

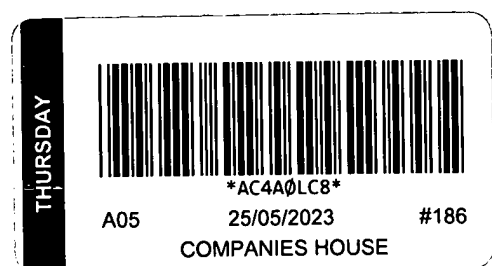
Registered number: 09619302

Portsmouth Construction Limited

Director's report and financial statements

For the year ended 31 December 2022

 **DAINS**



Portsmouth Construction Limited

Company Information

Director	D K Newcombe
Registered number	09619302
Registered office	Verde Building 10 Bressenden Place London SW1E 5DH
Independent auditors	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH

Portsmouth Construction Limited

Contents

	Page
Director's report	1 - 2
Independent auditors' report	3 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9 - 10
Notes to the financial statements	11 - 17

Portsmouth Construction Limited

Director's report For the year ended 31 December 2022

The director presents his report and the financial statements for the year ended 31 December 2022.

Principal activity and business review

The principal activity of the company is that of project management and contractor to the building of commercial buildings within the care and health sector.

The construction of Kenbury House was successfully completed in January 2021 and the full value of that contract has now been recognised. The monthly payments that were due under the construction contract were met by the client however the substantial bullet payment that was due in May 2022 was not received and remains outstanding at the date of signing the accounts. Full payment is however anticipated by the end of the current financial year. If payment is not received the company will instigate steps to recover its debt under its security arrangements and personal guarantees.

Director

The director who served during the year was:

D K Newcombe

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Director's reports may differ from legislation in other jurisdictions.

Director's report (continued)
For the year ended 31 December 2022

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he 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 auditors are aware of that information.

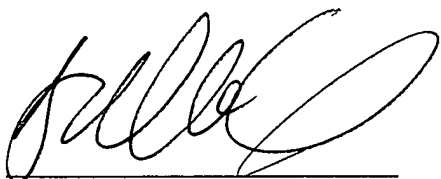
Auditors

The directors, having been notified of the cessation of the partnership known as Dains LLP, resolved that Dains Audit Limited be appointed as successor auditor with effect from 1 April 2022. The auditors, Dains Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

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

This report was approved by the board on 17 May 2023 and signed on its behalf.



D K Newcombe
Director

Portsmouth Construction Limited

Independent auditors' report to the members of Portsmouth Construction Limited

Opinion

We have audited the financial statements of Portsmouth Construction Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of comprehensive income, the Balance sheet, 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 2022 and of its loss 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 Auditors' 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 director's 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 director with respect to going concern are described in the relevant sections of this report.

Portsmouth Construction Limited

Independent auditors' report to the members of Portsmouth Construction Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The director is 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.

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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's 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 Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was 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 Director's report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Director's responsibilities statement set out on page 1, the director is 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 director determines 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 director is 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 director either intends 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 Auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the construction sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Auditors' responsibilities for the audit of the financial statements (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' 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 Auditors' 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.



Julian Townsend FCA FCCA (Senior statutory auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

17 May 2023

Portsmouth Construction Limited

**Statement of comprehensive income
For the year ended 31 December 2022**

	2022 £	2021 £
Turnover	240,750	90,000
Cost of sales	-	(60,000)
Gross profit	240,750	30,000
Administrative expenses	(302,919)	(132,128)
Other operating income	-	41,155
Operating loss	(62,169)	(60,973)
Interest receivable and similar income	56,206	134,897
Interest payable and similar expenses	(4,572)	-
(Loss)/profit before tax	(10,535)	73,924
Tax on (loss)/profit	617	(16,753)
(Loss)/profit for the financial year	(9,918)	57,171

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

The notes on pages 11 to 17 form part of these financial statements.

