

# **Gledhow Investments plc**

*(incorporated in England and Wales with Company Registration No. 03848331)*

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 SEPTEMBER 2023**

# GLEDHOW INVESTMENTS PLC

## Company Information

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<b>Directors</b>	G R Miller ( <i>Managing Director</i> ) G H Melamet ( <i>Non executive Director</i> )
<b>Secretary</b>	G H Melamet
<b>Company number</b>	03848331
<b>Registered office</b>	3rd Floor 80 Cheapside London EC2V 6EE
<b>Auditor</b>	Wilson Wright LLP Chartered Accountants 5 Fleet Place London EC4M 7RD
<b>Business address</b>	c/o Peterhouse Capital Limited 3rd Floor 80 Cheapside London EC2V 6EE
<b>Bankers</b>	Barclays Bank Plc 35 Notting Hill Gate London W11 3HJ
<b>Registrars</b>	Link Group Central Square 29 Wellington Street Leeds LS1 4DL.

# GLEDDHOW INVESTMENTS PLC

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# **GLEDHOW INVESTMENTS PLC**

## **Managing Director's Statement for the year ended 30 September 2023**

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I have the pleasure in presenting your Company's Annual Report and Financial Statements for the year ended 30 September 2023.

The Directors continue to follow the same investment strategy, namely to invest in small to medium-sized undervalued or fast growing companies, with the investment objective of achieving long term capital growth in excess of the FTSE All Share Index.

The Company had cash of £174,052 at the year-end (2022: £111,937). The pre-tax loss was £285,740 (2022: pre-tax loss of £1,064,259).

In what proved to be a difficult year in the public markets, the market value of the Company's investments declined by £279,655.

The Company has continued to hold positions in AIM, LSE and Aquis Growth Market traded companies, including those companies at early stages of development, and some pre-IPO investments. Of the companies in the portfolio at the year end, the Company held approximately 33% in Aquis Growth Market companies, approximately 51% in AIM and LSE quoted/listed companies, and a remaining small percentage in private companies, having invested on a pre-IPO basis. Whilst the directors continue to caution that there is a historically perceived lack of liquidity generally in Aquis Growth Market traded companies, since the financial year end, the Company has managed to sell down some of the Aquis Growth Market portfolio. As at today's date, the unaudited cash balance is approximately £280,000, after the audit cost.

The Company does not recommend the payment of a dividend for the year end to 30 September 2023.

The Notice of Annual General Meeting is set out at the back of the annual report and accounts.

**G R Miller**  
*Managing Director*

6 February 2024

# GLEDHOW INVESTMENTS PLC

## Strategic Report for the year ended 30 September 2023

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I have pleasure in presenting your company's Strategic Report for the year ended 30 September 2023.

### **Company Strategy**

Your directors continue to follow the same investment strategy, namely to invest in small to medium sized undervalued or fast growing companies, with the investment objective of achieving long term capital growth in excess of the FTSE All Share Index. The directors intend to continue with this same strategy for the foreseeable future.

### **Risks and uncertainties**

The Company's investment strategy which can provide long term growth also has, due to its nature, risks and uncertainties inherent in it. The principal risks being the failure of the companies, thus adversely affecting the Company's growth in the future. Stock markets are currently experiencing a downturn as interest rates rise following sustained increases in the rate of inflation. The risk remains that inflation remains high, or even increases, and that further interest rate rises are needed to tame inflation.

### **Result for year**

Details of the investment strategy are summarised in the Managing Director's Statement on page 1. At the year end, the Company had cash of £174,052 (2022: £111,937). The pre-tax loss was £285,740 (2022: pre-tax loss of £1,064,259).

Despite the uncertain economic environment the Company has a sufficiently liquid portfolio of investee companies that can be sold for cash, and we look forward to being able to take opportunistic investments in small to medium sized undervalued companies as they arise.

