

Registration number: 03985580

# Alcester EP1 Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018

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## **Alcester EP1 Limited**

### **Contents**

Company Information	1
Strategic Report	2
Directors' Report	3
Directors' Responsibilities Statement	4
Independent Auditor's Report	5 to 7
Income Statement	8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 20

## **Alcester EP1 Limited**

### **Company Information**

<b>Directors</b>	G E Barnes
	G P Martin
<b>Company secretary</b>	J C F Crawford
<b>Registered office</b>	11th Floor
	The Colmore Building
	20 Colmore Circus Queensway
	Birmingham
	West Midlands
<b>Auditor</b>	B4 6AT
	Deloitte LLP
	London
	United Kingdom

## **Alcester EP1 Limited**

### **Strategic Report for the Year Ended 31 December 2018**

The Directors present their Strategic Report for the year ended 31 December 2018.

#### **Principal activity**

The Company's principal activity is to act as an intermediate holding company. The Directors do not expect any change in this activity in the foreseeable future.

#### **Fair review of the business**

The retained profit for the year ended 31 December 2018 was £1,100,000 (year ended 31 December 2017: profit of £1,005,000).

#### **Financial risk management**

The Company's activities expose it to a number of financial risks including credit risk and liquidity risk.

#### **Principal risks**

##### **Credit risk**

The Company's principal financial assets are other receivables (including amounts due from other Group undertakings).

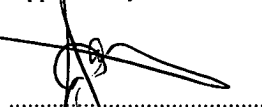
The Company's credit risk is primarily attributable to its receivables from other Group undertakings. The amounts presented in the Balance Sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an expected loss event which, based on previous experience, is evidence of a reduction in the recoverability of the balance.

#### **Going concern**

The Directors have reviewed the Company's forecasts and projections, including consideration of the availability of finance, which show that the Company should be able to continue to operate for the foreseeable future. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements.

Approved by the Board on 1 May 2019 and signed on its behalf by:



G E Barnes  
Director

## **Alcester EP1 Limited**

### **Directors' Report for the Year Ended 31 December 2018**

The Directors present their report and the financial statements for the year ended 31 December 2018. An indication of likely future developments in the business of the Company is included in the Strategic Report. Information on financial risk management and going concern are also included in the Strategic Report.

#### **Directors of the Company**

The Directors who held office during the year and up to the date of signing the financial statements were as follows:

G E Barnes

G P Martin

No Director had a beneficial interest in the share capital of the Company or any of its subsidiaries, except for the fact that each Director held shares and/or options over shares in Melrose Industries PLC, the ultimate parent company and controlling party, and therefore had an indirect beneficial interest in the Company.

#### **Dividends**

The Directors do not recommend the payment of a final dividend in respect of the financial year ended 31 December 2018 (year ended 31 December 2017: £nil).

#### **Directors' liabilities**

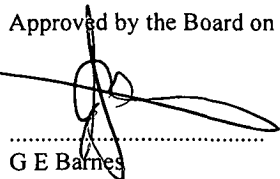
The ultimate parent undertaking has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force throughout the year and at the date of this report.

#### **Disclosure of information to the auditor**

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

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

Approved by the Board on 1 May 2019 and signed on its behalf by:



.....  
G E Barnes  
Director

## **Alcester EP1 Limited**

### **Directors' Responsibilities Statement**

The Directors are responsible for preparing the Annual 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 FRS 101 'Reduced Disclosure Framework' (FRS 101). 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 apply them consistently;
- make judgements 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.

## **Alcester EP1 Limited**

### **Independent Auditor's Report to the members of Alcester EP1 Limited**

#### **Opinion on the financial statements**

In our opinion the financial statements of Alcester EP1 Limited (the 'company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Alcester EP1 Limited for the year ended 31 December 2018, set out on pages 8 to 20, which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including the Financial Reporting Standards 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

#### **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 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**

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

## **Alcester EP1 Limited**

### **Independent Auditor's Report to the members of Alcester EP1 Limited**

#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, 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 respect of these matters.

#### **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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **Alcester EP1 Limited**

### **Independent Auditor's Report to the members of Alcester EP1 Limited**

#### **Report on other legal and regulatory requirements**

##### **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 year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Strategic Report or the Directors' Report.

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

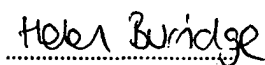
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 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

We have nothing to report in respect of these matters.

##### **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.



Helen Burridge (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP, Statutory Auditor

London  
United Kingdom

3 May 2019

**Alcester EP1 Limited**

**Income Statement for the Year Ended 31 December 2018**

	Note	2018 £ 000	2017 £ 000
Operating profit/(loss)		-	-
Finance income	5	<u>1,126</u>	<u>1,146</u>
Profit before tax		1,126	1,146
Tax on profit	8	<u>(26)</u>	<u>(141)</u>
Profit for the year attributable to owners of the Company		<u><u>1,100</u></u>	<u><u>1,005</u></u>

The above results were derived from continuing operations.

