

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
POLITICAL HOLDINGS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2019

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DIRECTORS:

I G Robinson
A E Entwistle
M R Carrington

SECRETARY:

C W Lawes

REGISTERED OFFICE:

21 Marina Court
Castle Street
Hull
HU1 1TJ

REGISTERED NUMBER:

07291783 (England and Wales)

ACCOUNTANTS:

Banks Cooper Associates Limited
21 Marina Court
Castle Street
Hull
HU1 1TJ

BALANCE SHEET
31 DECEMBER 2019

	Notes	31.12.19 £	£	31.12.18 £	£
FIXED ASSETS					
Investments	4		193,109		379,359
CURRENT ASSETS					
Debtors	5	128,536		39,334	
Cash at bank		<u>28</u>		<u>8,491</u>	
		128,564		47,825	
CREDITORS					
Amounts falling due within one year	6	<u>2,347,406</u>		<u>2,345,951</u>	
NET CURRENT LIABILITIES			<u>(2,218,842)</u>		<u>(2,298,126)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(2,025,733)</u>		<u>(1,918,767)</u>
PROVISIONS FOR LIABILITIES			-		20,936
NET LIABILITIES			<u>(2,025,733)</u>		<u>(1,939,703)</u>
CAPITAL AND RESERVES					
Called up share capital			60		60
Share premium			2,041,540		2,041,540
Retained earnings			<u>(4,067,333)</u>		<u>(3,981,303)</u>
SHAREHOLDERS' FUNDS			<u>(2,025,733)</u>		<u>(1,939,703)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which
- (b) otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 22 December 2020 and were signed on its behalf by:

M R Carrington - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. **STATUTORY INFORMATION**

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

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Going concern

These accounts have been prepared under the going concern principle although the liabilities of the company exceed its assets. The company is reliant on the continued support of its creditors, which the directors are confident will continue to be provided. In making their assessment of going concern, the directors have also considered forecasts for the business and economic factors, including COVID 19 which poses risks to businesses generally. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least one year from the date of approval. Accordingly, these financial statements have been prepared on the going concern basis. If the going concern basis proves not to be appropriate, adjustments would have to be made to reduce the balance sheet value of assets to their recoverable amounts and to provide for any further liabilities that might arise.

Preparation of consolidated financial statements

The financial statements contain information about Political Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

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 amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less provision for impairment.

2. **ACCOUNTING POLICIES - continued**

Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial liabilities are offset, with net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which includes debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES - continued**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Investments

Investments in shares which do not represent a participating interest are carried at fair value.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2018 - NIL).

4. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Other investments £	Totals £
COST OR VALUATION			
At 1 January 2019	16,171	363,188	379,359
Revaluations	-	(186,250)	(186,250)
At 31 December 2019	<u>16,171</u>	<u>176,938</u>	<u>193,109</u>
NET BOOK VALUE			
At 31 December 2019	<u>16,171</u>	<u>176,938</u>	<u>193,109</u>
At 31 December 2018	<u>16,171</u>	<u>363,188</u>	<u>379,359</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 20194. **FIXED ASSET INVESTMENTS - continued**

Cost or valuation at 31 December 2019 is represented by:

	Shares in group undertakings £	Other investments £	Totals £
Valuation in 2015	-	115,030	115,030
Valuation in 2016	-	144,251	144,251
Valuation in 2017	-	23,188	23,188
Valuation in 2018	-	(172,281)	(172,281)
Valuation in 2019	-	(186,250)	(186,250)
Cost	16,171	253,000	269,171
	<u>16,171</u>	<u>176,938</u>	<u>193,109</u>

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

	31.12.19 £	31.12.18 £
Amounts owed by group undertakings	<u>128,536</u>	<u>39,334</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.19 £	31.12.18 £
Other creditors	<u>2,347,406</u>	<u>2,345,951</u>

7. **RELATED PARTY DISCLOSURES**

The company has provided finance to subsidiaries in which it has participating interests on which no interest is charged and where there are no formal terms for repayment. The aggregate amount owed to the company at 31 December 2019 was £1,687,322 (2018: £1,683,727), of which £1,558,786 has been provided (2018: £1,644,394).

The company's ultimate controlling party has provided finance to the company through a Deep Discount Bond. At the period end £1,278,682 (2018: £1,278,682), including accrued discount, was outstanding as the maturity value under the terms of the Bond. Repayment has been deferred.

The company's ultimate controlling party has provided the company with interest free loans of £1,004,500 (2018: £1,004,500), which remained outstanding at the period end.

8. **POST BALANCE SHEET EVENTS**

On 11 March 2020, the World Health Organisation declared the coronavirus (COVID-19) a global pandemic. There are no comparable recent events which may provide guidance as to the effects of the pandemic and the ultimate impact of COVID-19 is uncertain. Given the emergence and spread of COVID-19 occurred in 2020 it is not considered relevant to conditions that existed at the balance sheet date, consequently COVID-19 is considered to be a non-adjusting post balance sheet event and as such has not impacted the measurement of assets and liabilities in these financial statements.

9. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Michael Ashcroft.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.