### **Key performance indicator**

The key performance indicators are set out below:

The Company predominantly invests in LSE/AIM quoted and other companies quoted on regulated stock exchanges, although it may also hold some unquoted investments.

In light of the decline in the Company's investments, the Directors will continue to monitor the net asset performance relative to other markets, including AIM. It is noted that FTSE AIM 100 Share Price performance has fallen by approximately 13% for the period 1 October 2022 to 30 September 2023.

### **STATEMENT IN ACCORDANCE WITH SECTION 172 OF THE COMPANIES ACT 2006**

The Directors are required to make a statement which describes how they have behaved with regard to the matters set out in Section 172(1) of the Companies Act 2006, namely:

#### **Duty to promote the success of the company**

- (a) the likely consequences of any decision in the long-term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers, and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standard of business conduct;
- (f) the need to act fairly between members of the company.

# **GLEDHOW INVESTMENTS PLC**

## **Strategic Report for the year ended 30 September 2023**

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### **Section 172 Statement**

The Directors insist on high operating standards and fiscal discipline and routinely engage with each other to understand the underlying issues within the organization. Additionally, the Board looks outside the organization at macro factors affecting the business. The Directors consider all known facts when developing strategic decisions and long-term plans, taking into account their likely consequences for the Company. Of particular importance are stock market conditions for small or medium sized companies, demand for their shares and their ability to do follow on capital arisings to develop their businesses.

The Company is committed to the highest levels of integrity and transparency possible with stakeholders.

Stakeholders include: suppliers, government and regulatory agencies, service providers and shareholders. The Board, both individually and together, consider that they have acted in the way they consider would be most likely to promote the success of the Company as a whole. In order to do this, there is a process of dialogue with stakeholders to understand the issues that they might have. Communications with shareholders occur on an ongoing basis and as questions arise.

Integrity is a key tenet for the Company's Directors. We strive to provide our stakeholders with timely and informative responses.

The Board recognises its responsibilities under section 172 as outlined above and has acted at all times in a way consistent with promoting the success of the Company with regard to all stakeholders.

**G R Miller**

*Managing Director*

6 February 2024

# GLEDHOW INVESTMENTS PLC

## Directors' Report for the year ended 30 September 2023

The directors present their report and financial statements for the year ended 30 September 2023.

### Principal activities and review of the business

The principal activity of the Company continued to be that of dealing in shares of small to medium sized companies.

A review of the Company's business can be found in the Managing Director's Statement on page 1 and in the Strategic Report on page 2 of these accounts.

### Results and dividends

The results for the year are set out on page 11. No dividends were paid in the year.

### Directors

The following directors have held office since 1 October 2022:

G R Miller  
G H Melamet

### Directors' interests

The directors' interests in the shares of the Company were as stated below:

	<i>Ordinary shares of 1p each</i>	
	<i>30 September 2023</i>	<i>1 October 2022</i>
G R Miller	264,700	264,700
G H Melamet	500,000	500,000

### Substantial Shareholdings

In addition to the directors' shareholdings above, the directors have been notified or are aware of the following interest of 3% or more of the ordinary share capital with voting rights of the Company as at 15 January 2024. The percentage below excludes shares held in treasury.

	<i>Ordinary shares of 1p each</i>	
	<i>Number</i>	<i>Percentage</i>
C Rowan*	41,030,559	46.83%
Thomas Grant Nominees Limited	12,123,804	13.84%
Burns Singh Tennent-Bhoji	8,060,000	9.20%
Stifel Nicolaus Europe Limited	7,962,286	9.09%
Monecor (London) Limited	2,857,136	3.26%

\* Of the above 41,030,559 shares, 7,000,000 shares are held by Sunvest Corporation Limited a company controlled by C Rowan.

### Auditors

In accordance with the Company's articles, a resolution proposing that Wilson Wright LLP be reappointed as auditors of the Company will be put to the Annual General Meeting.

