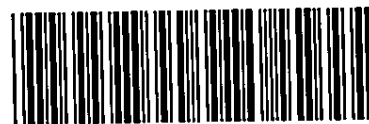


**JERROLD HOLDINGS LIMITED**

**Report and Consolidated Financial Statements**

**30 June 2009**

TUESDAY



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COMPANIES HOUSE

# **JERROLD HOLDINGS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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# **JERROLD HOLDINGS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

S.P. Mahon*	Chairman (resigned 15 April 2009)
H.N. Moser	Chief Executive Officer
S.P. Baker	(appointed 2 July 2008)
G.D. Beckett	
M.R. Goldberg	
M.J. Ridley	
J.M. Shaoul*	
J.L. Walker*	

\* Non-Executives

### **SECRETARY**

M.J. Ridley

### **REGISTERED OFFICE**

Bracken House  
Charles Street  
Manchester  
M1 7BD

### **PRINCIPAL BANKERS**

Royal Bank of Scotland Plc  
~~Spinningfields~~  
Manchester  
M3 3AP

nabCapital, National Australia Bank  
88 Wood Street  
London  
EC2V 7QQ

HBOS  
Bishopsgate Exchange  
155 Bishopsgate  
London  
EC2M 3YB

### **AUDITORS**

Deloitte LLP  
Chartered Accountants  
and Registered Auditors

### **LEGAL ADVISORS**

Eversheds  
70 Great Bridgewater Street  
Manchester  
M1 5ES

# JERROLD HOLDINGS LIMITED

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2009.

### ENHANCED BUSINESS REVIEW

The group's principal activity during the year under review continues to be the provision of secured property finance along with ancillary activities including property investment and development.

A number of key indicators (KPIs) on performance, position, liquidity and compliance are closely monitored in order to ensure effective control of the business and to develop future strategy.

#### *Results and dividends*

The audited financial statements for the year ended 30 June 2009 are set out on pages 7 to 26. Group turnover has decreased to £149.5m (2008: £166.0m), primarily as a consequence of the lower levels of redemption activity in the UK market which has resulted in a reduction in related income and, given the correlation to advance levels, a reduction in new business income. In the latter case this has been fully offset by a reduction in acquisition costs. Profit before tax has increased to £69.1m (2008: £68.8m) reflecting tighter control of costs and reduced funding costs. Profit for the year after tax was £49.8m (2008: £48.6m).

No dividend was paid for the year ended 30 June 2009 (2008: £nil).

#### *Position*

As shown in note 12 to the financial statements, loan book values (classified within trade debtors) have increased by 4.6% to £1,121.6m (2008: £1,072.3m). At the same time, equity shareholders' funds have increased by 26.9% to £235.6m (2008: £185.7m). The gearing ratio (being the ratio of debt to equity) has reduced to 2.71:1 (2008: 3.31:1) reflecting the fact that the group is funding a greater proportion of its loan book through reserves and subordinated debt as opposed to external borrowings. For the purposes of calculating the group's gearing ratio (and in line with its banking covenants) the subordinated debt is treated as 'equity'.

#### *Liquidity*

The ability of the group to service its debts is measured using an interest cover ratio, being profit before tax and interest divided by interest. This was 2.4:1 for the year ended 30 June 2009 (2008: 2.2:1).

The group closely monitors its cash position and cash utilisation levels on a regular basis taking into consideration the level of redemption activity, recurring income levels and planned expenditure and advance levels. This is achieved by dividing the facility headroom currently available by the average current utilisation rate. Where and when required, further facilities are either negotiated or new business levels are adjusted to ensure that sufficient headroom exists at all times.

#### *Compliance and non-financial KPIs*

The directors support and monitor compliance with FSA and Consumer Credit Act regulation. Employees undertake appropriate training which is supported by a dedicated compliance department. Procedures are established to monitor quality of compliance including consultation on and authorisation of procedural and policy changes, sample reviews, employee awareness and training programmes along with employee and customer feedback including the monitoring of the level of complaints received.

In addition the directors monitor certain other non financial KPI's, relating to employee consultation and involvement, and the environment, which are further detailed below.

## PRINCIPAL RISKS AND UNCERTAINTIES

### *Credit risk*

The group is exposed to changes in the economic position of its customers, which may impact adversely on their ability to make loan repayments. The level of risk in this respect is driven by both macro-economic factors, such as levels of consumer indebtedness, as well as by factors relating to specific customers, such as becoming unemployed. Credit risk is managed at loan inception via stringent underwriting policies with regard to affordability ratios, debt to equity levels and credit risk, and throughout the life of the loan via monitoring of arrears levels, customers' circumstances and debt to equity position.

### *Interest rate risk*

The group is financed by variable rate facilities. Interest rate risk is managed through the use of hedging instruments.

