

Company Registration No. 11260130

STAR ERRIGAL TOPCO LIMITED

Financial Statements for the year ended 31 December 2022

Pages for filing with the Registrar



Profit and Loss Account
for the year ended 31 December 2022

Officers and Professional Advisers

Directors: A.J. Bindal
L. Carballo

Registered Office: 15th Floor
33 Cavendish Square
London
W1G 0PW

Bankers: Barclays Bank plc
1 Churchill Place
London
E14 5HP

Balance Sheet

as at 31 December 2022

	Note	2022 €	2021 €
Fixed assets			
Investments	7	-	7,048,415
Current assets			
Debtors	8	180,696	180,274
Cash at bank and in hand		41,188	34,298
		221,884	214,572
Creditors: amounts falling due within one year	10	(299,097)	(294,795)
Net current (liabilities)/assets		(77,213)	(80,223)
Total asset less current liabilities		(77,213)	6,968,192
Net assets		(77,213)	6,968,192
Capital and reserves			
Called up share capital	12	3,590,777	3,590,777
Retained earnings		(3,667,990)	3,377,415
Total shareholders' equity		(77,213)	6,968,192

The notes on pages 4 to 12 form part of these financial statements.

The directors have elected not to present a copy of the Profit and Loss with these financial statements.

Director's Declaration

- For the financial year ending on 31 December 2022 the Company was entitled to an 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.

The financial statements on pages 3 to 12 were approved by the Board of Directors on 21 September 2023 and signed on its behalf by:



L. Carballo
Director

Notes to the Financial Statements

for the year ended 31 December 2022

1. General Information

The Company makes, manages and holds investments on behalf of STAR III.

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 15th Floor, 33 Cavendish Square, London, W1G 0PW.

2. Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom of the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied. The Company has adopted FRS 102 in these financial statements.

(a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets measured at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain accounting estimates. It also requires the directors to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

(b) Going concern

The directors have reviewed the Company's projected profits and have a reasonable expectation that the Company has adequate resources to continue for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

(c) Foreign currency

(i) Functional and presentation currency

The Company's functional and presentation currency is the Euro.

(ii) Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Notes to the Financial Statements (continued) for the year ended 31 December 2022

(d) Revenue recognition

Dividend income is recognised when the Company's right to receive payment is established.

Interest income is recognised using the effective interest rate method.

(e) Taxation

Taxation expense for the year comprises current and deferred tax recognised in the year. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred tax assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of corporation tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been substantively enacted by the year end.

(ii) Deferred tax

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

(f) Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, and cash and bank balances, are initially recognised at transaction cost, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

Other financial assets are initially measured at fair value, which is normally the transaction cost. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the profit and loss account. Financial assets cease to be recognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, and related party loans, are initially recognised at transaction cost, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Notes to the Financial Statements (continued) for the year ended 31 December 2022

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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 cost and subsequently measured at amortised cost using the effective interest method.

Financial liabilities cease to be recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right, and intention, 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.

(f) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(g) Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

The Company has classified its investment as held exclusively with a view to subsequent resale. The investment is held as part of an investment portfolio as its value to the shareholders of the Company is at fair value as part of a basket of investments, rather than a media through which the shareholders carry out business.

(b) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below

(i) Fair value of investments not quoted in an active market

The fair values of securities that are not quoted in an active market are determined by using valuation techniques, primarily earnings multiples, recent comparable transactions and discounted cash flows. The model used to determine fair value is validated and periodically reviewed by STAR Capital Partnership LLP, the Manager of STAR III. The Manager uses a model to adjust the observed equity returns to reflect the actual debt/equity financing structure of the equity investment being valued.

Models use observable data, to the extent practicable, and unobservable data, which carries a degree of judgement. However, areas such as volatility and correlation require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair value of the investment.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

5. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows from financial instruments will change due to changes in variables such as interest rates, foreign exchange, or price.

(i) Interest rate risk

The Company is subject to interest rate risk due to fluctuations in the prevailing level of market interest rates. The Company has no direct exposure to interest rate risk as the interest rate on all loans advanced to management is fixed. However, the Company may be indirectly affected by the impact of interest rate changes on the earnings of the companies in which the Company invests, which could impact the value of its investments.