### Energy and carbon report

As the Company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

# GLEDHOW INVESTMENTS PLC

## Directors' Report for the year ended 30 September 2023

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### **Directors' responsibilities**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable laws 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 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 of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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.

### **Statement of disclosure to auditor**

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board

**G R Miller**

*Director*

6 February 2024



## Independent Auditors' Report to the Members of Gledhow Investments Plc for the year ended 30 September 2023

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### **Opinion**

We have audited the financial statements of Gledhow Investments Plc (the “company”) for the year ended 30 September 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 *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 30 September 2023 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 as applied to listed entities, 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.

### **An overview of the scope of our audit**

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole, taking into account an understanding of the structure of the company, its activities, the accounting processes and controls, and the industry in which they operate. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement. During the audit we reassessed and re-evaluated audit risks and tailored our approach accordingly.

The audit testing focussed on substantive testing on significant transactions, balances and disclosures.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identified during the audit.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Independent Auditors' Report to the Members of Gledhow Investments Plc for the year ended 30 September 2023

### Our assessment of risks of material misstatements

We identified the following risks of material misstatement that we believe had the greatest impact on our overall audit strategy and scope, the allocation of resources in the audit, and directing the efforts of the team. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence, completeness and valuation of investments held for resale</i></p> <p>There is a risk that investments held by the company may be misstated where acquisitions or disposals have not been recorded on the company's investment portfolio.</p> <p>There is also a risk that the fair value of investments held by the company may be misstated in the financial statements, including warrants and unlisted investments where the valuation is based on significant judgement and assumptions.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• testing a sample of acquisitions and disposals in the year to supporting documentation received from the company's brokers to confirm that investments recorded by the company existed;</li> <li>• for the valuation of listed investments held at the year-end, we confirmed their valuation by reference to quoted market prices,</li> <li>• for the valuation of unlisted investments and warrants prepared by management, we confirmed their valuation to relevant supporting documentation and considered if the directors had given adequate consideration to any potential impairment.</li> </ul> <p><b>Key observation</b></p> <p>Our testing did not identify any material misstatements in the valuation of the Company's investment portfolio as at the year end.</p>
<p><i>Completeness of dividend income</i></p> <p>There is a risk that dividend revenue receivable by the company may not have been included in the company's accounting records.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• reviewing the market announcements of companies in which shares are held to determine if any additional dividends had been paid in the year.</li> </ul> <p><b>Key observation</b></p> <p>We did not note any additional dividend payments that should have been received by the company in the year.</p>

### Our application of materiality

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements.

We define financial statement materiality as the magnitude by which misstatements, including omissions, could influence the economic decisions taken on the basis of the financial statements by reasonable users.

## Independent Auditors' Report to the Members of Gledhow Investments Plc for the year ended 30 September 2023

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### **Our application of materiality (continued)**

We also determine a level of performance materiality which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Overall materiality	We determined materiality for the financial statements as a whole to be £35,500.
How we determined it	Based on the main key indicator, being 2.5% of gross assets.
Rationale for benchmarks applied	We believe gross asset values are the most appropriate benchmark due to the size and nature of the company.
Performance materiality	On the basis of our risk assessment, together with our assessment of the company's control environment, our judgement is that performance materiality for the financial statements should be 75% of materiality, amounting to £26,625.
Reporting threshold	1% of materiality amounting to £355.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included assessing the directors' plans for the future, confirming investment and cash balances, together with fixed operating costs for the foreseeable future.

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 directors with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are 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.

## Independent Auditors' Report to the Members of Gledhow Investments Plc for the year ended 30 September 2023

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### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or the directors' 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 set out on page 5, 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.

### **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 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.

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.

## Independent Auditors' Report to the Members of Gledhow Investments Plc for the year ended 30 September 2023

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### *Capability of the audit in detecting irregularities, including fraud:*

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the failure to comply with tax regulations, anti-bribery and anti-corruption laws. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the auditors included:

- Discussions with the directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Identifying and testing manual journal entries, in particular any journal entries posted with unclear rationale.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on 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 part 3 of Chapter 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.