# **JERROLD HOLDINGS LIMITED**

## **DIRECTORS' REPORT (continued)**

### ***Liquidity risk***

The group closely monitors its cash position and cash utilisation levels on a regular basis taking into consideration the level of redemption activity, recurring income levels and planned expenditure and advance levels to ensure that sufficient headroom exists at all times.

Current group funding consists of a £378m drawn syndicated loan facility due for renewal on the 9 November 2012, a £425m drawn revolving securitisation facility which is supported by a 364 day liquidity facility which is due for renewal on 11 November 2009 and shareholders' funds of £296m which includes subordinated loan notes of £60m maturing on 15 September 2016.

Based on recent successful renewal experience and the lack of receipt of any indication to the contrary from the relevant parties, the directors are of the opinion that the securitised liquidity facility will be renewed substantially in the same form as forecast.

### ***Regulatory risk***

The group undertakes activities which are regulated by the Financial Services Authority and the Office of Fair Trading. The group has an established compliance function and uses third party specialist advisors to support its business operations.

### ***Exchange rate risk***

All the group's activities are in sterling and are not subject to exchange rate risk.

## **EMPLOYEE CONSULTATION**

The group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group. This is achieved through formal and informal meetings and internal publications. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

## **DISABLED EMPLOYEES**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

## **ENVIRONMENT**

As the group operates in the financial services sector, its actions do not have a significant environmental impact. However, the group does recognise the importance of the environment, and acts to minimise its impact wherever it can, including recycling and reducing energy consumption.

## **SUPPLIER PAYMENT POLICY**

The group agrees terms and conditions for its transactions with its suppliers. Payments are then made, subject to the terms and conditions agreed with the suppliers.

As the company is a holding company it has no trade creditors and accordingly no disclosure can be made of the year end creditor days.

# **JERROLD HOLDINGS LIMITED**

## **DIRECTORS' REPORT (continued)**

### **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 group will continue in business.

The directors of the group have considered the group's forecast funding and liquidity facilities insofar as to the extent to which they might affect the preparation of the group's financial statements on a going concern basis.

Current group funding consists of a £378m drawn syndicated loan facility (made between Royal Bank of Scotland plc, as Agent and Security Agent, and all of the trading and non trading group subsidiary companies as listed in the notes of these accounts) and a £425m drawn revolving securitisation facility (made between Charles Street Conduit Asset Backed Securitisation 1 Limited, as Purchaser, Royal Bank of Scotland plc as Facility Agent, Blemain Finance Limited, Bridging Finance Limited, Cheshire Mortgage Corporation Limited, Harpmanor Limited, Lancashire Mortgage Corporation Limited and Auction Finance Limited as Originators and Servicers).

The syndicated facility is not due for renewal until 9 November 2012. The securitised facility is supported by a revolving 364 day liquidity facility which is due for renewal on 11 November 2009. Based on recent successful renewal experience and the lack of receipt of any indication to the contrary from the relevant parties, the directors are of the opinion that the securitised facility will be renewed substantially in the same form as forecast.

On this basis the directors have a reasonable expectation that, despite the uncertainty in market conditions, the group 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 group have adopted the going concern basis in preparing financial statements.

### **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 (as defined in the Companies Act 2006) of which the company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any audit information (as defined) and to establish that the company's auditors are 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.

### **AUDITORS**

Deloitte LLP have expressed their willingness to continue in office as auditors 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

M.J. Ridley



28/10/2009

**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 group and of the profit or loss of the group 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;
- 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 JERROLD HOLDINGS LIMITED**

We have audited the group and parent financial statements of Jerrold Holdings Limited for the year ended 30 June 2009 which comprise the group Profit and Loss Account, the group Statement of Recognised Gains and Losses, the group and company Balance Sheets, the group Cash Flow Statement and the related notes 1 to 25. 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 sections 495 and 496 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 auditors' 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 auditors**

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 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 (APB'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 group'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.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 2009 and of the group's 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.



Stephen Williams (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Manchester, United Kingdom

28 OCTOBER 2009



# JERROLD HOLDINGS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT Year ended 30 June 2009

	Note	2009 £'000	2008 £'000
<b>TURNOVER</b>	2	149,491	165,977
Cost of sales		(5,021)	(18,680)
<b>GROSS PROFIT</b>		144,470	147,297
Administrative expenses		(25,492)	(22,532)
<b>OPERATING PROFIT</b>		118,978	124,765
Profit on sale of investment properties		67	147
Interest payable and similar charges	3	(50,290)	(56,412)
Interest receivable and similar income	3	337	292
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	69,092	68,792
Tax on profit on ordinary activities	5	(19,312)	(20,140)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		49,780	48,652
Minority interests	20	36	(43)
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	18	49,816	48,609

No consolidated note of historical cost profits and losses has been prepared as there is no material difference between the retained profits in either year if an historical cost basis had been adopted.

All activities arose from continuing operations.

