts presented in the accounts 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.

(i) Investments

The Company classifies all its equity investments as financial assets at fair value through profit or loss. The financial assets carried at fair value through profit or loss are initially recognised at fair value and subsequently re-measured at their fair value if there is objective evidence that a valuation event has occurred.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Classification of investments as held exclusively with a view to subsequent resale

The Company has classified its investments as held exclusively with a view to subsequent resale and has not consolidated these into its accounts. The investments are held as part of an investment portfolio as their value to the shareholders of the Company is through fair value as part of a basket of investments rather than a media through which the shareholders carry out business.

Fair value of investments not quoted in an active market

The fair values of securities that are not quoted in an active market are determined by using valuation techniques, primarily discounted cash flows and recent comparable transactions. The models used to determine fair values are validated and periodically reviewed. In discounted cash flow models, unobservable inputs are the projected cash flows of the relevant portfolio companies and the risk premium for liquidity and credit risk that are incorporated into the discount rate. Discount rates and other macro-economic assumptions used for valuing equity securities are determined based on the experience of the manager of the limited partnerships, Innisfree Limited, and the observable comparisons with industry peers.

5. Financial risk management

The Company holds an investment in Innisfree Coinvestments Limited which holds carried interest in four limited partnership funds managed by Innisfree Limited (the 'Funds'). The Funds are long term income funds investing in UK, European and Canadian PFI/PPP projects (the 'Projects').

The Company also holds an investment in Innisfree Group Limited, which is a holding company for a group of companies performing fund management activities.

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Notes to the accounts for the year ended 31 March 2019 (continued)

5. Financial risk management (continued)

The Company also holds investments in quoted securities.

The main risk to the Company is that the expected cash flows from the Projects in which the Funds have invested, mainly dividends and interest, are not as expected and therefore the dividend from Innisfree Coinvestments Limited is not as expected.

Each of the Funds maintains a financial model which reflects the cash flows expected from the Projects. Each Project also maintains a financial model. The financial models of the Projects are updated on a regular basis to reflect actual performance and to refresh various assumptions such as long-term maintenance costs, interest and inflation rates. The Funds and the Projects in which they invest are exposed to a variety of financial risks: market risk (including interest rate risk, foreign exchange risk and inflation risk), credit risk and liquidity risk.

a) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments changes due to the changes in variables such as interest rates, foreign exchange rates and inflation rates.

(i) Interest rate risk

The Company is subject to interest rate risk which arises from the possibility that changes in interest rates will affect the future cash flows of the Funds. This would impact the value of investments held at fair value through the Profit and Loss Account. The Company has limited exposure to interest cost risk as the borrowings in the Projects tend to be hedged through interest rate swap arrangements or because they are at fixed rates of interest. However, the Projects in which the Funds have invested do typically hold cash balances which are generally invested in short term, variable rate deposits.

If rates of deposit interest increased/(decreased) by 50 basis points, with all other variables remaining constant, it is estimated that the effect on the net assets and the profit of the Company would be as follows:

	2019 £	2018 £
<i>Effect on net assets</i>		
Increase by 50 basis points	166,589	178,244
Decrease by 50 basis points	(168,129)	(167,691)
<i>Effect on profit</i>		
Increase by 50 basis points	166,589	178,244
Decrease by 50 basis points	(168,129)	(167,691)

The Company and its investee companies themselves hold cash balances which tend to be invested at overnight and short term rates.

(ii) Foreign exchange risk

The Company does not itself hold assets or liabilities denominated in currencies other than Sterling, which is the functional currency of the Company.

Certain of the Funds hold investments in Projects located in jurisdictions other than the UK. The cash flows arising to the Funds from these projects are denominated in Canadian Dollars, Swedish Krona or Euros. The Funds do not take out currency hedges to fix the Sterling value of projected cash flows from overseas Projects. Accordingly these cash flows will vary when translated into Sterling due to changes in future exchange rates.