**Nikki Crane FCA (Senior Statutory Auditor)**

**for and on behalf of Wilson Wright LLP**

Chartered Accountants and Statutory Auditor

5 Fleet Place

London

EC4M 7RD

6 February 2024

# GLEDHOW INVESTMENTS PLC

## Statement of Comprehensive Income for the year ended 30 September 2023

		2023	2022
	Notes	£	£
Turnover	3	974,578	1,017,032
Cost of sales		(1,191,452)	(2,010,355)
Gross (loss)/profit		(216,874)	(993,323)
Administrative expenses		(73,329)	(70,936)
Operating loss		(270,203)	(1,064,259)
Interest receivable and similar income		4,463	–
(Loss) before taxation	4	(285,740)	(1,064,259)
Taxation	7	–	159,911
(Loss) for the financial year		(285,740)	(904,348)
Total comprehensive (loss)/income for the year		(285,740)	(904,348)
Basic (loss) per share (pence)	8	(0.33)p	(0.99)p
Diluted (loss) per share (pence)	8	(0.33)p	(0.99)p

The income statement has been prepared on the basis that all operations are continuing operations.

# GLEDHOW INVESTMENTS PLC

## Statement of Financial Position as at 30 September 2023

	<i>Notes</i>	2023 £	2022 £
<b>Current assets</b>			
Investments held for resale	10	1,208,267	1,440,043
Debtors	11	50,000	165,059
Cash at bank and in hand		174,052	111,937
		<u>1,432,319</u>	<u>1,717,039</u>
<b>Creditors: amounts falling due within one year</b>	12	(19,906)	(18,886)
<b>Net current assets and total assets less current liabilities</b>		<u>1,412,413</u>	<u>1,698,153</u>
<b>Capital and reserves</b>			
Called up share capital	13	975,714	975,714
Share premium account		384,408	384,408
Profit and loss account		52,291	288,063
Other reserve		–	49,968
<b>Shareholders' funds – equity interests</b>		<u>1,412,413</u>	<u>1,698,153</u>

The financial statements were approved by the Board and authorised for issue on 6 February 2024.

**G R Miller**

*Director*

Company No. 03848331

# GLEDHOW INVESTMENTS PLC

## Statement of Changes in Equity for the year ended 30 September 2023

	<i>Notes</i>	<i>Share capital £</i>	<i>Share premium £</i>	<i>Profit and loss reserve £</i>	<i>Other reserve £</i>	<i>Total £</i>
Balance at 1 October 2021		975,714	384,408	1,366,546	49,968	2,776,636
<b>Year ended 30 September 2022:</b>						
Loss for the year		–	–	(904,348)	–	(904,348)
Total comprehensive loss for the year		–	–	(904,348)	–	(904,348)
Share buy back held in treasury		–	–	(174,135)	–	(174,135)
<b>Balance at 30 September 2022</b>		<b>975,714</b>	<b>384,408</b>	<b>288,063</b>	<b>49,968</b>	<b>1,698,153</b>
<b>Year ended 30 September 2023:</b>						
Loss for the year		–	–	(285,740)	–	(285,740)
Total comprehensive loss for the year		–	–	(285,740)	–	(285,740)
Transfer of share-based payment reserve on lapsed warrants	14	–	–	49,968	(49,968)	–
<b>Balance at 30 September 2023</b>		<b>975,714</b>	<b>384,408</b>	<b>52,291</b>	<b>–</b>	<b>1,412,413</b>