There were no recognised gains or losses in either year other than the result for that year then ended. Accordingly, a separate statement of total recognised gains and losses has not been presented.

# JERROLD HOLDINGS LIMITED

## CONSOLIDATED BALANCE SHEET 30 June 2009

	Note	2009 £'000	2008 £'000
<b>FIXED ASSETS</b>			
Investment properties	8	485	613
Tangible assets	9	900	1,384
Investments	10	13	13
		<u>1,398</u>	<u>2,010</u>
<b>CURRENT ASSETS</b>			
Stocks	11	4,264	4,436
Debtors			
- due within one year	12	360,532	337,661
- due after one year	12	766,905	739,879
Investments	13	111	118
Cash at bank and in hand		9	216
		<u>1,131,821</u>	<u>1,082,310</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>(459,421)</u>	<u>(37,289)</u>
<b>NET CURRENT ASSETS</b>		<u>672,400</u>	<u>1,045,021</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>673,798</u>	<u>1,047,031</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	15	<u>(438,015)</u>	<u>(861,028)</u>
<b>NET ASSETS</b>		<u>235,783</u>	<u>186,003</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	9,778	9,778
Share premium account	18	17,527	17,527
Merger reserve	18	(9,645)	(9,645)
Capital redemption reserve	18	1,300	1,300
Revaluation reserve	18	141	185
Profit and loss account	18	216,455	166,595
		<u>235,556</u>	<u>185,740</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	19	<u>235,556</u>	<u>185,740</u>
Minority interests	20	227	263
<b>TOTAL CAPITAL EMPLOYED</b>		<u>235,783</u>	<u>186,003</u>

These financial statements were approved by the Board of Directors on 28 October 2009.

Company Registration No. 2939389

Signed on behalf of the Board of Directors

H.N. Moser  
Director



G.D. Beckett  
Director



# JERROLD HOLDINGS LIMITED

## COMPANY BALANCE SHEET 30 June 2009

	Note	2009 £'000	2008 £'000
<b>FIXED ASSETS</b>			
Investments	10	10,001	10,001
<b>CURRENT ASSETS</b>			
Debtors			
- due within one year	12	2,360	462,985
- due after one year	12	459,139	-
Cash at bank and in hand		2,522	70
		464,021	463,055
<b>CREDITORS: Amounts falling due within one year</b>	14	(3,789)	(2,832)
<b>NET CURRENT ASSETS</b>		460,232	460,223
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		470,233	470,224
<b>CREDITORS: Amounts falling due after more than one year</b>	15	(438,000)	(438,000)
<b>NET ASSETS</b>		32,233	32,224
Called up share capital	17	9,778	9,778
Share premium account	18	17,527	17,527
Capital redemption reserve	18	1,300	1,300
Profit and loss account	18	3,628	3,619
<b>EQUITY SHAREHOLDERS' FUNDS</b>		32,233	32,224

These financial statements were approved by the Board of Directors on 28 October 2009.

Company Registration No. 2939389

Signed on behalf of the Board of Directors

H.N. Moser  
Director



G.D. Beckett  
Director



**JERROLD HOLDINGS LIMITED****CONSOLIDATED CASH FLOW STATEMENT****Year ended 30 June 2009**

	<b>Note</b>	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>			
Returns on investments and servicing of finance	21a	76,071	6,066
Taxation	21d	(49,293)	(63,384)
Capital expenditure and financial investment	21d	(20,363)	(28,811)
		139	(32)
<b>CASH INFLOW/ (OUTFLOW) BEFORE MANAGEMENT OF LIQUID RESOURCES AND REFINANCING</b>		<b>6,554</b>	<b>(86,161)</b>
Management of liquid resources	21d	1	-
Financing	21d	(1,338)	98,162
<b>INCREASE IN CASH IN THE YEAR</b>	21c	<b>5,217</b>	<b>12,001</b>

# **JERROLD HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 30 June 2009**

### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and the preceding year.

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of investment properties and listed investments), on the going concern basis and in accordance with applicable United Kingdom law and accounting standards. The directors continue to adopt the going concern basis as disclosed in the Directors' Report - Statement of Going Concern.

#### **Basis of consolidation**

The group financial statements consolidate the financial statements of Jerrold Holdings Limited and all its subsidiary undertakings drawn up to 30 June each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. The acquisition method of accounting has been adopted for the consolidation of the following subsidiaries:

Auction Finance Limited  
Bridging Finance Limited  
Bridgingfinance.co.uk. Limited  
Classic Car Finance Limited  
Finance Your Property Limited  
General Allied Properties Limited  
Heywood Finance Limited  
Proactive Bridging Limited (formerly Hello Finance UK Limited)  
Heywood Leasing Limited  
Manchester Property Investments Limited  
Northwestern Properties & Developments Limited  
Phone-a-loan Limited  
Privileged Estates Limited  
Provincial & Northern Properties Limited  
Privileged Properties (Northern) Limited  
Spot Finance Limited

Goodwill arising on acquisitions in the year ended 30 June 1998 and earlier periods was written off to reserves in accordance with the accounting standard then in force. As permitted by the current accounting standard the goodwill previously written off has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal.