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Notes to the accounts for the year ended 31 March 2019 (continued)

5. Financial risk management (continued)

a) Market risk (continued)

(ii) Foreign exchange risk (continued)

If rates of translation of foreign currencies increased/(decreased) by 5 per cent., with all other variables remaining constant, it is estimated that the effect on the net assets and the profit of the Company would be as follows:

	2019 £	2018 £
<i>Effect on net assets</i>		
Sterling weakened by 5%	232,626	128,241
Sterling strengthened by 5%	(229,356)	(136,434)
<i>Effect on profit</i>		
Sterling weakened by 5%	232,626	128,241
Sterling strengthened by 5%	(229,356)	(136,434)

(iii) Inflation risk

The majority of the cash flows in the Projects are linked to inflation indices through the suite of contractual documents entered into at financial close. Changes in inflation rates can have a positive or negative impact on the cash flows of the Projects which has a corresponding effect on the cash available for distribution by the Funds.

If inflation rates increased/(decreased) by 50 basis points, with all other variables remaining constant, it is estimated that the effect on the net assets and the profit of the Company would be as follows:

	2019 £	2018 £
<i>Effect on net assets</i>		
Increase by 50 basis points	113,926	302,179
Decrease by 50 basis points	(128,582)	(179,936)
<i>Effect on profit</i>		
Increase by 50 basis points	113,926	302,179
Decrease by 50 basis points	(128,582)	(179,936)

b) Credit risk

The Company has exposure to credit risk, which is the risk that one party will cause a financial loss to the other party by failing to discharge an obligation. The Company is exposed to the risk of non-payment of amounts due to Innisfree Coinvestments Limited by the Funds as this will affect the onward dividend received. The principal source of income to the Funds is interest and dividends receivable from Projects. The Projects have a policy of contracting with creditworthy counterparties. The PFI concession contracts are entered into with government, quasi government and other public or equivalent low risk bodies.

Innisfree Limited, a subsidiary of Innisfree Group Limited, is the Manager of the Partnerships with the right to appoint directors to the boards of project companies which reduces the risk of non-payment of the amounts due. The Company itself limits credit risk through dealing only with large financial institutions. The Company holds its bank accounts with Lloyds Bank plc and Hargreaves Lansdown plc where client money is deposited across a Treasury Committee-approved panel of institutions with UK banking licences.

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Notes to the accounts for the year ended 31 March 2019 (continued)

5. Financial risk management (continued)

b) Credit risk (continued)

The maximum exposure to credit risk is the carrying amount of financial assets, as follows:

	2019 £	2018 £
Cash at bank and in hand	1,949,992	1,624,192
Investments	3,449,590	2,220,142
	<u>5,399,582</u>	<u>3,844,334</u>

c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Company has limited financial commitments and therefore does not have material liquidity risk.

d) Capital risk management

The Company's objective when managing its capital is to safeguard the ability to continue as a going concern in order to provide returns for shareholders and to maintain a strong capital base to secure future operations. This is principally achieved by adjusting the amount of dividends paid to shareholders.

e) Fair value estimation

The Company has adopted Section 34 of FRS 102 in respect of disclosures about the degree of reliability of fair value measurement. This requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - inputs are prices of a recent transaction for an identical asset; and
- Level 3 - inputs are observable inputs for the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

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Notes to the accounts for the year ended 31 March 2019 (continued)

5. Financial risk management (continued)

e) Fair value estimation (continued)

The following table analyses the Company's financial assets (by class) measured at fair value.

	Level 1	Level 2	Level 3	Total
As at 31 March 2019	£	£	£	£
Financial assets designated at fair value	360,117	-	3,089,473	3,449,590
Total assets measured at fair value	360,117	-	3,089,473	3,449,590

As at 31 March 2018	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets designated at fair value	131,906	-	2,088,236	2,220,142
Total assets measured at fair value	131,906	-	2,088,236	2,220,142

Investments classified within level 1 comprise listed equities for which there are quoted market prices.

Investments classified within level 3 have significant unobservable inputs as they trade infrequently. As observable prices are not available for these investments the Company has used a discounted cash flow basis to derive the fair value of the shares in Innisfree Coinvestments Limited. As a result of the conditions attached to the shareholdings within the articles of Innisfree Group Limited, the Company considers the fair value be the par value of the shares. The shareholding in Architectural Panel Solutions and the stamps are valued at cost.

