

Filofax Group Limited

Report and Financial Statements

30 April 2014

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COMPANIES HOUSE

Directors

G Presly
G Raw

Secretary

MacRoberts Corporate Services Limited
30 Semple Street
Edinburgh
EH3 8BL

Auditors

Ernst & Young LLP
G1 5 George Square
Glasgow G2 1DY

Bankers

Royal Bank of Scotland
36 St Andrew Square
Edinburgh EH2 2YB

Solicitors

MacRoberts
30 Semple Street
Edinburgh
EH3 8BL

Registered Office

Unit 3
Victoria Gardens
Burgess Hill
West Sussex
RH15 9NB

Registered No. 175064

Directors' report

The directors present their report and financial statements for the 15 months ended 30 April 2014.

Results and dividends

The loss for the 15 months ended 30 April 2014 after taxation amounted to £193,000 (year ended 31 January 2013 – profit of £1,000). The directors do not recommend a final dividend (year ended 31 January 2013 – £nil).

Principal activity, review of business and future developments

The principal activity of the company during the period continued to be that of a parent undertaking of subsidiaries involved in the supply of stationery products. In light of the deterioration in the trading results of the subsidiaries for the period ended 30th April 2014, an impairment review was performed. An impairment loss of £194,000 has been booked in order to reflect this estimated valuation of the carrying value of the investments.

Going concern

The company is an intermediate parent undertaking that did not trade during the period and is unlikely to resume trading activities in the foreseeable future.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Directors

The directors who served the company during the period were as follows:

G Presly

G Raw

Strategic Report

In accordance with section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 no Strategic Report has been presented.

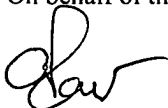
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



G Raw

Director

31 October 2014

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. 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 of 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 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; and
- 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.

Independent auditors' report

to the members of Filofax Group Limited

We have audited the financial statements of Filofax Group Limited for the 15 months ended 30 April 2014 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2014 and of its loss for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

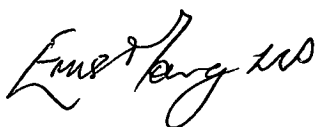
Independent auditors' report

to the members of Filofax Group Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.
- the directors were not entitled to take advantage of the small companies' exemption in not preparing the Strategic Report



James Nisbet (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow
31 October 2014

Profit and loss account

for the 15 months ended 30 April 2014

		<i>15 months ended 30 April 2014</i>	<i>Year ended 31 January 2013</i>
	<i>Notes</i>	<i>£000</i>	<i>£000</i>
Net operating expenses	2	–	–
Exceptional item:			
Impairment of investment	5	194	–
Loss on ordinary activities before taxation		(194)	–
Tax	4	1	1
(Loss)/profit for the financial year	8	(193)	1

All amounts relate to continuing activities.

Statement of total recognised gains and losses

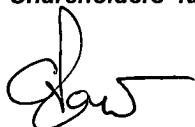
for the 15 months ended 30 April 2014

There are no recognised gains or losses other than the loss attributable to the shareholders of the company of £193,000 in the 15 months ended 30 April 2014 (year ended 31 January 2013 – profit of £1,000).

Balance sheet

at 30 April 2014

		30 April 2014 £000	31 January 2013 £000
	Notes		
Fixed assets			
Investments	5	2,538	2,732
Current assets			
Amounts owed by group undertakings		6,158	6,061
Creditors: amounts falling due within one year	6	(6)	(6)
Net current assets		6,152	6,055
Total assets less current liabilities		8,690	8,787
Creditors: amounts falling due after more than one year			
Amounts owed to group undertakings		(5,309)	(5,213)
Net assets		3,381	3,574
Capital and reserves			
Called up share capital	7	1,256	1,256
Share premium account	8	1,990	1,990
Capital redemption reserve	8	325	325
Profit and loss account	8	(190)	3
Shareholders' funds	8	3,381	3,574



G Raw

Director

31 October 2014

Notes to the financial statements

at 30 April 2014

1. Accounting policies

Basis of preparation

The financial statements of Filofax Group Limited were approved for issue by the Board of Directors on 31 October 2014.

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future and be able to meet its liabilities as they fall due.

These financial statements do not include any adjustments that might arise if the going concern basis for the preparation of the financial statements was not appropriate.

Group financial statements

The financial statements contain information about Filofax Group Limited as an individual company and do not contain group financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare group financial statements.

Statement of cash flows

Under FRS 1 (Revised) the company is exempt from the requirement to produce a statement of cash flows as the parent undertaking, FLB Group Limited, includes the company in its own published group financial statements.

Investments

Fixed asset investments are stated at cost less provision for any impairment.

2. Auditors' remuneration

The auditors' remuneration is included in the financial statements of the company's subsidiary, Filofax Limited, from which the audit fee will be payable.

3. Staff costs

The only employees of the company in the current and prior year were the directors. In the current period the directors received no remuneration for services to the company (year ended 31 January 2013 – £nil).

