

Registration Number 02685988

# **Guinness Mahon Holdings Limited**

**Report and Financial Statements**  
31 March 2014

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# Guinness Mahon Holdings Limited

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# Guinness Mahon Holdings Limited

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## DIRECTORATE AND CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

A Tapnack  
K McKenna  
B M Johnson  
C Heyworth

### **SECRETARY**

D Miller

### **AUDITOR**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

### **COMPANY REGISTRATION**

Registration Number 02685988  
Registered Office: 2 Gresham Street  
London, EC2V 7QP

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**DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 31 March 2014.

**PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

Its principal activity is that of an investment holding company and it will continue to operate in this capacity for the foreseeable future.

Guinness Mahon Holdings Limited ("the company") has a commitment in respect of a non-cancellable operating lease relating to the annual rental payable on the premises at 2 Gresham Street. Investec Bank plc ("IBP"), a fellow subsidiary company, assumed responsibility from the on-set of the lease to meet the annual obligations under the lease and ensure that all liabilities in respect of the lease are satisfied as and when they fall due. IBP have confirmed that it is their intention to continue to meet this financial commitment for at least twelve months from the date of signing the company's financial statements and after that period until IBP inform the company otherwise.

**RESULTS AND DIVIDENDS**

Other than arranging for the operating lease relating to the annual rental payable on the premises at 2 Gresham Street to be paid the company did not trade during the year under review. The directors do not recommend the payment of a dividend for the year ended 31 March 2014 (2013 – nil).

The directors have taken advantage of the exemptions available in section 414B, Companies Act 2006 from preparing a strategic report.

**DIRECTORS AND THEIR INTERESTS**

The current directors of the company are listed on page 1. Mr S M Burgess resigned as a director and Messrs K McKenna, B M Johnson and C Heyworth were appointed as directors of the company on 28 November 2014. No other person was a director at any time during the year under review.

According to the register of directors' interests, no director holding office at 31 March 2014 had any beneficial interest in the shares of the company during the year.

**DIRECTORS' INDEMNITY AND DIRECTORS' & OFFICERS' LIABILITY INSURANCE**

The company maintains a Directors' and Officers' Liability Insurance policy. In accordance with the company's Articles of Association, the Board may also indemnify a Director from the assets of the company against any costs or liability incurred as a result of their office, to the extent permitted by law. Neither the insurance policy nor any indemnities that may be provided by the company provide cover for fraudulent or dishonest actions by the Directors. However, costs may be advanced to Directors for their defence in investigations or legal actions.

**GOING CONCERN**

On the basis of current financial projections, and the letter of intention to meet the annual obligations under the lease relating to the annual rental payable on the premises at 2 Gresham Street issued by IBP, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly the going concern basis is adopted in the preparation of the financial statements.

**DISCLOSURE OF INFORMATION TO THE AUDITOR**

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 group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors confirm that, to the best of each person's knowledge:

- (a) the financial statements in this report, which have been prepared in accordance with UK GAAP and the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the company;
- (b) and the directors' report includes a fair review of the development and performance of the business and the position of the company together with a description of the principal risks and uncertainties that it faces.

**DIRECTORS' REPORT CONTINUED**

**SUBSEQUENT EVENTS**

The directors confirm that there were no significant events occurring after the balance sheet date to the date of this report that would meet the criteria to be disclosed in the financial statements for the year ended 31 March 2014.

**AUDITOR**

Ernst & Young LLP were appointed as auditors of the company on 8 March 2012. Accordingly Ernst & Young LLP are deemed to be reappointed in accordance with section 487 of the Companies Act 2006.

Signed on behalf of the board

A handwritten signature in black ink, appearing to be 'D Miller', with a long, sweeping horizontal line extending to the right.

D Miller  
Secretary  
9 December 2014

## DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 member of Guinness Mahon Holdings Limited**

We have audited the financial statements of Guinness Mahon Holdings Limited for the year ended 31 March 2014 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 7. 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 member, 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 member 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 member 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 4, 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 Report and Financial Statements 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 31 March 2014 and of its results 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.



Michael-John Albert, (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
London

11th December 2014

# Guinness Mahon Holdings Limited

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## PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2014

	Notes	2014 £	2013 £
Income from group undertaking		7,492,825	7,492,825
Operating lease expenses	6	<u>(7,492,825)</u>	<u>(7,492,825)</u>
<b>Profit on ordinary activities before taxation</b>		-	-
Taxation	3	<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<u>-</u>	<u>-</u>

There are no recognised gains or losses in the current or prior year other than those reflected in the profit and loss account.