# GLEDHOW INVESTMENTS PLC

## Statement of Cash Flows for the year ended 30 September 2023

	<i>Notes</i>	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash used in operations	15	(117,209)	(1,448)
Taxation received/(paid)		159,959	(160,010)
<b>Net cash inflow/(outflow) from operating activities</b>		<u>42,750</u>	<u>(161,458)</u>
<b>Investing activities</b>			
Proceeds from disposal of investments		974,578	1,017,032
Purchase of investments		(959,676)	(1,094,145)
Interest received		4,463	–
<b>Net cash generated from/(used in) investing activities</b>		<u>19,365</u>	<u>(77,113)</u>
<b>Financing activities</b>			
Share buy back – held in treasury		–	(174,135)
<b>Net cash (used in) financing activities</b>		<u>–</u>	<u>(174,135)</u>
Net increase/(decrease) in cash and cash equivalents		62,115	(412,706)
Cash and cash equivalents at beginning of year		111,937	524,643
<b>Cash and cash equivalents at end of year</b>		<u><u>174,052</u></u>	<u><u>111,937</u></u>
<b>Relating to:</b>			
<b>Cash at bank and in hand</b>		<u><u>174,052</u></u>	<u><u>111,937</u></u>

# GLEDHOW INVESTMENTS PLC

## Notes to the Financial Statements for the year ended 30 September 2023

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### 1 Accounting policies

#### *Company information*

Gledhow Investments plc is a public limited company incorporated in England and Wales and is quoted on the Aquis Stock Exchange. The registered office is 3rd Floor, 80 Cheapside, London, EC2V 6EE.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include certain investments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The investment portfolio is made up of listed as well as unlisted investments. If the entity was to dispose of the listed investments, there would be sufficient liquidity to cover the liabilities of the entity for a period of at least twelve months from the date of this report. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable from the sale of shares in investments in the normal course of business, and is shown net of sales related taxes.

Revenue from the sale of shares in investments is recognised when the significant risks and rewards of ownership of the shares have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from dividends from investments is recognised when the amount of revenue can be measured reliably.

#### 1.4 Investments held for resale

Investments in non-cumulative preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company’s statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

# GLEDHOW INVESTMENTS PLC

## Notes to the Financial Statements for the year ended 30 September 2023

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### ***Basic financial assets***

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

### ***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

### ***Impairment of financial assets***

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

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

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

### ***Derecognition of financial assets***

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

### ***Classification of financial liabilities***

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

### ***Basic financial liabilities***

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

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

### ***Derecognition of financial liabilities***

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

# GLEDDHOW INVESTMENTS PLC

## Notes to the Financial Statements for the year ended 30 September 2023

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### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.9 Share based payment transactions

The company recognises the cost of share based payments relating to equity-settled options granted to directors and employees for the issue of warrants. The fair value of equity-settled share based payments is determined at the date of grant using the Black-Scholes option pricing model and is recognised in profit and loss in the year that the warrants are issued as the warrants have no vesting period.

### 1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

## 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# GLEDHOW INVESTMENTS PLC

## Notes to the Financial Statements for the year ended 30 September 2023

### *Investments held for resale*

The directors review investments held for resale at the year-end in order to ensure that they are valued at fair value by reference to readily available market prices where investments in shares are traded. Where an investment is not traded, and fair value cannot be readily determined, the directors review the investment for any indicators of impairment by reference to other information.

### 3 Turnover

An analysis of the company's turnover is as follows:

	2023	2022
	£	£
<b>Turnover</b>		
Consideration from sales of investments	974,578	1,017,032
	<u>974,578</u>	<u>1,017,032</u>

The total turnover of the Company for the year has been derived in the United Kingdom.

### 4 (Loss) before taxation

(Loss) before taxation is stated after charging/(crediting):

	2023	2022
	£	£
<b>Audit services</b>		
Fees payable to the company's auditors for the audit of the company's annual accounts	18,600	16,800
<b>Non audit services</b>		
Other services	2,340	2,100
Total auditors remuneration	<u>20,940</u>	<u>18,900</u>
(Profit)/loss on disposal of investments	(62,781)	72,666
Fair value loss on investments	<u>279,655</u>	<u>920,657</u>

### 5 Employees

#### Number of employees

There was one employee during the year apart from the directors and the company secretary.

