

Company registration number: 08499203

PenCarrie Group Limited

Financial statements

25 December 2020



PenCarrie Group Limited

Contents

	Page
Directors and other information	1
Strategic report	2
Directors report	3 - 4
Independent auditor's report to the members	5 - 8
Statement of income and retained earnings	9
Statement of financial position	10
Statement of cash flows	11
Notes to the financial statements	12 - 16

PenCarrie Group Limited

Directors and other information

Directors	Paul Persey Caroline Persey Nicci Gratwicke Sarah Irving Clare Persey
Company number	08499203
Registered office	PenCarrie House South View Road Willand Cullompton EX15 2QW
Business address	PenCarrie House South View Estate Willand Cullompton EX15 2QW
Auditor	PKF Francis Clark Centenary House Peninsula Park, Rydon Lane Exeter Devon EX2 7XE
Bankers	Santander Bank Plc One Glass Wharf Avon Street Bristol BS2 0EL
Solicitors	Michelmores Woodwater House Pynes Hill Exeter EX2 5WR

PenCarrie Group Limited

Strategic report Period ended 25 December 2020

Business Activities

The purpose of the company is to make, and hold, investments on behalf of its shareholders.

Review of the Year

Since making the investment the Board consider the performance of the underlying business to be satisfactory and in line with expectations.

Key Risks, Uncertainties and Objectives

The principal risks and uncertainties that the investee company faces are similar generic to most trading businesses when working within an open economy. Increasing competition remains a key risk particularly from those who seem prepared to offer price over service. These risks, whilst currently well managed by the Board of the investee entity are capable of impacting the required income stream for PenCarrie Group Limited to fulfil its financial targets and needs.

Future Developments and Opportunities

The board having considered the plans and possible developments for the investee company and are very much encouraged and excited for the future direction.

Reporting and Key Performance Indicators (KPI's)

As solely an investment company, income is currently derived from dividends paid by the investee, which are passed, via PenCarrie Group Limited, to the ultimate parent company to fund its financial obligations. The board are content with the income streams generated will match and at least match these funding needs. As such most key KPI's are relevant to the investee trading entity, which are kept under constant review by the Board and reported elsewhere in the Group, consolidated accounts.

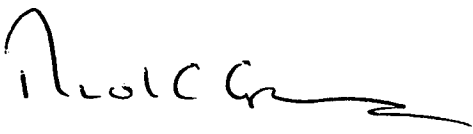
Employment and other issues.

As an investment vehicle only, the company considers it has policies and procedures appropriate to its employment strategy and needs.

Coronavirus Pandemic (COVID-19)

The Coronavirus outbreak in early 2020 had a major impact on the world economy. Whilst one of its impact has been felt across those members of the wider PenCarrie Group, that are trading. As PenCarrie Group Limited is a non-trading intermediate parent company only, the impact on these accounts is very limited.

This report was approved by the board of directors on 28 September 2021 and signed on behalf of the board by:



Nicci Gratwicke
Director

28.09.2021

PenCarrie Group Limited

**Directors report
Period ended 25 December 2020**

The directors present their report and the financial statements of the company for the period ended 25 December 2020.

Directors

The directors who served the company during the period were as follows:

Nicci Gratwicke
Sarah Irving
Clare Persey

Dividends

Particulars of recommended dividends are detailed in note 8 to the financial statements.

Financial instruments

The company's principal financial instruments comprise bank balances, and amounts owed to group companies. The main purpose of these instruments is to raise funds for the company's operations.

The company's activities expose it to several financial risks including credit risk and liquidity. These are dealt with as follows:

Liquidity risk

The company finances its operations through a mixture of retained profits, bank, and where appropriate, other borrowings. The company's policy is to ensure that, as a minimum, all projected net borrowing needs are covered by committed facilities arranged and approved by the Board.

Disclosure of information in the strategic report.

The company has chosen to include various statements and comments that would previously have been contained in the Directors' report in its Strategic Report starting on page 1.

PenCarrie Group Limited

Directors report (continued)
Period ended 25 December 2020

Directors responsibilities statement

The directors are responsible for preparing the strategic report, 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 period. 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). 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 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

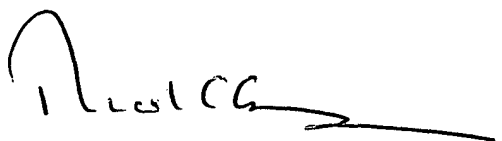
Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 28 September 2021 and signed on behalf of the board by:


Nicci Gratwicke 28.09.2021
Director

PenCarrie Group Limited

**Independent auditor's report to the members of
PenCarrie Group Limited
Period ended 25 December 2020**

Opinion

We have audited the financial statements of PenCarrie Group Limited (the 'company') for the period ended 25 December 2020 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows 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 FRS 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 27 December 2020 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.

