

SPOT FINANCE LIMITED

Annual Report and Financial Statements

For the year ended 30 June 2014



SPOT FINANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

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SPOT FINANCE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

H.N. Moser
S.P. Baker
G.D. Beckett
M.R. Goldberg
G.A. Jennison (appointed 4 October 2013)

COMPANY SECRETARY

G.D. Beckett (appointed 06 December 2013)
M.J. Ridley (resigned 06 December 2013)

REGISTERED OFFICE

Lake View
Lakeside
Cheshire
Cheadle
United Kingdom
SK8 3GW

PRINCIPAL BANKERS

The Royal Bank of Scotland Plc
Spinningfields
Manchester
M3 3AP

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2014.

PRINCIPAL ACTIVITY, REVIEW OF BUSINESS AND FUTURE PROSPECTS

The principal activity of the company continues to be that of financiers.

The directors consider the results for the year to be satisfactory. The directors do not expect any significant change to the activities of the company.

The company qualifies as small in accordance with the provisions of S382(3) of the Companies Act 2006 and is therefore exempt from the requirement to present an enhanced business review and exemption from preparing a Strategic Report.

RESULTS AND DIVIDENDS

The audited financial statements for the year ended 30 June 2014 are set out on pages 6 to 13. The profit for the year after tax was £8,500 (2013: £59,216 loss).

The directors do not recommend a dividend for the year (2013: £2m).

STATEMENT OF GOING CONCERN

As set out in the Directors' Responsibilities Statement, in preparing these financial statements the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors of the company have considered the company's forecast funding and liquidity positions and applied reasonable sensitivities thereon in order to confirm that the preparation of the company's financial statements on a going concern basis is appropriate.

On the basis that the company has adequate funding as detailed above, together with its current performance and financial position, the directors have a reasonable expectation that the company will have sufficient funding and liquidity facilities to ensure that it will continue in operational existence for the foreseeable future. Accordingly the directors of the company have adopted the going concern basis in preparing financial statements.

DIRECTORS

The directors of the company are set out on page 1. All directors served throughout the year and subsequently thereafter.

DIRECTORS INDEMNITIES

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

AUDIT INFORMATION

In the case of each of the persons who are directors of the company at the date when this report is approved:

- as far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any audit information and to establish that the company's auditor is aware of that information.

This statement is given and should be interpreted in accordance with the provisions of S418(2) of the Companies Act 2006.

SPOT FINANCE LIMITED

DIRECTORS' REPORT (continued)

AUDITOR

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



G.D. Beckett
Company Secretary

2nd October

2014

DIRECTORS' RESPONSIBILITIES STATEMENT

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 accounting estimates that are reasonable and prudent; 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 AUDITOR'S REPORT TO THE MEMBERS OF SPOT FINANCE LIMITED

We have audited the financial statements of Spot Finance Limited for the year ended 30 June 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. 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, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 June 2014 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

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

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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report or in preparing the directors' report.


Peter Birch (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

21/10/2014

SPOT FINANCE LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30 June 2014

	Note	2014 £	2013 £
TURNOVER	2	29,888	40,686
Cost of sales		263	-
GROSS PROFIT		30,151	40,686
Administrative (income)		(12,094)	(168,589)
OPERATING PROFIT/(LOSS)		18,057	(127,903)
Interest receivable and similar income	4	-	108,016
Interest payable and similar charges	4	(7,421)	(1,064)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	10,636	(20,951)
Tax on profit / (loss) on ordinary activities	6	(2,136)	(38,265)
RETAINED PROFIT / (LOSS) FOR THE FINANCIAL YEAR	12	8,500	(59,216)

All activity has arisen from continuing operations.

There were no recognised gains or losses in either year other than the profit / (loss) for that year shown above. Accordingly, a separate statement of total recognised gains and losses has not been presented.

SPOT FINANCE LIMITED

BALANCE SHEET

As at 30 June 2014

	Note	2014 £	2013 £
CURRENT ASSETS			
Debtors			
- due within one year	7	65,618	61,272
- due after one year	7	-	71
Cash at bank and in hand		101,806	292,398
		<u>167,424</u>	<u>353,741</u>
CREDITORS: Amounts falling due within one year	8	(48,891)	(58,466)
NET CURRENT ASSETS		<u>118,533</u>	<u>295,275</u>
CREDITORS: Amounts falling due after one year	9	(31,979)	(217,221)
NET ASSETS		<u>86,554</u>	<u>78,054</u>
CAPITAL AND RESERVES			
Called-up share capital	11	100	100
Profit and loss account	12	86,454	77,954
SHAREHOLDER'S FUNDS	13	<u>86,554</u>	<u>78,054</u>

These financial statements have been prepared in accordance with the special provisions applicable to small companies subject to the small companies regime.

These financial statements of Spot Finance Limited were approved by the Board of Directors and authorised for issue on 2nd October 2014.

Company Registration No. 01998543

Signed on behalf of the Board of Directors

G.D. Beckett

Director

G.A. Jennison

Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable law and United Kingdom accounting standards. The particular accounting policies adopted are described below. They have been applied consistently throughout the current and prior year.

Accounting convention

The company prepares its financial statements under the historic cost convention and on the going concern basis. The directors continue to adopt the going concern basis as disclosed in the Directors' report - Statement of Going Concern.

As permitted by FRS 1 (Revised 1996) "Cash flow statements", the company has not produced a cash flow statement, as it is a wholly owned subsidiary undertaking of Jerrold Holdings Limited which has produced consolidated financial statements that are publicly available.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the Balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Turnover

Turnover consists of interest recoverable on loans. Interest income is recognised on an accruals basis. Other finance related fees receivable are credited to income when the related service is performed.