4. Tax

(a) Tax on loss on ordinary activities

The tax credit is made up as follows:

	<i>15 months ended 30 April 2014 £000</i>	<i>Year ended 31 January 2013 £000</i>
Current tax:		
Adjustment in respect of prior years	(1)	(1)
Tax on loss on ordinary activities (note 4(b))	(1)	(1)

Notes to the financial statements

at 30 April 2014

4. Tax (continued)

(b) Factors affecting tax credit for the period

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 23% (year ended 31 January 2013 – 24.33%). The differences are explained below:

	<i>15 months ended 30 April 2014 £000</i>	<i>Year ended 31 January 2013 £000</i>
Loss on ordinary activities before tax	(194)	–
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (year ended 31 January 2013 – 24.33%)	(45)	–
<i>Effects of:</i>		
Impairment of investment	45	–
Adjustment in respect of prior years	(1)	(1)
Current tax for the period (note 4(a))	(1)	(1)

(c) Factors that may affect future tax charges

The main UK corporation tax rate reduced from 23% to 21% via a 2% reduction at 1 April 2014 and a subsequent 1% reduction will apply from 1 April 2015. The reductions in the corporation tax rates to 21% and 20% were included within the Finance Act that was enacted on 17 July 2013. Deferred tax has been provided at 20% as this is the rate at which timing differences are expected to reverse.

Notes to the financial statements

at 30 April 2014

5. Investments

	<i>Shares in subsidiary undertakings £000</i>	<i>Loans to subsidiary undertakings £000</i>	<i>Total £000</i>
Cost:			
At 1 February 2013 and 30 April 2014	9,828	2,250	12,078
Provision for impairment:			
At 1 February 2013	9,346	-	9,346
Charge for the period	194	-	194
At 30 April 2014	9,540	-	9,540
Net book value:			
At 30 April 2014	288	2,250	2,538
At 1 February 2013	482	2,250	2,732

In light of the deterioration in the trading results of the subsidiaries for the period ended 30th April 2014, an impairment review was performed as at that date. The fair value of the subsidiaries was estimated at £2,538,000. An impairment loss of £194,000 has been booked in order to reflect this estimated valuation of the carrying value of the investments.

The following are the principal subsidiary undertakings of the company as at 30 April 2014. The holdings represent 100% of the issued ordinary share capital of each company:

<i>Company name</i>	<i>Country of incorporation</i>	<i>Principal activity</i>
Filofax Limited	England	Non-trading
Drakes Office Systems Limited	England	Non-trading
Topps of England Limited	England	Non trading
Filofax A/S*	Denmark	Non-trading
Filofax AB*	Sweden	Non-trading
Filofax GmbH	Germany	Distributor of organisers Sourcing of organiser wallets
Filofax Hong Kong Limited*	Hong Kong	
Filofax France SARL*	France	Non-trading
Filofax Italia SRL*	Italy	Distributor of organisers

* Investment held by a subsidiary undertaking.

The company is exempt under s.400 of the Companies Act 2006 from the requirement to prepare group financial statements as the company is a subsidiary of FLB Group Limited, a company registered in Scotland for which group financial statements are prepared.

6. Creditors: amounts falling due within one year

	<i>30 April 2014 £000</i>	<i>31 January 2013 £000</i>
Accruals	6	6

Notes to the financial statements

at 30 April 2014

7. Issued share capital

		30 April 2014		31 January 2013
<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>£000</i>	<i>No.</i>	<i>£000</i>
Ordinary shares of £0.05 each	25,124,059	<u>1,256</u>	25,124,059	<u>1,256</u>

8. Reconciliation of shareholders' funds and movements on reserves

	<i>Called up share capital £000</i>	<i>Share premium £000</i>	<i>Capital redemption reserve £000</i>	<i>Profit and loss account £000</i>	<i>Total share- holders' funds £000</i>
At 1 February 2012	1,256	1,990	325	2	3,573
Profit for the year	–	–	–	1	1
At 1 February 2013	1,256	1,990	325	3	3,574
Loss for the period	–	–	–	(193)	(193)
At 30 April 2014	<u>1,256</u>	<u>1,990</u>	<u>325</u>	<u>(190)</u>	<u>3,381</u>

9. Contingent liabilities

As at 30th April 2014 guarantees have been given by the company for business credit borrowings of £5,040,000 (2013 - £nil) and group company borrowings of £16,181,000 (2013 – £15,740,000).

10. Related party transactions

The company has taken advantage of the exemption available under FRS 8 with regard to the non-disclosure of transactions between group companies.

11. Ultimate parent undertaking and controlling party

The company's intermediate parent undertaking is Letts Filofax Group Limited, a company registered in Scotland.

As at 31 January 2013, the company's ultimate parent undertaking and controlling party was FLB Group Limited, a company registered in Scotland. On 19 April 2013 the entire issued share capital of FLB Group Ltd was acquired by HSGP Investments Ltd, a private company registered in Scotland with share capital and net assets of £4,000,000. Copies of the group financial statements are available from 30 Semple Street Edinburgh EH3 8BL