There were no transfers between levels of fair value hierarchy for the year ended 31 March 2019 (2018 - none).

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Notes to the accounts for the year ended 31 March 2019 (continued)

6. Turnover

Turnover represents income receivable from investments in listed securities and dividends from Innisfree Group Limited and Innisfree Coinvestments Limited. All turnover in the current year and preceding period originated in the United Kingdom and the United States of America.

7. Interest receivable and similar income

	2019	2018
	£	£
Bank interest receivable	<u>1,149</u>	<u>344</u>

8. Net changes in the fair value of investments

	2019	2018
	£	£
Unrealised gains on investments	<u>247,188</u>	<u>61,597</u>
Unrealised losses on investments	<u>(33,298)</u>	<u>(17,039)</u>
	<u>213,890</u>	<u>44,558</u>

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

9. Tax on profit

a) Tax charge

	2019 £	2018 £
Current tax:		
- UK corporation tax	-	-
Deferred tax:		
- origination and reversal of timing differences	31,617	8,466
Tax on profit	31,617	8,466

b) Reconciliation of tax charge

The tax charge is based on an effective UK corporation tax rate of 19% (19.1% over the 13 month period from incorporation to 31 March 2018). The current tax is different to the standard rate of UK corporation tax as explained below:

	2019 £	2018 £
Profit before taxation	2,210,768	3,833,334
Profit before taxation multiplied by the standard rate of tax in the UK of 19% for the year (2018 - 19.1% for the period)	420,046	732,119
Non-taxable income	(439,320)	(739,646)
Expenses not deductible for tax purposes	14,250	3,461
Losses carried forward to future years	5,024	4,066
Deferred tax	31,617	8,466
Total tax charge	31,617	8,466

Deferred tax of £40,083 (2018 - £8,466) is calculated based on the UK corporation tax rate of 19% effective for period beginning 1 April 2019 (2018 - 19%), in respect of unrealised gains on the revaluation of investments, net of tax losses held by the Company.

As part of the Finance (No. 2) Bill 2017 published on 20 March 2017 the UK government confirmed its intention to reduce the main rate of UK Corporation Tax to 17% by 2020. There were no changes to this announced within the Finance Act 2019 which received Royal Assent on 12 February 2019.

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

10. Investments

	Opening balance 1 April 2018	Acquisitions	Revaluation	Closing balance 31 March 2019
	£	£	£	£
Investments	2,220,142	1,015,558	213,890	3,449,590

11. Creditors: amounts falling due within one year

	2019	2018
	£	£
Accruals	480	-
	480	-

12. Financial instruments

The Company has the following financial instruments:

	2019	2018
	£	£
Financial assets at fair value through the Profit and Loss Account	3,449,590	2,220,142
Financial liabilities measured at amortised cost	(480)	-

13. Provisions for liabilities

	2019	2018
	£	£
Deferred taxation		
Opening balance at 1 April (2018 - 20 February 2017)	8,466	-
Additions dealt with in the Profit and Loss Account	31,617	8,466
Closing balance at 31 March	40,083	8,466

Deferred tax arises due to the revaluation of investments to fair value as required under FRS 102. The deferred tax liability of £40,803 (2018 - £8,466) is calculated based on the UK corporation tax rate of 19% (2018 - 19%) effective for periods beginning 1 April 2019, net of tax losses held by the Company.

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

14. Called-up share capital

	2019 £	2018 £
Allotted and fully paid		
10,000 X ordinary shares of £0.25 each	2,500	2,500
1,000 Y ordinary shares of £0.25 each	250	250
At 31 March	<u>2,750</u>	<u>2,750</u>

There are two classes of shares. The X ordinary shares carry full voting rights for the Company and a right to dividends declared on the X ordinary shares. The X ordinary shares carry no right to surplus capital on the event of a winding up of the Company and are redeemable at the option of the Company. The Y ordinary shares carry no voting rights whilst the X ordinary shares are in issue (save in respect of the rights and restrictions attaching to the Y ordinary shares), a right to dividends declared on the Y shares and a right to surplus capital on the event of winding up of the Company. The Y ordinary shares are not redeemable.