Merger accounting has been used for the consolidation of the following subsidiaries:

Blemain Finance Limited  
Briar Hill Court Limited  
Cheshire Mortgage Corporation Limited  
Factfocus Limited  
Harpmanor Limited  
Jerrold Mortgage Corporation Limited  
Lancashire Mortgage Corporation Limited  
Monarch Recoveries Limited  
Supashow Limited

Under this method any difference arising on consolidation is treated as a reduction in reserves.

In the company's financial statements, investments in subsidiary undertakings are stated at cost less provision for any impairment. Dividends received and receivable are credited to the company's profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 June 2009**

**1. ACCOUNTING POLICIES (continued)**

**Basis of consolidation (continued)**

As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent Company. The company's retained profit for the financial year, determined in accordance with the Act, was £9,185 (2008: £nil).

**Investment properties**

A valuation of investment properties is made annually as at the balance sheet date by the directors, at open market value based on previous valuations conducted by external chartered surveyors. A full valuation by an external valuer is made at least every five years. Changes in the market value of investment properties are accounted for by way of a movement in revaluation reserve and are included in the statement of total recognised gains and losses unless a deficit (or its reversal) on an individual investment property is expected by the directors to be permanent, in which case the change in market value is charged/(credited) to the profit and loss account. On disposal, the cumulative revaluation surpluses or deficits are transferred from the revaluation reserve to the profit and loss account reserve.

In accordance with SSAP 19 "Accounting for Investment Properties", no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The requirement of the Companies Act 2006 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption but for investment to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view. If this departure from the Act had not been made the profit for the financial year would have been decreased by depreciation. However, the amount of depreciation cannot reasonably be quantified, because of the lack of analysis of the cost/value as between land and buildings.

**Other tangible fixed assets**

Tangible fixed assets are shown at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life as follows:

Fixtures and fittings	15% straight-line on cost
Motor vehicles	25% reducing balance
Office equipment	20% straight-line on cost
Computer equipment	33% straight-line on cost

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

**Investments**

Fixed asset investments are stated at cost less provision for impairment with the exception of listed investments which are stated at market value. Current asset investments are stated at the lower of cost and net realisable value, except when listed whereby they are stated at market value. Changes in the market value of current asset investments are taken to the profit and loss account.

In respect of current asset investments the requirement of the Companies Act is to disclose the gains on these investments to be reflected in the revaluation reserve, however the directors feel that to treat them in such a manner would not give a true and fair view, and that it is necessary to adopt the "mark to market" treatment to reflect the Tech 7/03 classification of such gains as realised. If this departure from the Act had not been adopted, the profit for the year and prior year would not have been materially different from the reported result.

**Stocks**

Properties and goods held for resale are valued at the lower of cost and estimated net realisable value. Net realisable value is based on the estimated sales price after allowing for all further costs of completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 June 2009**

**1. ACCOUNTING POLICIES (continued)**

**Leased assets**

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership are included in the balance sheet and depreciated in accordance with the group's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of the rental obligations is charged to the profit and loss account, over the period of the agreement in proportion to the balance of capital repayments outstanding.

Rentals in respect of all other leases are charged to the profit and loss account as incurred.

**Pension benefits**

During the year the group operated a defined contribution scheme.

The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**Taxation**

Current 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 Group'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.

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.

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.

**Provisions for bad and doubtful debt**

Specific provisions are made in respect of loans and advances where recovery is considered doubtful; a general provision is made for losses, which although not specifically identified, are known to be inherent in any portfolio of lending.

**Turnover and cost of sales**

Turnover consists of proceeds of stock properties disposed of, interest recoverable on loans, fee and commission income, rental income and the invoiced value (excluding VAT) for goods and services supplied to third parties.

Interest income is recognised on an accruals basis. Other finance related fees receivable are credited to income when they are earned.

Income from disposal of stock properties is recognised at completion of the sale, with the related cost recognised within cost of sales.

Cost of sales includes the cost of stock properties sold during the year and direct costs of the financing business, including fees and commissions payable.

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 2. SEGMENTAL INFORMATION

Segmental analysis of the group's turnover, results and net assets has not been disclosed as in the opinion of the directors this would be seriously prejudicial to the interests of the group.