The table below summarises the Company's exposure to interest rate risk. It includes the Company's liabilities at fair value, categorised by the earlier of contractual re-pricing or maturity date.

(ii) Foreign exchange risk

Foreign currency risk arises as the value of recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The Company has liabilities denominated in currencies other than the functional currency (Euro). It is therefore exposed to currency risk, because the value of the financial instruments denominated in other currencies will fluctuate due to changes in exchange rates.

As at 31 December, the foreign currency exchange rates applied were as follows:

	2022	2021
British pound	0.8868	0.8398

The table below summarises the Company's assets and liabilities, monetary and non-monetary, which are denominated in a currency other than the Euro.

	GBP 2022	GBP 2021
At 31 December	€	€
Accruals	9,304	5,002

As at 31 December 2022, if the exchange rate between the British pound and the Euro had increased or decreased by 10% compared to the actual rate of 0.8868 (202: 0.8398), with all other variables held constant, the increase or decrease respectively in net assets and profit would amount to approximately €930 (2021: €500).

(iii) Price risk

The Company's investment is susceptible to market price risk arising from uncertainties about future values of those instruments. To manage this risk the Manager of STAR III provides the Company with recommendations. The Manager's recommendations are reviewed and approved by the directors before investment decisions are implemented. The directors' review management information from the investment on a quarterly basis and are in regular contact with management for business and operational matters.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

At 31 December, the fair value of financial assets exposed to price risk were as follows:

	2022 €	2021 €
Financial assets measured at fair value	-	7,048,415

The investment is valued using discounted cash flows (2021: discounted cash flow).

As at 31 December 2022, had the discount rate increased or decreased by 1% compared to those used, with all other variables held constant the net assets attributable to shareholders would remain unchanged (2021: decrease by €3,734,689 or increase by €4,666,993, respectively).

(b) Credit risk

The Company takes on exposure to credit risk, which is the risk that one party will cause a financial loss to the other party by failing to discharge an obligation. The Company is exposed to the risk of non-payment of debt instruments, debtors balances or the interest due on debt instruments.

The Company has no significant concentration to credit risk. The Company assesses all counterparties for credit risk before contracting with them. Cash transactions are limited to financial institutions with high credit ratings.

As at 31 December, the maximum exposure to credit risk is the carrying amount of the financial assets set out below.

	2022 €	2021 €
Prepayments and accrued income	8,196	7,774
Other debtors	133,450	133,450
Amounts due from related parties	39,050	39,050
Cash at bank and in hand	41,188	34,298

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Company invests in relatively illiquid investments. As a result, the Company might not be able to liquidate its investments quickly at an amount close to their fair value in order to meet significant unplanned liquidity requirements. Ultimate responsibility for liquidity risk management rests with the directors. The Company manages liquidity risk by regularly monitoring forecast and actual cash flows, including checking how actual cash flows compare with the previous forecast.

The table below analyses the Company's financial liabilities into relevant maturity groupings, based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. At present, the Company has no immediate plans to exit any of its positions.

	Less than 1 month	1 - 12 months	More than 12 months
At 31 December 2022	€	€	€
Accruals	-	9,304	-
Amounts due to related parties	-	289,793	-

Notes to the Financial Statements (continued)
for the year ended 31 December 2022

	Less than 1 month	1 - 12 months	More than 12 months
At 31 December 2021	€	€	€
Accruals	-	5,002	-
Amounts due to related parties	-	289,793	-

(d) Capital risk management

The Company's objective when managing capital is to safeguard the ability to continue as a going concern in order to provide returns for shareholders and to maintain a strong capital base to secure above base case returns from the investment activities of the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder, return capital to shareholders or issue new shares.

(e) Fair value estimation

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Company's financial assets (by class) measured at fair value at 31 December. All fair value measurements disclosed are recurring fair value measurements.