	2023	2022
	£	£
<b>Employment costs</b>		
Wages and salaries	20,000	20,422
Social security costs	248	296
	<u>20,248</u>	<u>20,718</u>

### 6 Directors' emoluments

#### Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows:

	2023	2022
	£	£
Emoluments for qualifying services	<u>20,800</u>	<u>20,800</u>

The above includes fees of £10,800 (2022: £10,800) charged by a company controlled by G Melamet for director services.

# GLEDHOW INVESTMENTS PLC

## Notes to the Financial Statements for the year ended 30 September 2023

### 7 Taxation

	2023 £	2022 £
Domestic current year tax		
Total current tax (credit)/charge	–	(159,911)
Factors affecting the tax charge for the year		
(Loss) on ordinary activities before taxation	(285,740)	(1,064,259)
(Loss) on ordinary activities before taxation multiplied by the small company rate of UK corporation tax of 25% (2022: 19%)	(71,435)	(202,209)
Effects of:		
Unutilised tax losses carried forward	71,435	42,250
Adjustment in respect of prior years	–	48
Current tax charge/(credit)	–	(159,911)

The company has unutilised tax losses amounting to £508,108 (2022: £222,368) at the year end.

An increase in the UK corporation tax main rate from 19% to 25% for the financial year beginning 1 April 2023 was substantially enacted on 24 May 2021.

### 8 Earnings per ordinary share

	2023	2022
Weighted average number of ordinary shares in issue (which excludes the treasury shares held by the company)	87,622,344	91,767,796
(Loss) for the year	(285,740)	(904,348)
Basic (loss) per share (pence)	(0.33)p	(0.99)p
Diluted (loss) per share (pence)	(0.33)p	(0.99)p

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares, which amounted to 87,622,344 (2022: 91,767,796). Outstanding options of nil (2022: 6,000,000) with an exercise price of 1p and options of nil (2022: 24,285,714) with an exercise price of 3p have been excluded from the diluted loss per share as they have lapsed during the year. The Company's share price at 30 September 2023 was 1.03p.

### 9 Financial instruments

The Company raises finance through equity issues and places surplus cash on short term deposits, in addition to its principal activity of dealing. The Company has no borrowing facilities. The main risk associated with the company's financial instruments is market price risk. The policies for managing this risk are kept under review by the directors.

	2023 £	2022 £
<b>Carrying amount of financial assets</b>		
Equity instruments measured at fair value through profit or loss	1,016,628	1,314,843
Equity instruments measured at cost less impairment	191,639	125,200
Cash at bank and in hand	174,052	111,937
Debt instruments measured at amortised cost	50,000	–
	<u>1,432,319</u>	<u>1,551,980</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>19,906</u>	<u>18,886</u>

# GLEDHOW INVESTMENTS PLC

## Notes to the Financial Statements for the year ended 30 September 2023

### a) *Interest rate profile of financial assets*

At 30 September 2023 the Company had sterling cash deposits of £174,052 (2022: £111,937), earning variable rates of interest. These cash deposits were established from proceeds from issues of shares and from disposal of current asset investments. The principal purpose of these cash funds is to assist in the development and expansion of the Company's investment activities.

### b) *Fair value of financial assets*

The fair value of the Company's investments in securities at 30 September 2023 was £1,208,267 (2022: £1,440,043) which is £279,655 lower (2022: £920,657 lower) than the prior year fair value.

The fair value of the Company's other recorded financial assets does not materially differ from their book values.

### c) *Foreign currency risk*

The Company has limited exposure to investments held outside of the United Kingdom denominated in other currencies.

### d) *Financial risk management and treasury policies*

The directors recognise that this is an area in which they may need to develop specific policies should the Company become exposed to wider financial risks as the business develops.

