DEVELOPMENT LOANS LIMITED

Report and Financial Statements

For the Year Ended
31 March 2019

Company Number: 09897469 (England & Wales)

DEVELOPMENT LOANS LIMITED

Report and Financial Statements
For the year ended 31 March 2019

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DEVELOPMENT LOANS LIMITED

Company Information
For the year ended 31 March 2019

Directors:	CPCCD Limited J G Wilson B G A David D K Rastegar
Registered office:	35 Great St. Helen's London EC3A 6AP
Head office and operations:	48 Dover Street London W1S 4NX
Registered number:	09897469
Independent auditor:	BDO LLP 55 Baker Street London W1U 7EU
Company Secretary:	Cosign Limited Martello Court Admiral Park St Peter Port Guernsey GY1 3HB

Report of the Directors
For the year ended 31 March 2019

The Directors submit their report, the strategic report and the audited financial statements of the company, which is registered in England and Wales, for the financial year ended 31 March 2019.

Directors' responsibilities statement

The Directors are responsible for preparing 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. 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). 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 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 then 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;
- 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.

All of the Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the company's auditor is unaware.

Principal activity

The principal activity of the company is underwriting development loans.

Results and dividends

The results of the company for the year are set out in detail on page 7. The company has not paid any interim dividends during the year and the directors do not intend to recommend a final dividend for the year.

Risk management

Liquidity risk

Liquidity risk arises from the company's management of working capital - drawdowns and redemptions on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

The Board receives regular cash flow projections as well as information regarding cash balances. At the end of the financial year, these projections indicated that the company is expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances, through the equity funding with its parent company as required and in line with forecasts.

Risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is mainly exposed to credit risk from loan advances. Loans are given with a first or second charge against the security of the property being lent. It is company policy to thoroughly assess the credit risk of all customers and the property before advancing loans. Borrowers are analysed individually for creditworthiness before terms on a loan advance are accepted. Factors reviewed when considering a loan include, loan to value ratio, yield on current rental income / term of rental agreement, good repayment record and where the security is deemed to be an attractive proposition for sale in the open market in the event of a default.

For corporate borrowers, the company takes full personal guarantees from the individual directors of the company and where possible a debenture over the company, in addition to the charge over the property.

The Board manages credit risk by having credit policy and underwriting rules in place that accept applicants who are able to afford to make their loan repayments or are able to pay the interest upfront, in addition to meeting the loan to value ratio criteria. The underwriting assessment applied to loans is further supported by assessing the headroom on the total exposure based on the loan outstanding to current market value ratio and duration of the loan, whereby redemption protocol is triggered at an early stage to ensure full recovery. Loans are monitored and reviewed monthly at sub-committee meetings.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. The company holds funds with those banks and regularly repays its borrowing from the parent company to reduce its cash accounts as well as utilising funds for new loans from these accounts.

Loan completions and redemptions are channelled through solicitor firms which are on the company approved panel of legal firms. Credit risk arises from cash being sent, held or received from these firms.

Market risk

Market risk arises from the company's use of interest bearing financial instruments, being amounts payable to its parent and on the market value of the property being lent against being adversely affected by market factors or valuation criteria and judgements.

All valuations are undertaken on a market value based within the latest RICS Valuation Standards, on a "bricks and mortar" basis, excluding all goodwill and projected value. Valuers are RICS qualified and are on the approved company valuer panel. The valuer provides an opinion as to the value of the subject property and gives advice. However the decision whether or not to lend against the property remains with the company, with due consideration to the other factors of the application. Market values remain a volatile subject and the valuer's opinion may not reflect the recoverable value where a loan defaults and recovery action is not promptly undertaken, resulting in an erosion of the headroom buffer, created by lending against a specific loan to value ratio.

Existence of branches of the company outside of the United Kingdom

The company has no branches outside of the United Kingdom.

Directors

The directors of the company who served during the year and to date were:

CPCCD Limited	(appointed 1 December 2015)
D A Smith	(appointed 1 December 2015, resigned 3 April 2018)
J G Wilson	(appointed 1 December 2015)
A M R Jennings	(appointed 6 July 2018, resigned 3 April 2018)
B G A David	(appointed 1 February 2018)
D K Rastegar	(appointed 23 August 2018)

Directors' liabilities and qualifying third party indemnity provisions

The company has granted an indemnity to its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision was in force up to 29 August 2018.

CPC Treasury Limited, the company's parent, had qualifying third party indemnity provisions for all of the Directors of the company in accordance with section 233 of the Companies Act 2006 in place up to 29 August 2018.

Independent auditor

Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Small companies exemption

In preparing the report of the directors advantage has been taken of the small companies exemption provided by section 414B of the Companies Act 2006 and of the exemption of preparing a strategic report.

Approval

This Report of the Directors was approved by order of the Board on 11 July 2019.