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

In auditing the financial statements, we have concluded that the directors use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

PenCarrie Group Limited

Independent auditor's report to the members of PenCarrie Group Limited (continued) Period ended 25 December 2020

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 strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

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 strategic report or the directors' report.

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 the 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

PenCarrie Group Limited

Independent auditor's report to the members of PenCarrie Group Limited (continued) Period ended 25 December 2020

Based on our understanding of the company and industry, we identified the principal risks of non-compliance with laws and regulations. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as The Companies Act 2006, and relevant tax legislation. We considered the extent to which non-compliance with these laws and regulations may have a material effect on the financial statements.

We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risks were related to the overstatement of profit, either through overstating revenue, understating expenditure or management bias in accounting estimates.

Based on this understanding we designed our audit procedures to identify irregularities. Our procedures involved the following:

- o Enquiries to members of Senior Management, regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
- o Evaluation of the design and testing the implementation of management's key controls designed to prevent and detect irregularities;
- o Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- o Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

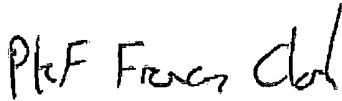
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 auditors 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.

PenCarrie Group Limited

Independent auditor's report to the members of
PenCarrie Group Limited (continued)
Period ended 25 December 2020



Glenn Nicol (Senior Statutory Auditor)

For and on behalf of
PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park, Rydon Lane
Exeter
Devon
EX2 7XE

29 September 2021

PenCarrie Group Limited

Statement of income and retained earnings
Period ended 25 December 2020

		Period ended 25/12/20 £	Period ended 27/12/19 £
	Note		
Turnover		-	-
Cost of sales		-	-
Administrative expenses		(2)	(32)
Operating loss		(2)	(32)
Income from shares in group undertakings	6	1,970,000	2,685,000
Other interest receivable and similar income	7	2	9
Profit before taxation		1,970,000	2,684,977
Tax on profit		-	-
Profit for the financial period and total comprehensive income		<u>1,970,000</u>	<u>2,684,977</u>
Dividends declared and paid or payable during the period	8	(1,970,000)	(2,535,000)
Retained earnings at the start of the period		11,715,712	11,565,735
Retained earnings at the end of the period		<u>11,715,712</u>	<u>11,715,712</u>

All the activities of the company are from continuing operations.

The notes on pages 12 to 16 form part of these financial statements.

PenCarrie Group Limited

Statement of financial position
25 December 2020

	Note	25/12/20 £	£	27/12/19 £	£
Fixed assets					
Investments	9	20,125,050		20,125,050	
			20,125,050		20,125,050
Current assets					
Debtors	10	58,634		58,634	
Cash at bank and in hand		7,788		7,788	
		66,422		66,422	
Net current assets			66,422		66,422
Total assets less current liabilities			20,191,472		20,191,472
Net assets			20,191,472		20,191,472
Capital and reserves					
Called up share capital	11	8,475,760		8,475,760	
Profit and loss account	12	11,715,712		11,715,712	
Shareholders funds			20,191,472		20,191,472

These financial statements were approved by the board of directors and authorised for issue on , and are signed on behalf of the board by:



Nicci Gratwicke
Director

28.09.2021

Company registration number: 08499203

The notes on pages 12 to 16 form part of these financial statements.

PenCarrie Group Limited

Statement of cash flows
Period ended 25 December 2020

	Period ended 25/12/20 £	Period ended 27/12/19 £
Cash flows from operating activities		
Profit for the financial period	1,970,000	2,684,977
<i>Adjustments for:</i>		
Income from shares in group undertakings	(1,970,000)	(2,685,000)
Other interest receivable and similar income	(2)	(9)
<i>Changes in:</i>		
Trade and other debtors	-	475,050
Cash generated from operations	(2)	475,018
Interest received	2	9
Net cash from operating activities	-	475,027
Cash flows from investing activities		
Dividends received	1,970,000	2,685,000
Net cash from investing activities	1,970,000	2,685,000
Cash flows from financing activities		
Proceeds from loans from group undertakings	-	(625,050)
Equity dividends paid	(1,970,000)	(2,535,000)
Net cash used in financing activities	(1,970,000)	(3,160,050)
Net increase/(decrease) in cash and cash equivalents	-	(23)
Cash and cash equivalents at beginning of period	7,788	7,811
Cash and cash equivalents at end of period	7,788	7,788

