

Registered number: 01025656

TRAFALGAR HOUSE INVESTCO LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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TRAFALGAR HOUSE INVESTCO LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors

The directors who served during the year were:

N C Jensen
R M Bartley

Disclosure of information to auditor


Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:


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R M Bartley
Director

Date: 29 March 2023 | 10:01 AM BST

TRAFALGAR HOUSE INVESTCO LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRAFALGAR HOUSE INVESTCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR HOUSE INVESTCO LIMITED

Opinion

We have audited the financial statements of Trafalgar House Investco Limited (the 'company') for the year ended 31 December 2022, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes, 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 December 2022 and of its profit 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 United Kingdom, including the Financial Reporting Council'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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

TRAFALGAR HOUSE INVESTCO LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR HOUSE INVESTCO LIMITED
(CONTINUED)**

Opinion 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.

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 Directors' report.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, 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.

TRAFALGAR HOUSE INVESTCO LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR HOUSE INVESTCO LIMITED
(CONTINUED)**

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:

Extent to which the audit is capable of detecting irregularities, including fraud

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations – this responsibility lies with management with the oversight of the directors.

Based on our understanding of the company and its industry together with discussions with management and directors, we identified financial reporting standards and Companies Act 2006 as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the company's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review, where applicable, of minutes of meetings of the board of directors;
- enquiry of management, about any litigations and claims and inspection of relevant correspondence
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions, outside the normal course of business.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

TRAFALGAR HOUSE INVESTCO LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR HOUSE INVESTCO LIMITED
(CONTINUED)**

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organised schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

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 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.

DocuSigned by:

Matthew Stallabrass

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Matthew Stallabrass (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill
London
EC4M 7JW

Date: 29 March 2023 | 10:01 AM BST

TRAFALGAR HOUSE INVESTCO LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Administrative expenses	(25)	(28)
Operating loss	<u>(25)</u>	<u>(28)</u>
Interest receivable and similar income	101,055	104,814
Profit before tax	<u>101,030</u>	<u>104,786</u>
Tax on profit	-	-
Profit after tax	<u><u>101,030</u></u>	<u><u>104,786</u></u>
 Retained earnings at the beginning of the year	 251,186	 146,400
Profit for the year	101,030	104,786
Retained earnings at the end of the year	<u><u>352,216</u></u>	<u><u>251,186</u></u>
The notes on pages 9 to 12 form part of these financial statements.		

TRAFALGAR HOUSE INVESTCO LIMITED
REGISTERED NUMBER: 01025656

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	3	2,506,000	2,506,000
Current assets			
Debtors	4	2,201,892	2,199,036
Cash at bank and in hand	5	3,644,324	3,546,150
		<u>5,846,216</u>	<u>5,745,186</u>
Total assets less current liabilities		8,352,216	8,251,186
Net assets		8,352,216	8,251,186
Capital and reserves			
Called up share capital	6	8,000,000	8,000,000
Profit and loss account		352,216	251,186
		<u>8,352,216</u>	<u>8,251,186</u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

Roger Bartley

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R M Bartley
 Director

Date: 29 March 2023 | 10:01 AM BST

The notes on pages 9 to 12 form part of these financial statements.

TRAFALGAR HOUSE INVESTCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

The company is a private company (limited by shares) incorporated and domiciled in England and Wales.

The company's registered office and principal place of business is Ascent 4, 2 Gladiator Way, Farnborough GU14 6ZN.

The company's principal activity is that of a holding company.

Other than the directors, the company had no employees during the current year and previous year.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 Going concern

The directors consider the going concern basis to be appropriate having paid due regard to the company's projected results during the twelve months from the date the financial statements are approved, the anticipated cash flows and other mitigating actions that can be taken during that period.

TRAFALGAR HOUSE INVESTCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.4 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Non short term debtors are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Non short term debtors are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

TRAFALGAR HOUSE INVESTCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2022	2,506,000
At 31 December 2022	<u>2,506,000</u>

At 31 December 2022 the company's sole subsidiary undertaking was Trafalgar House Pensions Administration Limited ("THPA").

The company owns 89.5% of the issued ordinary share capital of TPHA.

THPA's principal activity is the provision of pensions administration services and its registered office and principal place of business are the same as that of the company.

4. Debtors

	2022 £	2021 £
Due after more than one year		
Amounts owed by group undertakings	1,400,000	2,100,000
Other debtors	95,000	95,000
Prepayments and accrued income	6,892	4,036
Due within one year		
Amounts owed by group undertakings	700,000	-
	<u>2,201,892</u>	<u>2,199,036</u>

5. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>3,644,324</u>	<u>3,546,150</u>

TRAFALGAR HOUSE INVESTCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
8,000,000 (2021 - 8,000,000) Ordinary shares of £1 each	<u>8,000,000</u>	<u>8,000,000</u>

7. Related party transactions and commitments

The company has taken advantage of the exemption available under FRS 102 1A to not disclose directors' emoluments or transactions with fellow group undertakings on the basis that all such transactions have been entered into under normal commercial terms.

During a previous year, loans of £50,000 and £45,000 were made to G Wake and D R Taylor respectively, both directors of THPA. The loans remain outstanding at 31 December 2022, attract interest at a rate of 3% per annum and have no fixed repayment date.

A deed of support was agreed during a previous year between the company and its subsidiary undertaking whereby the company, subject to certain criteria, will provide funding to meet the subsidiary's obligations.

The funding available is limited to the assets of the company and the company is under no obligation to borrow or raise capital to meet a request for funding from the subsidiary.

8. Parent undertakings and ultimate controlling party

The company's immediate parent undertaking is Trafalgar House Trustees Limited ("THTL").

THTL's immediate parent undertaking and the company's ultimate controlling party is Trafalgar House Pension Trust ("the Trust").

THTL's entire issued share capital is held by two of its directors, M R A Ellis and R M Bartley, on behalf of the Trust.

THTL is the only group undertaking that prepares consolidated financial statements that are publicly available from Companies House.

The company's parent undertakings all have the same registered office as the company.