### 3. FINANCE CHARGES

	2009 £'000	2008 £'000
<i>Interest payable and similar charges</i>		
Bank loans and overdrafts	(50,274)	(55,508)
Hire purchase	(10)	(26)
Other interest	(6)	(878)
	<u>(50,290)</u>	<u>(56,412)</u>
	2009 £'000	2008 £'000
<i>Interest receivable and similar income</i>		
Bank and other interest	288	291
Interest receivable and income from listed investments	1	1
Other Interest	48	-
	<u>337</u>	<u>292</u>

### 4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2009 £'000	2008 £'000
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible fixed assets		
Owned assets	520	523
Held under hire purchase contracts	124	149
Profit on sale of investment properties	(67)	(147)
Loss on sale of other fixed assets	12	-
Profit on sale of listed investments	-	-
Operating lease rentals		
Land and buildings	405	409
Auditors' remuneration		
Fees payable to the auditor for the audit of the company's accounts	42	37
Fees payable to the auditor in respect of the audit of the company's subsidiaries	12	10
For non-audit services - Taxation	75	78
- Other non-audit fees	-	8
	<u></u>	<u></u>



# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises:

	2009 £'000	2008 £'000
<b>Current tax</b>		
Corporation tax	19,482	20,643
Adjustment in respect of previous years	(47)	(335)
<b>Total current tax</b>	<u>19,435</u>	<u>20,308</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(123)	(255)
Adjustment in respect of prior years	-	87
<b>Total deferred tax (see note 16)</b>	<u>(123)</u>	<u>(168)</u>
<b>Total tax on profit on ordinary activities</b>	<u>19,312</u>	<u>20,140</u>

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 before tax are as follows:

	2009 £'000	2008 £'000
<b>Profit on ordinary activities before tax</b>	<u>69,092</u>	<u>68,792</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 28% (2008: 29.5%)	19,346	20,294
Effects of:		
Expenses not deductible for tax purposes	17	52
Capital allowances in excess of depreciation	49	64
Tax rate difference	(5)	(3)
Other timing differences	73	205
Net chargeable gains and losses	2	30
Adjustments in respect of previous years	(47)	(335)
<b>Group current tax charge for year</b>	<u>19,435</u>	<u>20,307</u>

During 2007, the Government enacted a change in corporation tax reducing the rate from 30% to 28% with effect from April 2008. For the year ended 30 June 2008, the tax rate was pro rated using a tax rate of 30% for the period from 1 July 2007 to 5 April 2008 and a tax rate of 28% from 6 April 2008 to 30 June 2008. This resulted in an average rate of tax in the prior year of 29.5%. The impact of this change on the corporation tax charge is disclosed in the table above.

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 6. STAFF COSTS

The average monthly number of employees, including executive directors was:

	2009 Number	2008 Number
Management and administration		
- full time	284	329
- part time	6	9
	<u>290</u>	<u>338</u>

	2009 £'000	2008 £'000
Their aggregate remuneration comprised:		
Wages and salaries	9,576	10,655
Social security costs	978	1,156
Pension costs	201	81
	<u>10,755</u>	<u>11,892</u>

Directors' remuneration:		
Emoluments	1,853	2,460
Company contributions to defined contribution pension schemes	52	7
	<u>1,905</u>	<u>2,467</u>

The emoluments of the highest paid director were £708,750 (2008: £708,750) including £nil (2008: £nil) of company contributions to a defined contribution pension scheme.

### 7. DIVIDENDS

	2009 £'000	2008 £'000
Dividends on equity shares paid during the year		
2009 interim dividend of £nil (2008: £nil)	-	-
	<u>-</u>	<u>-</u>

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 8. INVESTMENT PROPERTIES

<b>Group</b>	<b>Freehold investment properties £'000</b>
<b>Valuation</b>	
At 1 July 2008	613
Additions	-
Disposals	(128)
At 30 June 2009	<u>485</u>

If investment properties had not been revalued, they would have been included in the balance sheet at £344,000 (2008: £428,000). The investment properties were valued on an open market basis by Roger Hannah & Co. an external Valuer and member of the Royal Institute of Chartered Surveyors on 30 June 2005.

### 9. OTHER TANGIBLE FIXED ASSETS

<b>Group</b>	<b>Fixtures, fittings, and equipment £'000</b>	<b>Motor vehicles £'000</b>	<b>Total £'000</b>
<b>Cost or valuation</b>			
At 1 July 2008	1,876	1,139	3,015
Additions	91	-	91
Disposals	(413)	(173)	(586)
At 30 June 2009	<u>1,554</u>	<u>966</u>	<u>2,520</u>
<b>Depreciation</b>			
At 1 July 2008	1,173	458	1,631
Charge for the year	358	163	521
Disposals	(411)	(121)	(532)
At 30 June 2009	<u>1,120</u>	<u>500</u>	<u>1,620</u>
<b>Net book value</b>			
<b>At 30 June 2009</b>	<u><b>434</b></u>	<u><b>466</b></u>	<u><b>900</b></u>
At 30 June 2008	<u>703</u>	<u>681</u>	<u>1,384</u>

The net book value of tangible fixed assets includes £361,000 (2008: £505,000) in respect of assets held under hire purchase contracts.