**Alcester EP1 Limited**

**Statement of Comprehensive Income for the Year Ended 31 December 2018**

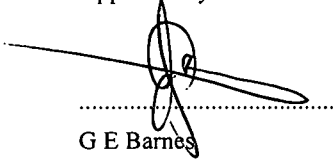
	<b>2018</b> <b>£ 000</b>	<b>2017</b> <b>£ 000</b>
Profit for the year	<u>1,100</u>	<u>1,005</u>
Total comprehensive income for the year	<u><u>1,100</u></u>	<u><u>1,005</u></u>

**Alcester EP1 Limited**

**(Registration number: 03985580)**  
**Balance Sheet as at 31 December 2018**

	Note	2018 £ 000	2017 £ 000
<b>Non-current assets</b>			
Investments	9	-	-
Deferred tax assets	11	<u>1,201</u>	<u>1,227</u>
		1,201	1,227
<b>Current assets</b>			
Trade and other receivables	10	<u>218,658</u>	<u>217,532</u>
Net assets		<u>219,859</u>	<u>218,759</u>
<b>Equity</b>			
Share capital	12	1	1
Retained earnings		<u>219,858</u>	<u>218,758</u>
Equity attributable to owners of the Company		<u>219,859</u>	<u>218,759</u>

Approved by the Board on 1 May 2019 and signed on its behalf by:

  
 .....  
 G E Barnes  
 Director

**Alcester EP1 Limited**

**Statement of Changes in Equity for the Year Ended 31 December 2018**

	<b>Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
At 1 January 2017	<u>1</u>	<u>217,753</u>	<u>217,754</u>
Profit for the year	<u>-</u>	<u>1,005</u>	<u>1,005</u>
Total comprehensive income	<u>-</u>	<u>1,005</u>	<u>1,005</u>
At 31 December 2017	<u><u>1</u></u>	<u><u>218,758</u></u>	<u><u>218,759</u></u>

	<b>Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
At 1 January 2018	<u>1</u>	<u>218,758</u>	<u>218,759</u>
Profit for the year	<u>-</u>	<u>1,100</u>	<u>1,100</u>
Total comprehensive income	<u>-</u>	<u>1,100</u>	<u>1,100</u>
At 31 December 2018	<u><u>1</u></u>	<u><u>219,858</u></u>	<u><u>219,859</u></u>

## **Alcester EP1 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **1 General information**

The Company is a private company limited by share capital incorporated in The United Kingdom under the Companies Act 1985 and is registered in England and Wales. The nature of the Company's operations and its principal activity are set out in the Strategic Report.

The address of its registered office is:

11th Floor  
The Colmore Building  
20 Colmore Circus Queensway  
Birmingham  
West Midlands  
B4 6AT

These financial statements were authorised for issue by the Board on 1 May 2019.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

##### **Basis of preparation**

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

The financial statements have been prepared on the historical cost basis, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates ( its functional currency).

##### **Summary of disclosure exemptions**

As permitted by FRS 101 and where relevant, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the group accounts of Melrose Industries PLC, which are available to the public and can be obtained from 11th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, West Midlands, B4 6AT.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The Company's forecasts and projections, including consideration of the availability of finance, show that the Company should be able to continue to operate for the foreseeable future.

## **Alcester EP1 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **2 Accounting policies (continued)**

##### **Exemption from preparing group accounts**

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Melrose Industries PLC.

##### **Adoption of new and revised Standards**

##### **New standards, interpretations and amendments effective**

The following have been applied for the first time from 1 January 2018.

##### ***IFRS 9: Financial Instruments***

The Company adopted IFRS 9: "Financial Instruments" on 1 January 2018. IFRS 9 replaces IAS 39 and the main impact relates to; a) classification and measurement of financial assets and liabilities, b) impairment of financial assets, and c) hedge accounting. The Company has elected not to restate the comparatives. Following management's review, no change in net assets was identified.

##### ***IFRS 15: Revenue from Contracts with Customers (and the related clarifications)***

The Company adopted IFRS 15: "Revenue from Contracts with Customers" on 1 January 2018 using the full retrospective approach. Due to the immaterial impact of IFRS 15 on the Company for the year ended 31 December 2017, no further disclosure is provided on the comparative results or balance sheet position. There was no impact on revenue or operating profit for the Company.

##### **Finance income and costs policy**

##### **Finance income**

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

##### **Tax**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Company's liability for current tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

## **Alcester EP1 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **2 Accounting policies (continued)**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### **Investments**

Investments in subsidiaries are stated at cost less provision for impairment. Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

#### **Financial assets and liabilities**

##### ***Classification***

All financial assets are classified as either those which are measured at fair value, through profit or loss, or Other Comprehensive Income, and those measured at amortised cost.



