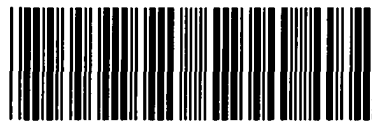


Ludgate Investments Limited

Report And Financial Statements

31 December 2017

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COMPANIES HOUSE

COMPANY INFORMATION

Directors C A L Sebag-Montefiore
E A Sharashidze
G-J H Voskamp
J H J Voskamp

Registered number 04043908

Registered office 16 Old Bailey
London
EC4M 7EG

Independent auditor Rees Pollock
35 New Bridge Street
London
EC4V 6BW

Bankers Barclays Bank Plc
19 Fleet Street
London
EC4P 4DR

Solicitors Withers LLP
16 Old Bailey
London
EC4M 7EG

DIRECTORS' REPORT

For the year ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Results

The profit for the year, after taxation, amounted to £68,664 (2016 - loss £545,678).

Pillar III disclosures

The company has documented the disclosures required by the FCA under BIPRU 11. These are available from the company's website (www.ludgate.com).

Directors

The directors who served during the year were:

B J Bulkin OBE (resigned 25 July 2017)
C A L Sebag-Montefiore
E A Sharashidze
G-J H Voskamp
J H J Voskamp

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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. 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 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;
- state whether applicable UK 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 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.

DIRECTORS' REPORT (CONTINUED)
For the year ended 31 December 2017

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.

Auditor

The auditor, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 23 April 2018 and signed on its behalf.

G-J H Voskamp
Director

A handwritten signature in black ink, appearing to be 'GJV', followed by a horizontal line and a capital 'P'.

STRATEGIC REPORT

For the year ended 31 December 2017

Focus in 2018

The Directors' focus in 2018 is to continue to increase funds under advice or under management.

Fund management

The Company has focused its attention on fund management within the industrial and resource efficiency sector. It currently provides investment advice to Ludgate Environmental Limited ("LEL"), a Jersey domiciled investment company, which as at 31 December 2017, had a value of approximately £15 million (2016: £11 million) after share buybacks and the payment to shareholders as special dividends of cash received from realisations.

The Company seeks to maximise value for LEL shareholders and to develop other asset management income streams.

Principal investments

As at 31 December 2017, the Company's investment portfolio had been reduced to approximately £0.27 million at market value (2016: £0.19 million).

Financial key performance indicators

Given the straightforward nature of the business, the directors are of the opinion that analysis, using KPIs, is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the board on 23 April 2018 and signed on its behalf.

G-J H Voskamp
Director



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LUDGATE INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Ludgate Investments Limited (the 'Company') for the year ended 31 December 2017, which comprise the statement of comprehensive income, the balance sheet, the statement of cash flows, the statement of changes in equity 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 2017 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

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 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 this regard.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LUDGATE INVESTMENTS LIMITED (CONTINUED)

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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 1, 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.

Auditors' 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. 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.

Peter Scott (senior statutory auditor)
for and on behalf of
Rees Pollock, Statutory Auditors
23 April 2018

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	4	336,355	391,405
Administrative expenses		(347,436)	(838,262)
Operating loss	5	(11,081)	(446,857)
Income from current asset investments		-	6,640
Gain/(loss) on revaluation of current asset investments		79,738	(105,775)
Interest receivable and similar income		7	314
Profit/(loss) before tax		68,664	(545,678)
Profit/(loss) for the financial year		68,664	(545,678)
Total comprehensive income for the year		68,664	(545,678)

The notes on pages 10 to 16 form part of these financial statements.

BALANCE SHEET
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	-	3
Current assets			
Debtors: amounts falling due within one year	10	161,889	100,559
Current asset investments	11	265,062	185,324
Cash at bank and in hand		5,760	54,816
		<u>432,711</u>	<u>340,699</u>
Creditors: amounts falling due within one year	12	(107,197)	(83,852)
Net current assets		<u>325,514</u>	<u>256,847</u>
Total assets less current liabilities		<u>325,514</u>	<u>256,850</u>
Net assets		<u>325,514</u>	<u>256,850</u>
Capital and reserves			
Called up share capital	14	420,460	420,460
Profit and loss account		(94,946)	(163,610)
		<u>325,514</u>	<u>256,850</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 April 2018.

G-J H Voskamp
Director

The notes on pages 10 to 16 form part of these financial statements.



STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	420,460	(163,610)	256,850
Comprehensive income for the year			
Profit for the year	-	68,664	68,664
Total comprehensive income for the year	-	68,664	68,664
At 31 December 2017	420,460	(94,946)	325,514

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	295,130	382,068	677,198
Comprehensive income for the year			
Loss for the year	-	(545,678)	(545,678)
Total comprehensive income for the year	-	(545,678)	(545,678)
Shares issued during the year	125,330	-	125,330
Total transactions with owners	125,330	-	125,330
At 31 December 2016	420,460	(163,610)	256,850

The notes on pages 10 to 16 form part of these financial statements.