## 10 Investments held for resale

	2023	2022
	£	£
Listed investments – at fair value	1,016,628	1,314,843
Unlisted investments – at cost less impairment	191,639	125,200
	<u>1,208,267</u>	<u>1,440,043</u>

The fair value of listed investments, which are all traded in active markets, was determined with reference to the quoted market price at the reporting date.

## 11 Debtors

	2023	2022
	£	£
Prepayments	–	5,100
Other debtors	50,000	–
Corporation tax receivable	–	159,959
	<u>50,000</u>	<u>165,059</u>

## 12 Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals	19,906	18,886
	<u>19,906</u>	<u>18,886</u>

# GLEDDHOW INVESTMENTS PLC

## Notes to the Financial Statements for the year ended 30 September 2023

### 13 Share capital

	2023	2022
	£	£
Allotted, called up and fully paid 97,571,428 (2021: 97,571,428) Ordinary shares of 1p each	<u>975,714</u>	<u>975,714</u>

During the prior year ended 30 September 2022, the company bought back 9,949,084 Ordinary shares of 1p each in the company, to be held in treasury, at 1.75 pence per share.

### 14 Share warrants and share-based payments

Details of the Company's share warrants outstanding at 30 September 2023 are as follows:

	<i>Number of warrants</i>
Outstanding at 1 October 2022	30,285,714
Lapsed during the year	<u>(30,285,714)</u>
Outstanding at 30 September 2023	<u>–</u>

### 15 Cash used in operations

	2023	2022
	£	£
(Loss) for the year after tax	(285,740)	(904,348)
Adjustment for:		
(Profit)/loss on disposal of investments	(62,781)	72,666
Fair value loss on investments	279,655	920,657
Interest receivable and similar income	(4,463)	–
Taxation (credit)/charge	–	(159,911)
<b>Movements in working capital:</b>		
Increase/(decrease) in creditors within one year	1,020	(33,868)
(Increase)/decrease in debtors	<u>(44,900)</u>	<u>103,356</u>
<b>Cash used in operations</b>	<u><u>(117,209)</u></u>	<u><u>(1,448)</u></u>

### 16 Related party transaction

The Company was charged fees of £10,800 (2022: £10,800) by a company controlled by G Melamet for Director Services. Listed Investments – at fair value as disclosed in Note 10 includes an investment in a company at which G Miller is a Director. The fair value of the investment at 30 September 2023 was £83,250 (2022: £153,550).

### 17 Control

Carol Rowan owns 34.8% of the issued shares. A further 7.2% of the issued shares are owned by Sunvest Corporation Limited, a company listed on the Australian Stock Exchange, which is controlled by C Rowan.



# GLEDHOW INVESTMENTS PLC

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Gledhow Investments plc (“the Company”) will be held at 3.00 pm on 1 March 2024 at the offices of Peterhouse Capital Limited, 3rd Floor, 80 Cheapside, London, EC2V 6EE to consider the following resolutions of which numbers 1 to 5 will be proposed as ordinary resolutions and numbers 6 and 7 as special resolutions:

1. To receive the annual report and accounts for the year ended 30 September 2023.
2. To re-elect G H Melamet as a director of the Company.
3. To re-elect G R Miller as a director of the Company.
4. To re-appoint Wilson Wright LLP as auditors of the Company and to authorise the directors to fix their remuneration.
5. To consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution:

That the directors be generally and unconditionally authorised under section 551 of the Companies Act 2006 (the Act) to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company on and subject to such terms as the directors may determine up to a total nominal amount of £2,000,000, such authority shall expire at the conclusion of the next annual general meeting of the Company after the date of the passing of this resolution unless renewed, varied or revoked by the Company in general meeting. The directors shall be entitled, under this authority, to make at any time prior to the expiry of this authority any offer or agreement which would or might require relevant securities to be allotted after the expiry of this authority.

