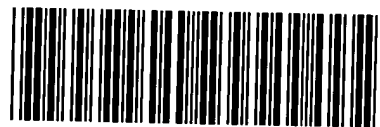


WESSEX CAPITAL LIMITED

**Report and Financial Statements
YEAR ENDED 31 MARCH 2018**

Company Registration No. 03963773

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COMPANIES HOUSE

WESSEX CAPITAL LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

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WESSEX CAPITAL LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

D C Clowes
A M Bock
I D Dickinson

SECRETARY

I D Dickinson

REGISTERED OFFICE

Ednaston Park
Painters Lane
Ednaston
Derbyshire
DE6 3FA

AUDITOR

Grant Thornton UK LLP
Chartered Accountants and Statutory Auditor
Regent House
80 Regent Road
Leicester
LE1 7NH

BANKERS

The Royal Bank of Scotland plc
PO Box 39952
2 ½ Devonshire Square
London
EC2M 4XJ

WESSEX CAPITAL LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2018. This directors' report has been prepared in accordance with the provisions applicable to companies subject to the small companies exemption, provided by Section 415A of the Companies Act 2006.

BUSINESS REVIEW

The principal activity of the company during the year was that of a holding company. The directors are satisfied with the year under review and with future prospects for the company.

As shown in the company's statement of income and retained profits on page 6, the company has not traded during the year, and the loss in the year represents the impairment to the carrying value of the investment in Pontardawe Coal and Metals Company Ltd, along with incidental operating costs.

The statement of financial position on page 7 of the financial statements shows that the company's financial position at the year end, in net asset terms, has fallen by 4.4% reflecting the loss for the year.

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure in the UK is a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing added value services to its tenants, and by maintaining strong relationships with agents, solicitors, other developers and support companies.

The financial statements have been prepared on the going concern basis as the directors consider the company has sufficient cash resources through the parent company overdraft facility to continue to operate for the foreseeable future. In reaching this view, the directors have reviewed the group and company's cash flow forecasts and ensured that adequate committed lending facilities will be available to meet all reasonable cash requirements.

The directors of Clowes Developments (UK) Limited, who are also directors of this company, have confirmed that group support will be made available to this company if so required to meet its liabilities as they fall due.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The company does not use derivative financial instruments. The company is exposed to interest rate movements as cash at bank is held at floating rates. There are no significant levels of bad debt in the company and as such the credit risk is not considered by the directors to be significant.

RESULTS AND DIVIDENDS

The results of the company for the year are detailed on page 6 of these financial statements. The directors do not recommend the payment of a dividend (2017: £ nil).

DIRECTORS

The directors who served during the year and subsequently were as follows:

D C Clowes
A M Bock
I D Dickinson

WESSEX CAPITAL LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

DIRECTORS' REPORT (CONTINUED)

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law 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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

AUDITOR

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware; and
- each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor of the company and a resolution for that reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



I D Dickinson
Secretary
16 August 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESSEX CAPITAL LIMITED

Opinion

We have audited the financial statements of Wessex Capital Limited (the 'company') for the year ended 31 March 2018 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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 year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESSEX CAPITAL LIMITED (CONTINUED)

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

In the light of the 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 in relation to which 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regulations and take advantage of the small companies' exemptions in preparing the directors' report or from the requirements to prepare a strategic report.

Responsibilities of directors for the financial statements

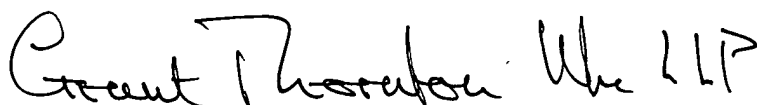
As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such information as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue in business, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Christopher Frostwick
(Senior Statutory Auditor)
for and on behalf of

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
East Midlands
16 August 2018

WESSEX CAPITAL LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Other operating income and charges	5	(25,232)	(22,139)
OPERATING LOSS	6	<u>(25,232)</u>	<u>(22,139)</u>
Interest receivable		-	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(25,232)</u>	<u>(22,139)</u>
Tax on loss on ordinary activities	7	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	14	<u>(25,232)</u>	<u>(22,139)</u>
Retained profits at 1 April		572,963	595,102
Retained profits at 31 March		<u><u>547,731</u></u>	<u><u>572,963</u></u>

Operating loss is derived from continuing operations.

All activities are classed as continuing activities.

There is no other comprehensive income for the year (2017 : £nil).

The notes on pages 8 to 11 form part of these financial statements.

WESSEX CAPITAL LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
FIXED ASSETS			
Investments	8	56,808	81,427
CURRENT ASSETS			
Debtors	9	582,036	582,036
Cash at bank and in hand	10	6,477	7,090
		<u>588,513</u>	<u>589,126</u>
CREDITORS: amounts falling due within one year	11	(97,490)	(97,490)
NET CURRENT ASSETS		<u>491,023</u>	<u>491,636</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>547,831</u>	<u>573,063</u>
NET ASSETS		<u><u>547,831</u></u>	<u><u>573,063</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit and loss account	14	547,731	572,963
SHAREHOLDERS' FUNDS		<u><u>547,831</u></u>	<u><u>573,063</u></u>

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

These financial statements were approved by the Board of Directors and authorised for issue on 16 August 2018.

Signed on behalf of the Board of Directors



D C CLOWES
Director

Company Registration Number: 03963773

The notes on pages 8 to 11 form part of these financial statements.

WESSEX CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

1 COMPANY INFORMATION

Wessex Capital Limited is a private company limited by shares, incorporated in England and Wales. Its' registered office is Ednaston Park, Painters Lane, Ednaston, Derbyshire DE6 3FA.