15. Dividends

	2019 £	2018 £
X Ordinary Shares		
1st interim paid: £19.608 per share	196,078	-
Less: amounts waived	(96,078)	-
Net paid	<u>100,000</u>	<u>-</u>
2nd interim paid: £19.61 per share	196,078	-
Less: amounts waived	(96,078)	-
Net paid	<u>100,000</u>	<u>-</u>
3rd interim paid: £68.63 per share	686,275	-
Less: amounts waived	(336,275)	-
Net paid	<u>350,000</u>	<u>-</u>
4th interim paid: ££9.02 per share	90,196	-
Less: amounts waived	(44,196)	-
Net paid	<u>46,000</u>	<u>-</u>
Total: Dividends paid on X Ordinary Shares	<u>596,000</u>	<u>-</u>
Y Ordinary Shares		
1st interim paid: £60.00 per share	60,000	-
Total: Dividends paid on X Ordinary Shares	<u>60,000</u>	<u>-</u>
Total dividends	<u>656,000</u>	<u>-</u>

There were no dividends paid on either share class in the prior year.

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

16. Profit and Loss Account

The Company's Profit and Loss Account includes unrealised gains recognised as a result of holding investments at fair value, together with deferred tax provided for on these gains. Accordingly, the reserves of the Company are not wholly distributable, as described below:

	Distributable reserves £	Non- distributable reserves £	Total £
As at 31 March 2018			
Realised profits and losses	1,762,589	-	1,762,589
Unrealised profits and losses	-	2,026,187	2,026,187
Unrealised revaluation surplus on investments	-	44,558	44,558
Deferred tax on unrealised revaluation surplus	-	(8,466)	(8,466)
Total as at 31 March 2018	<u>1,762,589</u>	<u>2,062,279</u>	<u>3,824,868</u>
Year ended 31 March 2019			
As at 1 April 2018	1,762,589	2,062,279	3,824,868
Realised profits and losses after tax	1,996,878	-	1,996,878
Dividends paid	(656,000)	-	(656,000)
Unrealised revaluation surplus on investments	-	213,890	213,890
Deferred tax on unrealised revaluation surplus	-	(31,617)	(31,617)
As at 31 March 2019	<u>3,103,467</u>	<u>2,244,552</u>	<u>5,348,019</u>
As at 31 March 2019			
Realised profits and losses	3,103,467	-	3,103,467
Unrealised profits and losses	-	2,026,187	2,026,187
Unrealised revaluation surplus on investments	-	258,448	258,448
Deferred tax on unrealised revaluation surplus	-	(40,083)	(40,083)
Total as at 31 March 2019	<u>3,103,467</u>	<u>2,244,552</u>	<u>5,348,019</u>

Eltham Court Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

17. Related party transactions

The Company received dividends of £1,425,139 (2018 - £1,155,392) from its holding of Innisfree Group Limited B-2 Ordinary Shares of £0.25 each and £260,000 (2018 - £417,395) from its holding of Innisfree Group Limited C-2 Ordinary Shares of £0.25 each during the year.

In the prior year, the Company also received dividends in specie from Innisfree Group Limited of 200 £1 ordinary shares in Innisfree Coinvestments Limited. The value of the dividends in specie were £2,026,187. There were no such dividends in specie in the current year.

The Company holds an investment in Innisfree Coinvestments Limited. The Company received dividends of £385,532 (2018 - £210,873) from Innisfree Coinvestments Limited during the year.

The Company paid dividends of £596,000 (2018 - nil) on the class X Ordinary Shares and £60,000 (2018 - nil) on the class Y Ordinary Shares during the year. All shares are held by directors of the Company.

18. Events after the balance sheet date

On 8 April, 10 July and 23 September 2019 the Company paid interim dividends on the class Y Ordinary Shares of £60.00 net per Y ordinary share.

The Company received dividends of £60,567 and £92,676 from Innisfree Coinvestments Limited on 11 April 2019 and 11 October 2019, respectively.

The net effect of these transactions reduced the reserves of the Company by £26,757.

19. Controlling party

Timothy Richard Pearson is the ultimate controlling party of the Company.