To consider and, if thought fit, pass the following resolutions as special resolutions:

6. That, subject to the passing of resolution 5 in this notice, the directors be empowered under section 570 of the Companies Act 2006 (“the Act”) to allot equity securities (within the meaning of section 560 of the Act) for cash under the authority given by resolution 5 in this notice as if sub-section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited:
  - (a) to the allotment of equity securities in connection with an offer of such securities to holders of ordinary shares where the equity securities for which ordinary shares are respectively entitled to subscribe are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange; and
  - (b) to the allotment (otherwise than under sub-paragraph (a) above) of equity securities for cash up to a total nominal value of £2,000,000;

and shall expire on the date of the next annual general meeting of the Company, or if earlier, 15 months after the date of passing this resolution, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities under such offer or agreement as if the power conferred by this resolution had not expired.

7. That the Company be generally and unconditionally authorised to make market purchases within the meaning of section 693(4) of Companies Act 2006 (the Act) of its ordinary shares of 1p each in the capital of the Company (“shares”) on such terms and in such manner as the directors may from time to time determine, provided that:
  - (a) the maximum number of shares authorised to be purchased is 13,143,351 being the number representing 15% of the issued ordinary share capital of the Company, excluding ordinary shares held in treasury, at the date of the meeting;
  - (b) the minimum price (exclusive of expenses) which may be paid per share is 1p (being the nominal value per share) and the maximum price which may be paid per share is an amount equal to 20% higher than the average of the middle market quotations per share as derived from the AQSE Growth Market for the fifteen business days immediately preceding the day on which the shares are purchased;
  - (c) the authority shall expire at the conclusion of the next annual general meeting of the Company; and

# GLEDHOW INVESTMENTS PLC

## Notice of Annual General Meeting

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- (d) the Company may make a contract to purchase shares under the authority before the expiry of the authority, and may make a purchase of shares under such contract even though the authority has ended.

By Order of the Board

**G H Melamet**  
*Secretary*

Dated: 6 February 2024

*Registered Office:*

3rd Floor  
80 Cheapside  
London EC2V 6EE

### Notes:

1. Shareholders, their duly appointed representatives or proxies are entitled to attend, speak and vote at the AGM. A shareholder can appoint the Chairman of the meeting or anyone else as their proxy and their proxy need not be a member of the Company. A shareholder may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different ordinary shares. To appoint more than one proxy, the proxy form should be photocopied and completed for each proxy holder. The proxy holder's name should be written on the proxy form together with the number of shares in relation to which the proxy is authorised to act. The box on the proxy form must also be ticked to indicate that the proxy instruction is one of multiple instructions being given. All proxy forms must be signed and, to be effective, must be lodged at the registered office of the company, or emailed to [info@gledhowinvestments.com](mailto:info@gledhowinvestments.com), not later than 48 hours before the time of the meeting or any adjourned meeting.
2. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the Company's register of members on the Company's register of members at 48 hours (excluding non-business days) before the time appointed for the holding of the meeting shall be entitled to vote in respect of the number of shares registered in their names at that time. If the meeting is adjourned by more than 48 hours, then to be so entitled, a shareholder must be entered on the Company's Register of Members at the time which is 48 hours (excluding non-business days) before the time appointed for holding the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.
3. Forms of proxy, together with any power of attorney or other authority under which it is executed or a notarially certified copy thereof, must be completed and, to be valid, must reach the Company's registered office not less than 48 hours (excluding non-business days) before the time appointed for the holding of the meeting.
4. As at the close of business on 2 February 2024, the Company's issued share capital comprised 97,571,428 ordinary shares of 1p each, including 9,949,084 ordinary shares of 1p each held in treasury. Each ordinary share, excluding treasury shares, carries the right to one vote at a general meeting of the Company, and therefore the total number of voting rights in the Company as at the time and date given above is 87,622,344.