STATEMENT OF CASH FLOWS
For the year ended 31 December 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit/(loss) for the financial year	68,664	(545,678)
Adjustments for:		
Depreciation of tangible assets	3	9,907
Profit on disposal of tangible assets	(1,000)	(400)
Interest receivable	(7)	(314)
(Increase)/decrease in debtors	(61,330)	212,284
Increase/(decrease) in creditors	23,345	(218,982)
Fair value movements	(79,738)	105,774
Income from investments	-	(6,640)
Net cash generated from operating activities	<u>(50,063)</u>	<u>(444,049)</u>
Cash flows from investing activities		
Sale of tangible fixed assets	1,000	400
Purchase of short term listed investments	116,200	-
Purchase of short term unlisted investments	(116,200)	-
Interest received	7	314
Dividends received	-	6,640
Net cash from investing activities	<u>1,007</u>	<u>7,354</u>
Cash flows from financing activities		
Issue of ordinary shares	-	125,330
Net cash used in financing activities	<u>-</u>	<u>125,330</u>
Net (decrease) in cash and cash equivalents	<u>(49,056)</u>	<u>(311,365)</u>
Cash and cash equivalents at beginning of year	54,816	366,181
Cash and cash equivalents at the end of year	<u><u>5,760</u></u>	<u><u>54,816</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,760	54,816
	<u><u>5,760</u></u>	<u><u>54,816</u></u>

The notes on pages 10 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

1. General information

Ludgate Investments Limited is a private company, limited by shares, incorporated in the United Kingdom.

The Company's registered address is 16 Old Bailey, London, EC4M 7EG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

2.2 Going concern

The directors have prepared forecasts which indicate that the Company has sufficient financial resources to meet its working capital requirements and maintain a regulatory capital surplus. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic climate.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied during the year, exclusive of value added tax. Fees are recognised over the period which the services are provided.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 3 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

2. Accounting policies (continued)

2.5 Operating leases

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

2.6 Valuation of investments

Investments in listed company shares are measured at market value at each Balance sheet date. Movements in the market value are recognised in profit or loss for the period.

2.7 Financial instruments

The Company does not trade in financial instruments and all such instruments arise directly from operations. All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The Company does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment. All cash is held with banks with strong external credit ratings.

Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are removed from the balance sheet when they are settled. As the Company only has short term receivables and payables, its net current asset position is a reasonable measure of its liquidity at any given time.

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.9 Pensions

The Company contributes to the private money-purchase schemes of some employees. Contributions are charged to the profit and loss account.

2.10 Taxation

Tax is recognised in the statement of comprehensive income.

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make significant accounting judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its significant accounting judgements and estimates.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made.

Valuation of investments:

The directors apply a liquidity discount where in their opinion there are insufficient trading volumes to support the published market values.

4. Turnover

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets	3	9,907
Auditors' remuneration - audit	10,600	10,600
Auditors' remuneration - non-audit	4,500	4,350
Operating lease rentals - land and buildings	14,188	59,486

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2017	2016
	£	£
Wages and salaries	232,860	442,698
Social security costs	25,067	50,826
Cost of defined contribution scheme	-	2,845
	<u>257,927</u>	<u>496,369</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017	2016
	No.	No.
Management staff	2	2
Administrative staff	1	1
General	-	1
	<u>3</u>	<u>4</u>

7. Directors' remuneration

	2017	2016
	£	£
Directors' emoluments	167,500	270,000

Included in the above is a total of £5,000 (2016 - £10,000) in consultancy fees paid to the non-executive directors during the year.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

8. Taxation

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit/(loss) on ordinary activities before tax	68,667	(545,678)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	13,218	(109,136)
Effects of:		
Expenses not deductible for tax purposes	1,905	31,894
Non-taxable credit	(479)	(17,000)
Unprovided deferred tax	(14,644)	94,242
Total tax charge for the year	-	-

9. Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2017	20,000
Disposals	(15,000)
At 31 December 2017	5,000
Depreciation	
At 1 January 2017	19,997
Charge for the year on owned assets	3
Disposals	(15,000)
At 31 December 2017	5,000
Net book value	
At 31 December 2017	-
At 31 December 2016	3

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

10. Debtors

	2017 £	2016 £
Trade debtors	103,072	27,554
Other debtors	53,842	59,089
Prepayments and accrued income	4,975	13,916
	<u>161,889</u>	<u>100,559</u>

11. Current asset investments

	2017 £	2016 £
Listed investments	71,838	185,324
Unlisted investments	193,224	-
	<u>265,062</u>	<u>185,324</u>

12. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	7,077	31,525
Amounts owed to group undertakings	35,808	13,921
Taxation and social security	2,275	13,326
Accruals and deferred income	62,037	25,080
	<u>107,197</u>	<u>83,852</u>

13. Deferred taxation

No provision has been made in the accounts and the amounts unprovided at the end of the year are as follows:

	2017 £	2016 £
Asset arising from temporary timing differences on fixed assets	1,289	1,854
Tax losses carried forward	655,379	688,333
	<u>656,668</u>	<u>690,187</u>

The deferred tax asset will reverse against future taxable profits. It has not been recognised due to uncertainties over the timing and nature of such profits in accordance with Section 29 of FRS 102.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

14. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
4,204,604 (2016 - 4,204,604) Ordinary shares of £0.10 each	420,460	420,460
	<u> </u>	<u> </u>

15. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	-	8,371
	<u> </u>	<u> </u>

16. Related party transactions

Fees of £40,000 (2016 - £40,000) were charged to Rapid Action Packaging Limited during the year, a company of which G-J H Voskamp and E A Sharashidze are directors. At the year end £nil (2016 - £24,000) was outstanding.

Fees of £2,497 (2016 - £10,792) were charged to The Beyonder B.V., a company of which G-J H Voskamp is a director. At the year end £nil (2016 - £6,056) was outstanding.

17. Controlling party

Ludgate Capital Limited owns 100% of the ordinary share capital of the Company and is the immediate controlling party, representing the smallest and largest group of which the Company is a member for which group accounts are drawn up. Copies of the group accounts can be obtained from Companies House.

The ultimate controlling party is G-J H Voskamp, a director.