The company's principal activities are as disclosed in the Directors' Report on page 2 of these Financial Statements.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

Going Concern

The financial statements are prepared on a going concern basis following consideration of the related principal risks and uncertainties as disclosed in the Directors' Report.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

Preparation of the financial statements can require management to make significant judgements and estimates. In preparing the financial statements for Wessex Capital Limited, the directors do not consider that any significant judgements or estimates have been made.

4 PRINCIPAL ACCOUNTING POLICIES

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Clowes Developments (UK) Limited as at 31 March 2018 and these financial statements may be obtained from Companies House.

Creditors

Creditors are measured at transaction price.

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.

WESSEX CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2018

4 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only 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. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Dividends

The company does not pay dividends currently and re-invests any cash surpluses in re-developing existing properties and purchasing new properties for itself or for its subsidiary undertaking.

5 OTHER OPERATING INCOME AND CHARGES

	2018 £	2017 £
Administrative expenses	(613)	(13)
Impairment of investment	(24,619)	(22,126)
	<u>(25,232)</u>	<u>(22,139)</u>

The current and prior year impairment of the investment in Pontardawe Coal & Metals Company Limited is charged to the extent of the loss in those years.

6 OPERATING LOSS

a) Directors emoluments

Directors emoluments for services to the company are borne by Clowes Developments (UK) Limited, the immediate and ultimate parent undertaking. It is not practicable to split their remuneration between the services provided to Wessex Capital Limited and other group companies. Their remuneration is fully disclosed in the accounts of Clowes Developments (UK) Limited. The directors are the only employees of the company in the current and the prior year.

b) The analysis of the auditor's remuneration is as follows:

The fees for the audit of the annual accounts for the current year are £450 and fees for taxation services are £150. Fees payable to the company's auditor for the audit of the annual accounts for the prior year were borne by Clowes Developments (UK) Limited, the parent undertaking of this company. The directors did not apportion any of the expense to this company on the basis that it was not practical to do so. There are no fees payable to Grant Thornton UK LLP for other services to the company.

7 TAX ON LOSS ON ORDINARY ACTIVITIES

a) Analysis of charge / (credit) for the year

	2018 £	2017 £
Current tax		
UK corporation tax at 19% (2017: 20%) based on the loss for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred taxation		
Origination and reversal of timing differences	-	(1)
Effect of changes in tax rates	-	1
	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities (see note 7b)	<u>-</u>	<u>-</u>

WESSEX CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2018

7 TAX ON LOSS ON ORDINARY ACTIVITIES (CONTINUED)

b) Factors affecting the tax charge for the year

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	<u>(25,232)</u>	<u>(22,139)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK at 19% (2017: 20%)	(4,794)	(4,428)
Effects of:		
Group relief surrendered / (claimed)	-	3
Adjustment to closing deferred tax to average rate of 20%	27,362	40,286
Adjustment to opening deferred tax to average rate of 20%	(26,857)	(26,415)
Deferred tax not recognised	4,289	(9,446)
Current tax charge / (credit) for the year (note 7a)	<u>-</u>	<u>-</u>

Deferred tax assets and liabilities are measured at the standard corporation tax rate of 19% at 31 March 2018.

8 INVESTMENTS

Subsidiary undertakings

	£
Cost	
At 1 April 2017 and 31 March 2018	<u>1,424,302</u>
Provision for impairment	
At 1 April 2017	1,342,875
Charge for the year	24,619
At 31 March 2018	<u>1,367,494</u>
Net book value	
At 31 March 2018	<u>56,808</u>
At 31 March 2017	<u>81,427</u>

The investment is in 100% of the share capital of Pontardawe Coal & Metals Company Limited, incorporated in England and Wales and engaged in property development. Pontardawe Coal & Metals Company Limited has net assets of £56,808 at 31 March 2018 (2017 : £81,427).

9 DEBTORS

	2018 £	2017 £
Amounts due from group undertakings	582,036	582,036
	<u>582,036</u>	<u>582,036</u>

All debtors are due within one year.

10 CASH AND CASH EQUIVALENTS

	At 1 April 2017 £	Cash flows £	At 31 March 2018 £
Cash at bank	<u>7,090</u>	<u>(613)</u>	<u>6,477</u>

WESSEX CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2018

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other creditors	97,490	97,490
	<u>97,490</u>	<u>97,490</u>

12 CONTINGENT LIABILITIES

The company, together with certain other companies under common ultimate ownership, has entered into an agreement with its bankers whereby an overall facility is available and the bank has a right to offset balances amongst all of the companies who are party to the agreement. Hence all companies within the agreement have joint and several liability for any net borrowings that remain. At 31 March 2018, the net bank overdraft of the companies who were party to the agreement is £2,403,534 (2017 : net bank balances of £617,303). The combined net assets of the companies who were party to the agreement substantially exceeds these amounts.

13 CALLED UP SHARE CAPITAL

	2018 £	2017 £
Called up, allotted and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

Called up share capital represents the nominal value of shares that have been issued. All shares are issued at par.

14 RESERVES

Profit and loss account

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

15 TRANSACTIONS WITH RELATED PARTIES

As a wholly owned subsidiary of Clowes Developments (UK) Limited, the company is exempt from the requirements of FRS 102 to disclose transactions with other members of the group headed by Clowes Developments (UK) Limited.

The company's immediate and ultimate parent undertaking is Clowes Developments (UK) Limited, which is also the smallest and largest group for which consolidated financial statements are prepared. Group accounts have been prepared for Clowes Developments (UK) Limited and its subsidiary undertakings. Copies of the group accounts can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

No group accounts have been prepared for Wessex Capital Ltd and its subsidiary The Pontardawe Coal and Metals Company Ltd as these companies form a small group, included within the group accounts noted above.

The Clowes Trust 2014 is the controlling party by virtue of its controlling interest in the equity capital of Clowes Developments (UK) Limited.