B. G. A. David
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPMENT LOANS LIMITED

Opinion
We have audited the financial statements of Development Loans Limited ("the Company") for the year ended 31 March 2019 which comprise the Statement of Income and Retained Earnings and Statement of Financial Position and notes to the financial statements, 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 March 2019 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 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 FRC'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 Directors' 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.

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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 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, 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 at the Financial Reporting Council's website at:
https://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.

Daniel Taylor (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU 11|7|19

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

DEVELOPMENT LOANS LIMITED

Statement of Income and Retained Earnings
For the year ended 31 March 2019

	Note	2019	2018
		£	£
Interest and similar income	3	2,824,940	2,994,752
Interest and similar expenses	5	(2,359,089)	(2,814,147)
Gross profit		465,851	180,605
Bad debt expenses		(2,295,077)	-
Administrative expenses		(22,670)	(61,660)
(Loss) / Profit on ordinary activities before taxation	4	(1,851,896)	118,945
Taxation on profit on ordinary activities	6	-	-
(Loss) / Profit for the financial year		(1,851,896)	118,945
Retained earnings at the beginning of the year		1,249,089	1,130,144
(Loss) / Profit for the year		(1,851,896)	118,945
Retained earnings at the end of the year		(602,807)	1,249,089

All amounts relate to continuing operations.

There were no recognised gains and losses or other comprehensive income for the year other than those included in the statement of income & retained earnings.

The notes on pages 9 to 15 form part of these financial statements.

DEVELOPMENT LOANS LIMITED

Statement of Financial Position
As at 31 March 2019

Company number: 09897469	Note	2019 £	2019 £	2018 £	2018 £
Amounts due after more than one year					
Loans and advances	7		-		5,910,106
Amounts due in less than one year					
Loans and advances	8	8,879,401		28,881,972	
Other debtors	8	-		79,034	
		8,879,401		28,961,006	
Cash and bank balances		6,797		607,225	
Total current assets		8,886,198		29,568,231	
Creditors: amounts falling due within one year	9	(9,489,001)		(20,643,687)	
Net current (liabilities) / assets			(602,803)		8,924,544
Total assets less current liabilities			(602,803)		14,834,650
Creditors: amounts falling due after more than one year	10		-		(13,585,557)
Net (liabilities) / assets			(602,803)		1,249,093
Capital and reserves					
Called up share capital	12		4		4
Profit and loss account			(602,807)		1,249,089
			(602,803)		1,249,093

The financial statements were approved by the Board of Directors and authorised for issue on 11 July 2019.

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D K Rastegar
Director

The notes on pages 9 to 15 form part of these financial statements.

1 Accounting policies

Development Loans Limited is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the Report of the Directors.

These financial statements are the first financial statements prepared under FRS 102

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been consistently applied:

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of CPC Treasury Holdings Limited as at 31 March 2019 and these financial statements may be obtained from CPC Treasury Holdings Limited at 35 Great St. Helen's, London, EC3A 6AP.

Going concern

The directors confirm that having reviewed the company's cash requirements for the next 12 months, they have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as and when they fall due for the foreseeable future. For this reason they have adopted the going concern basis in preparing these financial statements. The directors have received assurances from the ultimate parent company, CPC Group Limited that it will continue to support the company for at least 12 months from the date of these financial statements.

Interest and similar income

Interest and similar income represents the amounts derived from the arranging of loans, the interest earned on those loans and, in certain circumstances, fees paid on the redemption of loans.

Interest income on loans is recorded at amortised cost and calculated using the effective interest method which allocates interest, and loan origination fees, over the expected lives of the assets. The effective interest method requires the company to estimate future cash flows, in some cases based on its experience of customers' behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the trade receivables. Default fees and interest are charged to customers when they fail to make a repayment within the agreed loan period. Such fees and interest are recognised using an effective interest method.

Finance costs

Finance costs are charged to the Income Statement 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.

1 Accounting policies *(continued)*

Bad debt expenses

Bad debt expenses comprises the impairment charge for loan advances which have been previously recognised, but for which the customer is subsequently in default, or there is a decrease in the likelihood of full recovery. Loans are assessed for bad debt on an individual loan by loan basis and therefore there is no requirement for collective provisioning.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities. The company classifies its financial assets into the following categories: cash and cash equivalents, prepayments and loans and advances. The classification is determined by management upon recognition, and is based on the purpose for which the financial assets were acquired.

Financial assets are recognised on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. Debt instruments, such as loans and other accounts receivable and payable, are initially measured at fair value and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, 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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially at fair value and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

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 Income and Retained Earnings. 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, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

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 3 months. 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.

Debtors

Loans and advances are amounts due from customers for short term loans issued in the ordinary course of business. On initial recognition they are measured at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment. Subsequent recovery of amounts previously impaired is credited to the Statement of Income and Retained Earnings. Other debtors are measured at transaction price less impairment.