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 10. FIXED ASSET INVESTMENTS

	Group other investments £'000	Company subsidiary undertakings £'000
Balance at 1 July 2008	13	10,001
Valuation and adjustment	-	-
Balance at 30 June 2009	13	10,001

#### a) Subsidiary undertakings

Principal trading subsidiaries	Shares and voting rights	Principal activities
Auction Finance Limited	100%	Financier
Blemain Finance Limited	100%	Financier
Briar Hill Court Limited	100%	Rental of residential properties
Bridging Finance Limited	100%	Financier
Cheshire Mortgage Corporation Limited	100%	Financier
Factfocus Limited	100%	Financier and property transactions
General Allied Properties Limited	100%	Property investment
Harpmanor Limited	100%	Financier
Heywood Finance Limited	90%	Hire purchase finance
Heywood Leasing Limited	90%	Leasing finance
Jerrold Mortgage Corporation Limited	100%	Financier
Lancashire Mortgage Corporation Limited	100%	Financier
Monarch Recoveries Limited	100%	Debt recovery
Northwestern Properties & Developments Limited	100%	Property investment
Phone-a-Loan Limited	100%	Mortgage brokerage
Privileged Estates Limited	100%	Property investment
Privileged Properties (Northern) Limited	100%	Property investment
Provincial & Northern Properties Limited	100%	Property investment
Spot Finance Limited	100%	Financier
Supashow Limited	100%	Property Investment
Non trading subsidiaries	Shares and voting rights	Principal activities
Bridging Finance.co.uk Limited	100%	Dormant
Classic Car Finance Limited	100%	Dormant
Finance Your Property Limited	100%	Dormant
Proactive Bridging Limited (formerly Hello Finance UK Limited)	100%	Dormant
Manchester Property Investments Limited	100%	Dormant

All the above subsidiaries are incorporated in Great Britain and are registered and operate in England and Wales.

The above are direct holdings with the exception of Spot Finance Limited which is held by Blemain Finance Limited.

#### b) Other investments

Other investments are listed investments stated at market value.

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 11. STOCKS

	2009 £'000	2008 £'000
Properties - held for resale	4,264	4,436
	<u>4,264</u>	<u>4,436</u>

There is no material difference between the balance sheet value of stocks and their replacement cost. During the year, properties with a cost of £nil (2008: £nil) were transferred to stock from investment properties.

### 12. DEBTORS

	Group		Company	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Amounts falling due within one year:				
Trade debtors	356,430	334,073	-	-
Amounts owed by group undertakings	-	-	-	459,985
Amounts owed by related companies	55	185	9	-
Other debtors	593	193	22	3
Prepayments and accrued income	3,454	3,210	2,329	2,997
	<u>360,532</u>	<u>337,661</u>	<u>2,360</u>	<u>462,985</u>
Amounts falling due after one year:				
Trade debtors	765,161	738,258	-	-
Amounts owed by group undertakings	-	-	459,139	-
Deferred taxation (see note 16)	1,744	1,621	-	-
	<u>766,905</u>	<u>739,879</u>	<u>459,139</u>	<u>-</u>
	<u>1,127,437</u>	<u>1,077,540</u>	<u>461,499</u>	<u>462,985</u>

Trade debtors include amounts due in respect of loans provided during the normal course of business. Amounts owed by related companies are in respect of August Blake Developments Limited, UK Mortgage Corporation Limited, Centrestand Limited and Sterling Property Co. Limited, companies in which H N Moser is a director and shareholder (see note 24). Also included in trade debtors is an amount of £1,374,729 (2008: £1,403,399) loaned to August Blake Developments Limited, £7,761,304 (2008: £6,654,425) loaned to Sunnywood Estates Limited and £3,170,729 (2008: £3,131,229) loaned to Edgworth Developments Limited, companies in which H N Moser is a director and shareholder. These loans are on a commercial basis secured on certain assets of these companies.

In the current year, the terms of the intercompany loan were formalised, resulting in the balance not being repayable prior to 31 December 2010.

### 13. CURRENT ASSET INVESTMENTS

	2009 £'000	2008 £'000
Listed investments	18	25
Other investments	93	93
	<u>111</u>	<u>118</u>

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Loan Notes	421,794	-	-	-
Obligations under hire purchase contracts	109	228	-	-
Bank loans and overdrafts	1,456	6,880	-	-
Trade creditors	251	172	-	-
Amounts owed to group undertakings	-	-	-	53
Amounts owed to related companies	11	10	-	-
Corporation tax	10,670	11,598	-	-
Other taxation and social security	281	269	-	-
Other creditors	7,881	2,788	1	1
Accruals and deferred income	16,968	15,344	3,788	2,778
	<u>459,421</u>	<u>37,289</u>	<u>3,789</u>	<u>2,832</u>

Amounts due to related companies are in respect of UK Mortgage Corporation Limited, August Blake Developments Limited, Sproston Green Limited, Sterling Properties Co Limited and Bracken House Properties LLP companies in which H.N. Moser is a director, shareholder or partner (see note 24).