Provisions for bad and doubtful debts

Specific provisions are made when the directors consider that the recoverability of the advance is in part or in whole doubtful. Provisions for bad and doubtful debts, along with bad debt write-offs, are charged to operating profit as part of administrative expenses.

2. TURNOVER

Turnover, which is wholly derived from within the UK, relates to the principal activity of the company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

3. STAFF COSTS

The company had no employees and paid no directors' emoluments during either year.

Directors' emoluments are borne by a fellow subsidiary company of Jerrold Holdings Limited, Blemain Finance Limited.

4. FINANCE CHARGES

	2014	2013
	£	£
<i>Interest payable and similar charges</i>		
Interest payable on intragroup loans	(4,578)	-
Other interest	(2,843)	(1,064)
	<u>(7,421)</u>	<u>(1,064)</u>

	2014	2013
	£	£
<i>Interest receivable and similar income</i>		
Interest receivable on intragroup loans	<u>-</u>	<u>108,016</u>

5. PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The audit fee was borne by another group undertaking.

6. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES

The tax charge comprises:

	2014	2013
	£	£
Current tax		
UK corporation tax	2,065	-
Adjustment in respect of prior years – UK corporation tax	-	38,159
Total current tax	<u>2,065</u>	<u>38,159</u>
Deferred tax		
Origination and reversal of timing differences	62	102
Effect of changes in tax rates	9	4
Total deferred tax (see note 10)	<u>71</u>	<u>106</u>
Total tax charge on profit / (loss) on ordinary activities	<u><u>2,136</u></u>	<u><u>38,265</u></u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

6. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES (CONTINUED)

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit / (loss) before tax are as follows:

	2014	2013
	£	£
Profit / (loss) on ordinary activities before tax	<u>10,636</u>	<u>(20,951)</u>
Tax on profit / (loss) on ordinary activities at standard UK corporation tax rate of 22.5% (2013: 23.75%)	2,393	(4,976)
Effects of:		
Capital allowances in excess of depreciation	-	(10)
Other timing differences	(60)	(92)
Creation of tax losses	-	5,078
Adjustment in respect of prior years	-	38,159
Current tax charge for year	<u><u>2,333</u></u>	<u><u>38,159</u></u>

The main rate of corporation tax reduced from 23% to 21% from 1 April 2014 resulting in a standard rate of corporation tax for the year to 30 June 2014 of 22.5%.

There is no unprovided deferred tax at the year end (2013: £nil).

7. DEBTORS

	2014	2013
	£	£
Amounts falling due within one year:		
Trade debtors	63,492	61,272
Amounts due from related companies	2,126	-
	<u>65,618</u>	<u>61,272</u>
Amounts falling due after more than one year:		
Deferred taxation (see note 10)	-	71
	<u>-</u>	<u>71</u>
	<u><u>65,618</u></u>	<u><u>61,343</u></u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Corporation tax	2,066	-
Other creditors	46,712	58,466
Other taxes and social security	30	-
Accruals and deferred income	83	-
	<u>48,891</u>	<u>58,466</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014	2013
	£	£
Amounts owed to group undertakings	<u>31,979</u>	<u>217,221</u>

	2014	2013
	£	£
Borrowings are repayable as follows:		
Between one and two years	<u>31,979</u>	<u>217,221</u>

The terms of the intercompany loan result in the balance not being repayable prior to 31 December 2015.

10. DEFERRED TAXATION

	£
Balance at 1 July 2013	71
Charge to profit and loss account	(71)
Balance at 30 June 2014	<u>-</u>

The amounts provided in the financial statements comprising full provision are as follows:

	Provided	Provided
	2014	2013
	£	£
Depreciation in advance of capital allowances	-	-
Other timing differences	<u>-</u>	<u>71</u>
	<u>-</u>	<u>71</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

11. CALLED-UP SHARE CAPITAL

	2014 £	2013 £
Authorised, allotted, called-up and fully-paid 100 ordinary shares of £1 each	100	100

12. PROFIT AND LOSS ACCOUNT

	£
At 1 July 2013	77,954
Retained profit for the financial year	8,500
At 30 June 2014	86,454

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2014 £	2013 £
Opening shareholder's funds	78,054	2,137,270
Retained profit for the financial year	8,500	(59,216)
Dividends paid	-	(2,000,000)
Closing shareholder's funds	86,554	78,054

14. CONTINGENT LIABILITY

As at 30 June 2014 the company's assets were subject to a fixed and floating charge in respect of £35.0m of bank borrowings of the group (2013: £204.5m).

15. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary undertaking of Jerrold Holdings Limited, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" not to disclose transactions with other members of the group headed by Jerrold Holdings Limited.

	Balances due from 2014 £	2013 £
Charles Street Commercial Investments Limited	2,126	-

Company transactions with related parties during the year were as follows:

	2014 £	2013 £
Receipts due from Charles Street Commercial Investments Limited	2,126	-
	2,126	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

16. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of Jerrold Holdings Limited, a company incorporated in Great Britain and registered in England and Wales.

The largest and smallest group of which Spot Finance Limited is a member, and for which group financial statements are drawn up, is that headed by Jerrold Holdings Limited, whose principal place of business is at Lake View, Lakeside, Cheadle, Cheshire, United Kingdom SK8 3GW.

H.N. Moser, a director of Jerrold Holdings Limited, and members of his close family, control the company as a result of controlling directly or indirectly 70% of the voting rights of Jerrold Holdings Limited.