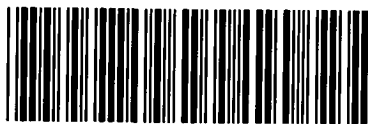


**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**  
**FOR**  
**DEACON KNOWSLEY LIMITED**

SATURDAY



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COMPANIES HOUSE

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**for the Year Ended 31 December 2017**

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**DEACON KNOWSLEY LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 December 2017**

**DIRECTORS:**

A L Dalwood  
K J Acton

**SECRETARY:**

G Cresswell

**REGISTERED OFFICE:**

5 New Street Square  
London  
EC4A 3TW

**REGISTERED NUMBER:**

03765518 (England and Wales)

**AUDITOR:**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

**REPORT OF THE DIRECTORS**  
**for the Year Ended 31 December 2017**

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of loan finance and share dealing.

**SMALL COMPANIES' EXEMPTION**

In preparing the Report of the Directors advantage has been taken of the small companies' exemption provided by section 414B of the Companies Act 2006 and of the exemption of preparing a strategic report.

**DIVIDENDS**

An interim dividend of £6,177.63 per share was paid on 31 December 2017. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2017 will be £617,763 (2016: £nil).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

A L Dalwood

K J Acton

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 101 'Reduced Disclosure Framework'. 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the 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.

**REPORT OF THE DIRECTORS**  
**for the Year Ended 31 December 2017**

**AUDITOR**

The auditor, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



G Cresswell - Secretary

18 June 2018

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**DEACON KNOWSLEY LIMITED**

**Opinion**

We have audited the financial statements of Deacon Knowsley Limited ("the company") for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 101 Reduced Disclosure Framework (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 December 2017 and of its result 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.

**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 Report of the Directors, other than 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**DEACON KNOWSLEY LIMITED**

**Matters on which we are required to report by exception**

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 Report of the Directors.

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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the Report of the Directors and from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the Report of the Directors, 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 internal control 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 as a going concern, 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.

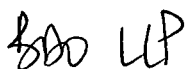
**Auditor's responsibilities for the audit of the financial statements**

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.

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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

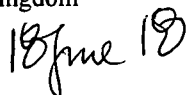
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Michelle Carroll (Senior Statutory Auditor)  
for and on behalf of BDO LLP  
London  
United Kingdom

Date:



BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**STATEMENT OF COMPREHENSIVE INCOME**  
**for the Year Ended 31 December 2017**

	Notes	2017 £	2016 £
<b>TURNOVER</b>		-	-
Administrative expenses		<u>-</u>	<u>1</u>
<b>OPERATING LOSS and LOSS BEFORE TAXATION</b>	4	-	(1)
Tax on loss	5	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		-	(1)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>-</u></u>	<u><u>(1)</u></u>



**STATEMENT OF FINANCIAL POSITION**

**31 December 2017**

	Notes	£	2017 £	£	2016 £
<b>CURRENT ASSETS</b>					
Debtors	7		<u>100</u>		<u>617,863</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>100</u>		<u>617,863</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		100		100
Retained earnings	9		<u>-</u>		<u>617,763</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>100</u>		<u>617,863</u>

The financial statements were approved and authorised for issue by the Board of Directors on 18 June 2018 and were signed on its behalf by:



K J Acton - Director

**STATEMENT OF CHANGES IN EQUITY**  
**for the Year Ended 31 December 2017**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2016</b>	100	617,764	617,864
<b>Changes in equity</b>			
Total comprehensive income	-	(1)	(1)
<b>Balance at 31 December 2016</b>	100	617,763	617,863
<b>Changes in equity</b>			
Dividends	-	(617,763)	(617,763)
<b>Balance at 31 December 2017</b>	100	-	100

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the Year Ended 31 December 2017**

**1. STATUTORY INFORMATION**

Deacon Knowsley Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

**Taxation**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the Statement of Financial Position date.

**3. EMPLOYEES AND DIRECTORS**

There were no staff costs for the year ended 31 December 2017 nor for the year ended 31 December 2016.

The average number of employees during the year was as follows:

	2017	2016
Directors	<u>2</u>	<u>3</u>

Directors' salaries are paid by a fellow group undertaking. The directors were the only employees of the company during the year.

	2017	2016
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

**4. LOSS BEFORE TAXATION**

Audit fees are paid by a fellow group undertaking.

**5. TAXATION**

**Analysis of tax expense**

No liability to UK corporation tax arose for the year ended 31 December 2017 nor for the year ended 31 December 2016.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2017**

**5. TAXATION - continued**

**Factors affecting the tax expense**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Loss before income tax	<u>-</u>	<u>(1)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	-	-
Effects of:		
	<u>          </u>	<u>          </u>
Tax expense	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

At 31 December 2017 the company had losses carried forward amounting to approximately £537,000 (2016: £537,000). The losses create a potential deferred tax asset at 31 December 2017 of approximately £91,000 (2016: £107,000). The recoverability of this asset is uncertain therefore no deferred tax asset has been recognised in the current year.

**6. DIVIDENDS**

	2017 £	2016 £
Ordinary shares of £1 each		
Interim	<u>617,763</u>	<u>-</u>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Amounts owed by group undertakings	<u>100</u>	<u>617,863</u>

**8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2017	2016
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

**9. RESERVES**

	Retained earnings £
At 1 January 2017	617,763
Profit for the year	-
Dividends	<u>(617,763)</u>
At 31 December 2017	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2017**

**10. ULTIMATE PARENT COMPANY**

The immediate parent company is New Capital Holdings Limited and the ultimate parent company and controlling party is Gresham House plc, both of which are incorporated in Great Britain and registered in England and Wales.

The accounts of the above companies can be obtained from Companies House, Crown Way, Cardiff.

**11. RELATED PARTY DISCLOSURES**

Balances with related parties at the year end were as follows:

Debtor balances	2017	2016
	£	£
Chartermet Limited	-	617,863
New Capital Developments Limited	-	-
New Capital Holdings Limited	<u>100</u>	<u>-</u>

The loan outstanding from New Capital Developments Limited totalling £275,691 was repaid during the year. This amount had previously been fully provided against. No interest was charged in either period.

The loan outstanding from Chartermet Limited totalling £617,863 was repaid in full during the year. No interest was charged in either period.