### 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Obligations under hire purchase contracts	15	122	-	-
Loan notes	-	422,906	-	-
Bank loans	378,000	378,000	378,000	378,000
Subordinated loans	60,000	60,000	60,000	60,000
	<u>438,015</u>	<u>861,028</u>	<u>438,000</u>	<u>438,000</u>
Borrowings are repayable as follows:				
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Within one year	423,359	7,108	-	-
Between two and five years	378,015	801,028	378,000	378,000
In more than five years	60,000	60,000	60,000	60,000
	<u>861,374</u>	<u>868,136</u>	<u>438,000</u>	<u>438,000</u>

The bank loans are provided through a £400m revolving syndicated facility with interest charged at a market rate. The loans are secured through a fixed and a floating debenture on the assets of the group and the facility is due for repayment on 9 November 2012.

The loan notes are provided through a securitisation vehicle. They are transacted at market value and carry a fixed rate discount. They are secured on specific loan assets. All loan notes revolve within a three month period and are supported by a revolving 364 day liquidity facility which is due for renewal on 11 November 2009.

Of the subordinated loans, £40m is due to 'D.L. Moser Family Settlement Trust', £8m is due to H.N. Moser, £9.9m is due to Barclays Private Equity and £2.1m is due to Standard Life Investments. These parties are all related to the group by way of shareholdings in Jerrold Holdings Limited. All amounts are repayable on 15 September 2016. Interest is charged at a rate of 3% above base rate per annum.

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 30 June 2009

#### 16. DEFERRED TAXATION

Group	£'000
<b>Deferred tax asset</b>	
At 1 July 2008	1,621
Credited to profit and loss account	123
	<hr/>
At 30 June 2009	1,744
	<hr/>

The group has an unrecognised deferred tax liability of £39,480 (2008: £51,800) on the revaluation of properties.

Deferred tax asset is recognised as follows:

	2009 £'000	2008 £'000
Accelerated capital allowances	162	113
Other timing differences	1,582	1,508
	<hr/>	<hr/>
<b>Deferred tax asset</b>	1,744	1,621
	<hr/>	<hr/>

#### 17. CALLED UP SHARE CAPITAL

	2009 £'000	2008 £'000
<b>Authorised</b>		
2,744,974 B1 ordinary shares of 49.9 pence each	1,370	1,370
6,404,938 B2 ordinary shares of 49.9 pence each	3,196	3,196
154,690 C1 ordinary shares of 1 pence each	1	1
696,049 C2 ordinary shares of 1 pence each	7	7
64,250 C3 ordinary shares of 1 pence each	-	-
8,699,935 A deferred ordinary shares of 0.1 pence each	9	9
10,850,092 A preferred ordinary shares of 50 pence each	5,425	5,425
	<hr/>	<hr/>
	10,008	10,008
	<hr/>	<hr/>
<b>Issued, allotted and fully paid</b>		
2,744,974 B1 ordinary shares of 49.9 pence each	1,370	1,370
6,404,938 B2 ordinary shares of 49.9 pence each	3,196	3,196
131,202 C1 ordinary shares of 1 pence each	1	1
696,049 C2 ordinary shares of 1 pence each	7	7
64,250 C3 ordinary shares of 1 pence each	1	1
13 A deferred ordinary shares of 0.1 pence each	-	-
10,405,653 A preferred ordinary shares of 50 pence each	5,203	5,203
	<hr/>	<hr/>
	9,778	9,778
	<hr/>	<hr/>

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 18. RESERVES

	Share premium £'000	Merger reserve £'000	Capital redemption reserve £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
<b>Group</b>						
At 1 July 2008	17,527	(9,645)	1,300	185	166,595	175,962
Retained profit for the financial year	-	-	-	-	49,816	49,816
Transfer to profit and loss account reserve	-	-	-	(44)	44	-
At 30 June 2009	<u>17,527</u>	<u>(9,645)</u>	<u>1,300</u>	<u>141</u>	<u>216,455</u>	<u>225,778</u>

	Share premium £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
<b>Company</b>				
At 1 July 2008	17,527	1,300	3,619	22,446
Retained profit for the financial year	-	-	9	9
At 30 June 2009	<u>17,527</u>	<u>1,300</u>	<u>3,628</u>	<u>22,455</u>

### 19. RECONCILIATION OF MOVEMENTS IN GROUP EQUITY SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
Retained profit for the financial year	49,816	48,609
Dividends paid	-	-
Net increase in equity shareholders' funds	<u>49,816</u>	<u>48,609</u>
Opening equity shareholders' funds	185,740	137,131
Closing equity shareholders' funds	<u>235,556</u>	<u>185,740</u>