PenCarrie Group Limited

Notes to the financial statements Period ended 25 December 2020

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is PenCarrie House, South View Road, Willand, Cullompton, EX15 2QW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' effective March 2018. There are no material departures from FRS 102.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company is an intermediate holding company that does not trade but simply receives dividends from its subsidiary and pays on to its parent. Given the strength of the group balance sheet as reported in the consolidated accounts of PenCarrie Holdings Limited, and the continued profitability of the trading subsidiary, PenCarrie Limited, the directors are satisfied that the company has sufficient resources to meet its obligations over the next 12 months and consider the going concern assumption is appropriate when preparing its financial statements.

Consolidation

The company has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured 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.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

PenCarrie Group Limited

Notes to the financial statements (continued)
Period ended 25 December 2020

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Auditors remuneration

Auditors remuneration is borne by PenCarrie Limited with no specific recharge made.

5. Staff costs

There were no persons employed by the company during either the period under review or corresponding period. The three directors for the period (2019: three) are remunerated elsewhere in the group.

6. Income from shares in group undertakings

	Period ended 25/12/20 £	Period ended 27/12/19 £
Income from shares in group undertakings	<u>1,970,000</u>	<u>2,685,000</u>

PenCarrie Group Limited

Notes to the financial statements (continued)
Period ended 25 December 2020

7. Other interest receivable and similar income

	Period ended 25/12/20 £	Period ended 27/12/19 £
Bank deposits	2	9

8. Dividends

Equity dividends

	Period ended 25/12/20 £	Period ended 27/12/19 £
Dividends paid during the period (excluding those for which a liability existed at the end of the prior period)	1,970,000	2,535,000
Dividends proposed after the period end and not recognised as a liability	1,380,000	505,000

9. Investments

	Shares in group undertakings £	Total £
Cost		
At 28 December 2019 and 25 December 2020	20,125,050	20,125,050
Impairment		
At 28 December 2019 and 25 December 2020	-	-
Carrying amount		
At 25 December 2020	20,125,050	20,125,050
At 27 December 2019	20,125,050	20,125,050

PenCarrie Group Limited

Notes to the financial statements (continued)
Period ended 25 December 2020

Investments in group undertakings

	Registered office	Class of share	Percentage of shares held
Subsidiary undertakings			
PenCarrie Limited	PenCarrie House, South View Road, Willand, Cullompton, Willand, Devon, EX15 2QW.	Ordinary	100

10. Debtors

	25/12/20	27/12/19
	£	£
Amounts owed by group undertakings	58,634	58,634

**11. Called up share capital
Issued, called up and fully paid**

	25/12/20		27/12/19	
	No	£	No	£
Ordinary A shares shares of £ 1.00 each	660	660	660	660
Ordinary B shares shares of £ 1.00 each	100	100	100	100
Ordinary C Shares shares of £ 1.00 each	1,275,000	1,275,000	1,275,000	1,275,000
Preferred shares shares of £ 1.00 each	7,200,000	7,200,000	7,200,000	7,200,000
	<u>8,475,760</u>	<u>8,475,760</u>	<u>8,475,760</u>	<u>8,475,760</u>

12. Reserves

Profit and loss account: This reserve represents cumulative net realised profits and losses, after deduction for dividends or any other distributions

13. Analysis of changes in net debt

	At 28 December 2019	At 25 December 2020
	£	£
Cash and cash equivalents	7,788	7,788

14. Contingent assets and liabilities

At the balance sheet date the company was a guarantor for the borrowings of all companies in the group. In particular those of PenCarrie Holdings Limited who, as at the Balance Sheet date, had total borrowings of £12,000,000 (2019: £13,500,000).

PenCarrie Group Limited

Notes to the financial statements (continued)
Period ended 25 December 2020

15. Controlling party

The company is a wholly owned subsidiary of PenCarrie Holdings Limited which is the largest and smallest group in which the company is consolidated. The registered address of PenCarrie Holdings Limited is: PenCarrie House, South View Road, Willand, Cullompton, Devon, EX15 2QW. Nicci Gratwicke, a director of the company, has ultimate control of the group by virtue of her controlling stake in the issued share capital of PenCarrie Holdings Limited.