1 Accounting policies *(continued)*

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

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.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in Interest and similar income and Interest and similar expenses.

Derecognition of financial liabilities

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except where a change attributable to an item of income or 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 reporting date in the countries where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- 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;
- 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Reserves

Profit and loss account

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

Called up share capital

This represents the nominal value of shares issued.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements and other key sources of estimation uncertainty included:

Loans and advances

Loans and advances are regularly considered for possible impairment losses, which require the company to make best estimates of probable losses inherent in the portfolio. Such estimate requires consideration of historical loss experience, adjusted for current conditions, and judgements about the probable effects of relevant observable data, including present economic conditions such as default rates, financial health of specific customers, collateral values, and the present and expected future levels of interest rates.

The company's risk management process, which includes standards and policies for reviewing major risk exposures and concentrations, ensures that relevant data are identified and considered either for individual loans, or on a portfolio basis, as appropriate. The company considers a loan where there is risk of capital loss and/or where there may be a requirement to control the underlying collateral to be a non-performing loan.

3 Interest and similar income

Interest and similar income, which wholly arose in the United Kingdom, represents the amounts derived from the arranging of loans, the interest earned on those loans and, in certain circumstances, fees paid on the redemption of loans. Interest income is recognised over the life of the loan using an effective interest method.

4 Operating loss / profit

Operating loss / profit is stated after charging:	**2019**	**2018**
	£	**£**
Fees payable to the company's auditor		
- Audit fees	-	28,000

Audit fees were paid by the parent company CPC Treasury Holdings Limited, totalling £15,000 for the year

5 Interest and similar expenses

	2019	**2018**
	£	**£**
Loan interest and fees payable	2,359,089	2,814,147

6 Taxation on profit on ordinary activities

	2019	2018
	£	£
UK corporation tax		
Current tax on profits of the period	-	-
	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Taxation on profit on ordinary activities	-	-

The tax assessed for the period is lower than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2019	2018
	£	£
(Loss) / Profit on ordinary activities before tax	(1,851,896)	118,946
(Loss) / Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2018: 20%)	(351,860)	22,600
Group relief claimed	146,387	(22,600)
Deferred tax not recognised	205,473	
Taxation on profit on ordinary activities	-	-

The company has UK tax losses of £1,851,896 (2018: nil) available to carry forward and utilise against future profits. Deferred tax assets of £205,473 (2018: nil) have not been recognised in respect of these losses as the timing of their use is uncertain.

Future factors that may affect tax charges

Changes to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2015-16 on 26 October 2015, reducing the effective tax rate from 20% to 19% from April 2017, with a further reduction to 17% from April 2020. Deferred taxes at the Statement of Financial Position date have been measured using these enacted tax rates and reflected in these financial statements.

7 Amounts due after more than one year

	2019	2018
	£	£
Loans and advances	-	5,910,106

8 Amounts due in less than one year

	2019	2018
	£	£
Loans and advances	11,174,478	28,881,972
Impairment	(2,295,077)	-
	8,879,401	28,881,972

Other debtors

	2019	2018
	£	£
Amounts due from group companies	-	79,034

9 Creditors: amounts falling due within one year

	2019	2018
	£	£
Secured loan	-	-
Amount due to group companies	(9,489,001)	(20,612,946)
Accruals and sundry creditors	-	(30,741)
	(9,489,001)	(20,643,687)

10 Creditors: amounts falling after more than one year

	2019	2018
	£	£
Secured loan	-	(13,585,557)

Analysis of the maturity of loans is given below:		
In one year or less, or on demand	-	-
In more than one year but not more than two years	-	-
In more than two years but not more than five years	-	(13,585,557)
	-	(13,585,557)

11 Financial instruments

The company's financial instruments may be analysed as follows:

	2019	2018
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	8,886,198	35,478,337
Financial liabilities		
Financial liabilities measured at amortised cost	(9,489,001)	(34,229,244)

Financial assets measured at amortised cost comprise loan advances, trade debtors and other debtors. Financial liabilities measured at amortised cost comprise trade creditors and other creditors.

12 Share capital

	2019	2018
	£	£
Allotted, called up and fully paid:		
4 ordinary shares of £1 each	4	4

13 Controlling party

The parent company and controlling party, which has interests in 100% of the issued share capital of the company, is CPC Treasury Holdings Limited, a company incorporated in the UK. Throughout the year the ultimate parent company was CPC Group Limited, a company incorporated in Guernsey. The issued share capital of CPC Group Limited is owned by C P Candy, who is therefore the ultimate controlling party.

14 Related party disclosures

In the preparation of these financial statements the directors have taken advantage of the exemption under FRS102 and have not disclosed the details of related party transactions with wholly owned subsidiaries of CPC Treasury Holdings Limited.

15 Contingent liabilities

The company had no contingent liabilities at the year end.

16 Commitments under operating leases

The company had no commitments under non-cancellable operating leases as at the balance sheet date.