	Level 1 €	Level 2 €	Level 3 €
At 31 December 2022			
Assets			
Financial assets measured at fair value			
- Equity securities	-	-	-
Total assets measure at fair value	-	-	-
At 31 December 2021			
Assets			
Financial assets measured at fair value			
- Equity securities	-	-	7,048,415
Total assets measure at fair value	-	-	7,048,415

Notes to the Financial Statements (continued)
for the year ended 31 December 2022

6. Employees and Directors

The Company does not have any employees.

The remuneration of the directors is paid by STAR Capital Partnership LLP which makes no recharge to the Company. The directors are partners of STAR Capital Partnership LLP and directors of a number of affiliated companies, and it is not possible to make an accurate apportionment of their remuneration in respect of each of the entities. Accordingly, the director's remuneration is included in the aggregate of members' and staff remuneration disclosed in the financial statements of the STAR Capital Partnership LLP.

7. Investments

	2022 €	2021 €
At 1 January	7,048,415	10,893,522
Disposals	-	(24,500)
Unrealised gains/(losses) on investments	(7,048,415)	(3,820,607)
At 31 December	-	7,048,415
	2021 €	2020 €
At 1 January	10,893,522	7,119,957
Additions	-	-
Disposals	(24,500)	(3,000)
Unrealised gains on investments	(3,820,607)	3,776,565
At 31 December	7,048,415	10,893,522

Investments consist of 3,525,000 (2021: 3,525,000) ordinary shares at €1 each in STAR Errigal Midco Limited.

8. Debtors

	2022 €	2021 €
Other debtors	133,450	133,450
Amounts due from related parties	39,050	39,050
Prepayments and accrued income	8,196	7,774
	180,696	180,274

Notes to the Financial Statements (continued)
for the year ended 31 December 2022

9. Subsidiaries and related undertakings

The list of subsidiaries and other related undertakings is as follows:

Name	Address of the registered office	Nature of business	Interest
STAR Errigal Midco Limited	Unit 4 Westgate Business Park, Ballymount, Dublin 24	Investment holding company	100% ordinary shares
STAR Errigal Bidco DAC	Unit 4 Westgate Business Park, Ballymount, Dublin 24	Investment holding company	93% ordinary shares
Hazeltine Holdings Limited	Unit 4 Westgate Business Park, Ballymount, Dublin 24	Investment holding company	93% ordinary shares
Sonoma Valley Limited	Unit 4 Westgate Business Park, Ballymount, Dublin 24	Cash in transit business	93% ordinary shares

The Company's investment in STAR Errigal Midco Limited is direct ownership, all other investments are indirect ownership.

The Company has classified its investments as held exclusivity with a view to subsequent resale and has not consolidated the subsidiary undertakings. The investments are held as part of an investment portfolio as their value to the shareholders of the Company is through fair value as part of a basket of investment rather than a media through which the shareholders carry out business.

10. Creditors: amounts falling due within one year

	2022 €	2021 €
Amounts owed to related parties	289,793	289,793
Accruals	9,304	5,002
	299,097	294,795

Amounts due to related parties consists of €143,743 (2021: €143,743) due to STAR Errigal Midco Limited and €146,050 (2021: €146,050) due to STAR III.

11. Financial instruments

The Company had the following financial instruments.

	2022 €	2021 €
Financial assets measured at fair value	-	7,048,415
Financial assets measured at amortised cost		
- Prepayments and accrued income	8,196	7,774
- Other debtors	133,450	133,450
- Amounts owed by related parties	39,050	39,050
Financial liabilities measured at amortised cost		
- Accruals	9,305	5,002
- Amounts owed to related parties	289,793	289,793

Notes to the Financial Statements (continued)
for the year ended 31 December 2022

12. Share capital

Allocated	No.	No.
At 1 January 2022 and 31 December 2022	3,590,777	3,590,777

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends or the repayment of capital.

13. Related party transactions

In December 2020, the Company advanced a loan facility of €172,500 to one of the management team. As at 31 December 2022, €133,450 (2021: €133,450) was outstanding.

14. Controlling parties

The parent entity of the Company is STAR Strategic Assets III LP by virtue of it holding the majority of the shares in the Company.

The ultimate controlling party is STAR Capital Partnership LLP, the Manager of STAR Strategic Assets III LP.