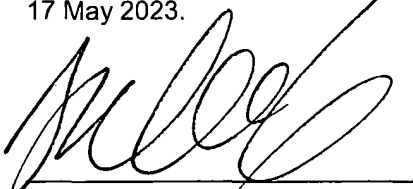
Portsmouth Construction Limited
Registered number:09619302

Balance sheet
As at 31 December 2022

	Note	2022 £	2021 £
Current assets			
Debtors: amounts falling due within one year	5	3,002,221	3,189,609
Cash at bank and in hand	6	964,739	1,018,984
		<u>3,966,960</u>	<u>4,208,593</u>
Creditors: amounts falling due within one year	7	(214,390)	(446,105)
Net current assets		<u>3,752,570</u>	<u>3,762,488</u>
Total assets less current liabilities		<u>3,752,570</u>	<u>3,762,488</u>
Net assets		<u>3,752,570</u>	<u>3,762,488</u>
Capital and reserves			
Called up share capital	9	58,443	58,443
Share premium account	10	1,452,304	1,452,304
Capital redemption reserve	10	15,000	15,000
Profit and loss account	10	2,226,823	2,236,741
		<u>3,752,570</u>	<u>3,762,488</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 May 2023.


D K Newcombe
 Director

The notes on pages 11 to 17 form part of these financial statements.

Portsmouth Construction Limited

**Statement of changes in equity
For the year ended 31 December 2022**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2022	58,443	1,452,304	15,000	2,236,741	3,762,488
Comprehensive income for the year					
Loss for the year	-	-	-	(9,918)	(9,918)
At 31 December 2022	58,443	1,452,304	15,000	2,226,823	3,752,570

The notes on pages 11 to 17 form part of these financial statements.

Portsmouth Construction Limited

**Statement of changes in equity
For the year ended 31 December 2021**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	73,443	4,452,304	-	679,570	5,205,317
Comprehensive income for the year					
Profit for the year	-	-	-	57,171	57,171
Purchase of own shares	(15,000)	-	15,000	(1,500,000)	(1,500,000)
Capital reduction	-	(3,000,000)	-	3,000,000	-
At 31 December 2021	58,443	1,452,304	15,000	2,236,741	3,762,488

The notes on pages 11 to 17 form part of these financial statements.

Portsmouth Construction Limited

Notes to the financial statements For the year ended 31 December 2022

1. General information

Portsmouth Construction Limited is a company limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given in the company information section. The principal activity of the company is that of project management and contractor to the building of commercial buildings within the care and health sectors.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in the Company's functional currency of GBP (Sterling). They are prepared to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Construction contracts

Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Where costs relate to future activity on the contract, such as materials or prepayments, these costs are presented in contract work in progress. Trade debtors represents the amounts invoiced and due from customers, discounted to the present value of future cash flows at the balance sheet date. For all contracts in progress at the balance sheet date where costs incurred plus recognisable profits less losses exceeds progress billings, these are disclosed as 'Amounts recoverable on contracts'. Where progress billings exceed the net of costs incurred plus recognisable profits less losses, these amounts are disclosed as 'Amounts due to customers for contract work'. Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable.

2. Accounting policies (continued)

2.3 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.4 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Current and deferred taxation

Tax is recognised in the Statement of comprehensive income, 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 balance sheet 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 balance sheet 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 balance sheet date.

2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.7 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.

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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

The amount due from customers for contract work reflects the director's best estimate of the amount expected to be received in respect of the ongoing contract the company has. The director has estimated an element of contingency within the contract value based on a number of factors not least of which recognises certain risks surrounding the long period for payment of which a significant proportion of the contracted income is not expected until the earliest of 30 June 2023. The amount recoverable on the contract has been reflected at a discounted amount as it is a financing transaction throughout its duration. The amount recorded at the balance sheet date represents the undiscounted amount of the invoiced values, as the interest has now been unwound.