## Alcester EP1 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 2 Accounting policies (continued)

##### *Recognition and measurement*

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through the income statement.

##### *Effective interest method*

The effective interest method is used in calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through the income statement.

##### *Amortised Cost*

Receivables that have fixed or determinable payments that are not quoted in an active market are classified ' and measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

##### *Impairment*

Financial assets, other than those at fair value through the income statement, are assessed for indicators of impairment at each balance sheet date. For trade and other receivables the simplified approach permitted under IFRS 9 is applied. The simplified approach requires that at the point of initial recognition the expected credit loss across the life of the receivable must be recognised. As these balances do not contain a significant financing element, the simplified approach relating to expected lifetime losses is applicable under IFRS 9. Cash and cash equivalents are also subject to impairment requirements.

#### 3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors have considered whether there are any such sources of estimation or critical accounting judgements in forming the financial statements and do not determine there to be any for the purpose of disclosure.

## **Alcester EP1 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **4 Auditor's remuneration**

The fees payable to the Company's auditor for the audit of the financial statements of £3,000 (year ended 31 December 2017: £3,000) were borne by a fellow Group undertaking.

#### **5 Finance income**

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Interest on loans to Group undertakings	<u>1,126</u>	<u>1,146</u>

#### **6 Particulars of employees**

The Company did not have any employees in the current year or the prior year.

#### **7 Directors' remuneration**

The Directors received no remuneration for their services to the Company during the year (year ended 31 December 2017: £nil). The Directors of the Company who served during the year were also Directors of a number of the companies within the Melrose Group and as such remuneration of Directors is borne by a fellow company.

## Alcester EP1 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 8 Income tax

Tax charged/(credited) in the income statement

	2018 £ 000	2017 £ 000
Total current income tax	-	-
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	<u>26</u>	<u>141</u>
Tax charge in the income statement	<u>26</u>	<u>141</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK of 19% (2017: 19.25%).

The differences are reconciled below:

	2018 £ 000	2017 £ 000
Profit before tax	<u>1,126</u>	<u>1,146</u>
Corporation tax at standard rate	214	221
Adjustment for prior periods	-	92
Group relief at nil consideration	(214)	(166)
Effect of rate differences on deferred tax recognition	<u>26</u>	<u>(6)</u>
Total tax charge	<u>26</u>	<u>141</u>

Further changes to the main rate of UK corporation tax were enacted in the Finance Act 2016. The UK corporation tax rate was reduced to 19% with effect from 1 April 2017 and 17% with effect from 1 April 2020. There is no impact arising from these future rate changes in this period (2017: no impact arising).

## Alcester EP1 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 9 Investments

Details of the subsidiaries as at 31 December 2018 and 31 December 2017 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2018	2017
Melrose USD 1 Limited*	Dormant	The Colmore Building, Birmingham, United Kingdom	100%	100%
McKechie 2005 Pension Scheme Trustee Limited*	Dormant	The Colmore Building, Birmingham, United Kingdom	100%	100%

\* owned directly by the Company

All holdings relate to Ordinary Shares unless otherwise stated.

#### 10 Trade and other receivables

	2018 £ 000	2017 £ 000
Amounts owed by Group undertakings	<u>218,658</u>	<u>217,532</u>

## Alcester EP1 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 11 Deferred tax

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets £ 000	Liabilities £ 000	Net £ 000
<b>2018</b>			
Tax losses	1,201	-	1,201

	Assets £ 000	Liabilities £ 000	Net £ 000
<b>2017</b>			
Tax losses	1,227	-	1,227

	Tax losses £ 000	Total £ 000
At 1 January 2017	1,368	1,368
Recognised in income	(141)	(141)
At 31 December 2017	1,227	1,227
	Tax losses £ 000	Total £ 000
At 1 January 2018	1,227	1,227
Recognised in income	(26)	(26)
At 31 December 2018	1,201	1,201

#### 12 Share capital

##### Authorised, issued and fully paid shares

	2018		2017	
	Number	£ 000	Number	£ 000
Ordinary share of £1 each	1,000	1	1,000	1

#### 13 Controlling party

The Company's immediate parent company is Melrose PLC, a company incorporated in England & Wales.

The ultimate parent company and controlling party is Melrose Industries PLC, a company incorporated in England & Wales.

## **Alcester EP1 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **13 Controlling party (continued)**

The parent of the smallest and largest group in which these financial statements are consolidated is Melrose Industries PLC, incorporated in England & Wales.

Copies of the Group financial statements of Melrose Industries PLC are available from its registered address: 11th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, West Midlands, B4 6AT.