

Company Registration No. 07320953 (England and Wales)

**PETO LIMITED  
ANNUAL REPORT AND UNAUDITED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2017**



**PETO LIMITED**  
**ANNUAL REPORT AND UNAUDITED ACCOUNTS**  
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**PETO LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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**Directors**

Iain Francis Mackinnon  
Annette Dawn Mackinnon

**Company Number**

07320953 (England and Wales)

**Registered Office**

Northwood House  
Ward Avenue  
Cowes  
Isle of Wight  
PO31 8AZ  
United Kingdom

**PETO LIMITED**  
**(COMPANY NO: 07320953 ENGLAND AND WALES)**  
**DIRECTORS' REPORT**

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The directors present their report and accounts for the year ended 30 June 2017.

**Directors**

Iain Francis Mackinnon held office during the whole of the period.

Annette Dawn Mackinnon was appointed on 25 May 2017.

Robert Charles Osborne resigned on 25 May 2017.

**Statement of directors' responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law, the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

**Small company provisions**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors



Iain Francis Mackinnon  
Director

Approved by the board on: 26 March 2018

**PETO LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	144,229	157,722
Cost of sales	(9,847)	(15,774)
<b>Gross profit</b>	<u>134,382</u>	<u>141,948</u>
Administrative expenses	(409,823)	(522,112)
<b>Operating loss</b>	4 (275,441)	(380,164)
Interest payable and similar charges	(78,258)	(338,463)
<b>Loss on ordinary activities before taxation</b>	<u>(353,699)</u>	<u>(718,627)</u>
Tax on loss on ordinary activities	5 -	-
<b>Loss for the financial year</b>	<u><u>(353,699)</u></u>	<u><u>(718,627)</u></u>

**PETO LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	6	-	1
<b>Current assets</b>			
Debtors	7	94,254	2,355
Cash at bank and in hand		968	1,305
		<u>95,222</u>	<u>3,660</u>
<b>Creditors: amounts falling due within one year</b>	8	(2,717,032)	(2,271,772)
<b>Net current liabilities</b>		<u>(2,621,810)</u>	<u>(2,268,112)</u>
<b>Net liabilities</b>		<u>(2,621,810)</u>	<u>(2,268,111)</u>
<b>Capital and reserves</b>			
Called up share capital	9	300,824	300,824
Share premium		1,072,901	1,072,901
Profit and loss account		(3,995,535)	(3,641,836)
<b>Shareholders' funds</b>		<u>(2,621,810)</u>	<u>(2,268,111)</u>

For the year ending 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts 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.

Approved by the Board on 26 March 2018.

  
Iain Francis Mackinnon  
Director

Company Registration No. 07320953

**PETO LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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**1 Statutory information**

Peto Limited is a private company, limited by shares, registered in England and Wales, registration number 07320953. The registered office is Northwood House, Ward Avenue, Cowes, Isle of Wight, PO31 8AZ, United Kingdom.

**2 Compliance with accounting standards**

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

**3 Accounting policies**

These financial statements for the year ended 30 June 2017 are the first financial statements that comply with FRS 102 Section 1A Small Entities. The date of transition is 1 July 2015.

The transition to FRS 102 Section 1A Small Entities has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes and their impact on opening equity and profit for the comparative period are explained in the notes below.

***Basis of preparation***

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

***Presentation currency***

The accounts are presented in £ sterling.

***Tangible fixed assets and depreciation***

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Computer equipment	25% Straight line basis
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***Deferred taxation***

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets and liabilities are not discounted.

***Leased assets***

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit on a straight line basis over the lease term.

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

**PETO LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

<b>4 Operating loss</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Loss is stated after charging:		
Depreciation of tangible fixed assets	1	15,260
Directors' remuneration	45,000	27,081
	<u>45,001</u>	<u>42,341</u>

**5 Taxation**

No liability to UK corporation tax arose on ordinary activities for the period ended 30 June 2017 nor for the year ended 30 June 2016.

**6 Tangible fixed assets**

	<b>Computer equipment £</b>
<b>Cost or valuation</b>	<b>At cost</b>
At 1 July 2016	265,994
At 30 June 2017	265,994
<b>Depreciation</b>	
At 1 July 2016	265,993
Charge for the year	1
At 30 June 2017	265,994
<b>Net book value</b>	
At 30 June 2017	-
At 30 June 2016	1

<b>7 Debtors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade debtors	25,876	2,355
Accrued income and prepayments	53,182	-
Other debtors	15,196	-
	<u>94,254</u>	<u>2,355</u>

<b>8 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	204,401	167,750
Amounts owed to group undertakings and other participating interests	2,253,669	1,965,957
Taxes and social security	1,443	56,808
Other creditors	75,133	7,663
Accruals	182,386	73,594
	<u>2,717,032</u>	<u>2,271,772</u>

The amounts to owed to group undertakings is secured by way of a first charge debenture over the fixed and floating assets of the company.



**PETO LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**9 Share capital**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:		
400,000 A Ordinary of £0.001 each	400.00	400.00
300,000 B Ordinary of £1 each	300,000.00	300,000.00
424,003 C Ordinary of £0.001 each	424.00	424.00
	<u>300,824.00</u>	<u>300,824.00</u>

**10 Transactions with related parties**

**Brunel Marketplace Limited ("Brunel")**

The company is a wholly owned subsidiary of Brunel. During the year Brunel provided services and recharged costs to the company of £107,930 (2016 £Nil). Brunel also charged interest on the secured loan made to the company of £71,302 (2016 £153,987).

During the year Brunel advanced £302,503 (2016 £335,026) on an unsecured basis to finance the operations of the company. The loan is interest free and repayable on demand. At the balance sheet date Brunel had advanced a total of £637,529 (2016 £335,026) on an unsecured basis.

At the balance sheet date Brunel was owed £1,620,987 by way of a secured loan to the company (2016 £1,620,987). The interest rate on the loan was reduced from 17% to 5% per annum with respect to the current year. The loan is secured by a first fixed and floating charge over the assets of the company and is repayable on demand.

The company also owes Brunel £60,913 (2016 £60,913) in relation to a matured derivative obligation. Finally, the company owes Brunel £87,851 (2016 £29,036) for services invoiced but unpaid.

**I F Mackinnon & Co LLP ("IFM")**

IFM is controlled by I F Mackinnon and A D Mackinnon, directors of the company, and is a member of a wider group ("the Mackinnon Group") which holds a 28.6% interest in the issued ordinary share capital of the Brunel, 34.7% fully diluted, (2016 28.6% both issued and fully diluted). The Mackinnon Group also holds 100% of the issued preference share capital of Brunel.

IFM advanced a total of £34,166 (2016 £11,587) on an unsecured basis to the company during the year. The loan was subject to an interest charge of 8% per annum and a total of £nil (2016 £nil) was accrued for the year. At the balance sheet date £45,753 (2016 £11,587) was outstanding as an unsecured loan. The loan is repayable on demand. During the year IFM provided credits for services, ex VAT, £24,070 (2016 invoiced £48,639) covering third party consulting costs, office rental and utility costs, payroll, accounting and back office supports services and management charges covering the period since November 2015 to June 2017. At the balance sheet date IFM was owed on trade creditors account £190,043 (2016 £68,084).

**11 Controlling party**

The ultimate parent company is Brunel Marketplace Limited.

**12 Average number of employees**

During the year the average number of employees was 7 (2016: 7).