The accompanying notes form an integral part of these financial statements.



# Guinness Mahon Holdings Limited

## BALANCE SHEET

at 31 March 2014

	Notes	2014 £	2013 £
<b>CURRENT ASSETS</b>			
Other assets	4	75,333,000	75,333,000
<b>NET ASSETS</b>		<u>75,333,000</u>	<u>75,333,000</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	22,120,090	22,120,090
Share premium account		53,212,910	53,212,910
<b>EQUITY SHAREHOLDER'S FUNDS</b>		<u>75,333,000</u>	<u>75,333,000</u>

The accompanying notes form an integral part of these financial statements.

The financial statements on pages 6 to 10 were approved by the board on 9 December 2014 and signed on its behalf by:



K McKenna  
Director

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2014

### 1. ACCOUNTING POLICIES

#### **Basis of presentation**

The financial statements are prepared in accordance with applicable United Kingdom law and Generally Accepted Accounting Practice and under the historical cost convention and on a going concern basis.

#### **Cash flow statement**

The company is exempt from the requirements to prepare a cash flow statement under Financial Reporting Standard 1 (Revised), because a consolidated cash flow statement is included in the publicly available consolidated financial statements of its ultimate parent company, Investec plc.

#### **Taxation**

Corporation tax payable is provided on taxable profits at the current rate.

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. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Deferred tax is measured at a non-discounted basis at the 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 at the balance sheet date.

#### **Operating lease**

The annual rental payable on the group's non-cancellable operating lease relating to the group's premises are charged to the income statement on a straight line basis over the lease term.

#### **Related party transactions**

The directors have taken advantage of the exemptions available in Financial Reporting Standard 8 from disclosing transactions with related parties which are wholly owned members of the Investec plc Group.

### 2. PROFIT AND LOSS ACCOUNT

The auditor's remuneration which amounts to £3,928 (2013 - £3,037) has been borne by a fellow group undertaking in the current and prior year. The directors were employed and remunerated as directors or executives of Investec plc and its subsidiaries ("the Group") in respect of their services to the Group as a whole and their remuneration has been paid by another Group company in the current and prior year. It is estimated that the remuneration for their services to the company in the year totalled £4,000 (2013 - £4,000).

There were no other items of expenditure requiring disclosure.

The company has no employees (2013 – nil).

# Guinness Mahon Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2014

### 3. TAXATION

	2014 £000	2013 £000
Taxation based on result for the year	-	-

The effective rate for the year is different from the standard rate of UK corporation tax due to the following items:

	2014 £000	2013 £000
Tax on profit on ordinary activities at UK rate of 23% (2013 - 24%)	-	-

The headline rate of UK corporation tax reduced from 24% to 23% on 1 April 2013, and through the enactment of Finance Act 2013, reduced further to 21% from 1 April 2014 and 20% from 1 April 2015. There is no unprovided deferred tax.

### 4. OTHER ASSETS

	2014 £	2013 £
Amounts receivable from parent undertaking	75,333,000	75,333,000

The amounts receivable from the parent undertaking currently bear no interest and are repayable on demand at the request of the company.

### 5. CALLED UP SHARE CAPITAL

	2014 £	2013 £
<b>Authorised</b>		
100,000,000 (2013 – 100,000,000) ordinary shares of £1 each	100,000,000	100,000,000
<b>Allotted, called up and fully paid</b>		
22,120,090 (2013 – 22,120,090) ordinary shares of £1 each	22,120,090	22,120,090

### 6. COMMITMENTS UNDER OPERATING LEASES

The company has commitments in respect of a non-cancellable operating lease. The annual rentals payable under this lease in the next year are as follows:

	2014 Premises £000	2013 Premises £000
Operating lease which expires after more than five years	7,493	7,493

The company has a commitment in respect of a non-cancellable operating lease relating to the annual rental payable on the premises at 2 Gresham Street. Investec Bank plc ("IBP"), a fellow subsidiary company, assumed responsibility from the on-set of the lease to meet the annual obligations under the lease and ensure that all liabilities in respect of the lease are satisfied as and when they fall due. IBP have confirmed that it is their intention to continue to meet this financial commitment for at least twelve months from the date of signing the company's financial statements and after that period until IBP inform the company otherwise.

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2014

### 7. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Investec Group (UK) plc.

The company's ultimate parent undertaking and controlling party is Investec plc, a company incorporated in the United Kingdom and registered in England and Wales. The consolidated financial statements of Investec plc are available to the public and may be obtained from Investec plc at 2 Gresham Street, London, EC2V 7QP. This is the smallest and largest group in which the results of the company are consolidated.