Portsmouth Construction Limited

**Notes to the financial statements
For the year ended 31 December 2022**

4. Employees

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

	2022 No.	2021 No.
Director	1	1
Administration	1	1
	<u>2</u>	<u>2</u>

5. Debtors

	2022 £	2021 £
Trade debtors	2,999,100	2,772,944
Other debtors	3,121	416,665
	<u>3,002,221</u>	<u>3,189,609</u>

6. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	964,739	1,018,984
	<u>964,739</u>	<u>1,018,984</u>

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts due to customers for contract work	4,912	4,912
Corporation tax	-	16,753
Other taxation and social security	200,978	415,635
Accruals and deferred income	8,500	8,805
	<u>214,390</u>	<u>446,105</u>

Portsmouth Construction Limited

**Notes to the financial statements
For the year ended 31 December 2022**

8. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at amortised cost	<u>3,963,839</u>	<u>3,791,928</u>
Financial liabilities		
Financial liabilities measured at undiscounted amounts payable	<u>(13,412)</u>	<u>(13,717)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand and this includes discounted amounts due from customers for contract work.

Financial liabilities measured at undiscounted amounts payable comprise amounts due to customers for contract work and accruals.

Portsmouth Construction Limited

Notes to the financial statements For the year ended 31 December 2022

9. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
1,933 (2021 - 1,933) Ordinary shares of £0.01 each	19	19
23,415 (2021 - 23,415) Ordinary A shares of £1.00 each	23,415	23,415
3,500,852 (2021 - 3,500,852) Ordinary B shares of £0.01 each	35,009	35,009
	<hr/>	<hr/>
	58,443	58,443
	<hr/>	<hr/>

Rights of shares are listed below:

Voting rights

Each holder of ordinary and ordinary A Shares shall be entitled to receive notice of, attend and vote at general meetings of the company.

Income

Any profits that the Company may decide to distribute shall be distributed amongst the holders of Shares pro rata to the amount paid up per Share, for which purpose the amount paid up on each B Share shall be deemed to be 0.001p and the amount paid up on each A Share shall be deemed to be £1.00.

Return of capital and exit

On an exit event, the total proceeds available for distribution among the holders of Shares will be distributed in the following order and priority:

- first, in paying the relevant amount to the holders of the Shares as if the same constituted one class of Share pro rata to the amount paid up per share, save that for this purpose the amount paid upon each Ordinary Share shall be deemed to be 0.001p and the amount paid up on each A Share and B Share shall be deemed to be £1.00; and

- second, in paying any remaining proceeds available for distribution to the holders of Shares as if the same constituted one class of Shares pro rata to the amount paid up per Share, save that for this purpose the amount paid up on each B Share shall be deemed to be 0.001p and the amount paid up on each Ordinary and Ordinary A Share shall be deemed to be £1.00.

In the event of a Share sale, notwithstanding anything to the contrary in the terms and conditions governing such Share sale the selling shareholders agree that the Directors shall not register any transfer of Shares unless the proceeds available for distribution (whenever received) represented by cash are paid into the Company's solicitor's bank account and the proceeds available for distribution represented other than in cash shall be held by the Company (or its nominee) on trust for the Shareholders whose Shares being sold in connection with Share sale, and the proceeds available for distribution are then distributed amongst such selling Shareholders in the amounts and in order of priority set out, as mentioned above.

Upon completion of a disposal all of the shareholders shall procure that the Company is wound up and shall take all such steps as are required to wind up the Company and distribute the assets of the Company remaining after the payment of its liabilities to the Shareholders in accordance with the order of priority set out, as mentioned above.

10. Reserves

Share premium account

The share premium account represents the premium arising on the issue of shares net of issue costs and rebate shares issued.

On 7 April 2021, a special resolution was passed whereby the share premium account of the Company was reduced by £3,000,000 from £4,452,304 to £1,452,304, and the amount by which the share premium account was reduced was credited to the profit and loss account of the Company.

Capital redemption reserve

The capital redemption reserve represents the nominal value of shares following the redemption or purchase of the Company's own shares.

On 26 April 2021, an ordinary resolution was passed. The Company completed a purchase of own shares of 1,500,000 Ordinary B shares of £0.01 each for a consideration of £1,500,000.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

11. Controlling party

There is no ultimate controlling party.