### 20. MINORITY INTERESTS

	2009 £'000
At 1 July 2008	263
Profit on ordinary activities after taxation	<u>(36)</u>
At 30 June 2009	<u>227</u>



# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 21. CASH FLOW INFORMATION

#### a) Reconciliation of operating profit to net cash inflow/(outflow) from operating activities

	2009 £'000	2008 £'000
Operating profit	118,978	124,765
Depreciation of tangible fixed assets	521	672
Loss on disposal of tangible fixed assets	12	-
Refinancing costs	592	2,032
Decrease in stocks	172	132
Increase in debtors	(50,357)	(127,099)
Decrease in creditors	6,153	5,564
<b>Net cash inflow from operating activities</b>	<b>76,071</b>	<b>6,066</b>

#### b) Analysis of net debt

	Beginning of year £'000	Cash flow £'000	Other non- cash changes £'000	End of year £'000
Cash at bank and in hand	216	(207)	-	9
Overdrafts	(6,880)	5,424	-	(1,456)
	(6,664)	5,217	-	(1,447)
Finance leases	(350)	226	-	(124)
Debt due within 1 year	-	(438,000)	-	(438,000)
Debt due after 1 year	(860,906)	439,112	-	(421,794)
Current asset investments	118	(1)	(6)	111
	(861,138)	1,337	(6)	(859,807)
<b>Net debt</b>	<b>(867,802)</b>	<b>6,554</b>	<b>(6)</b>	<b>(861,254)</b>

#### c) Reconciliation of net cash flow to movement in net debt

	2009 £'000	2008 £'000
<b>Increase in cash in year</b>	<b>(5,217)</b>	<b>(12,001)</b>
Cash (outflow)/ inflow from increase in debt and lease financing	(1,338)	98,162
Cash inflow from decrease in current asset investments	1	-
<b>Change in net debt resulting from cash flows</b>	<b>(6,554)</b>	<b>86,161</b>
New finance leases	-	200
Revaluation of current asset investments	6	(1)
<b>Movement in net debt in year</b>	<b>(6,548)</b>	<b>86,360</b>
<b>Net debt, beginning of year</b>	<b>867,802</b>	<b>781,442</b>
<b>Net debt, end of year</b>	<b>861,254</b>	<b>867,802</b>

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 21. CASH FLOW INFORMATION (continued)

#### d) Analysis of cash flows

	2009 £'000	2008 £'000
<b>Returns on investments and servicing of finance</b>		
Interest received	313	276
Refinancing costs	(2)	(4,579)
Interest element of finance lease payments	(10)	(26)
Interest paid	(49,594)	(59,055)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(49,293)</b>	<b>(63,384)</b>
	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(91)	(259)
Sales of tangible fixed assets	35	37
Sales of investment properties	195	190
<b>Net cash inflow/(outflow) from capital expenditure and financial investments</b>	<b>139</b>	<b>(32)</b>
	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>Management of liquid resources</b>		
Sale of current asset investments	1	-
<b>Net cash inflow from management of liquid reserves</b>	<b>1</b>	<b>-</b>
	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>Financing</b>		
Proceeds from new borrowings	-	820,906
Repayment of borrowings	(1,112)	(722,500)
Capital element of finance lease payments	(226)	(244)
<b>Net cash (outflow)/ inflow from financing</b>	<b>(1,338)</b>	<b>98,162</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 June 2009**

**22. GUARANTEES AND FINANCIAL COMMITMENTS**

**Capital commitments**

There are no group capital expenditure commitments at 30 June 2009 (2008: £nil).

**Operating lease commitments**

The payments which the group is committed to make in the next year under an operating lease are as follows:

	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>
Land and buildings, lease expiring: - after five years	407	407

**Derivatives**

The group has derivatives which are not included at fair value in the accounts:

	<b>2009</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>
	Fair Value	Principal	Principal
Interest rate swap contracts	(50,340)	643,000	743,000

The group uses the derivatives to hedge its exposures to interest rate movements on its bank borrowings and Loan Notes. The fair values are based on market values of equivalent instruments at the balance sheet date.

**23. PENSION ARRANGEMENTS**

The group operated a defined contribution scheme for which the pension cost charge for the year amounted to £nil (2008: £nil).

Furthermore, the group contributes to employees personal pension plans. The total cost for the year amounted to £201,000 (2008: £81,000).

# JERROLD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2009

### 24. RELATED PARTY TRANSACTIONS

The group had the following balances with related parties at the year end:

	Balances due to		Balances due from	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Sproston Green Limited	7	7	-	-
August Blake Developments Limited	3	3	4	4
Centrestand Limited	-	-	24	38
UK Mortgage Corporation Limited	-	-	11	-
Sterling Property Co. Limited	-	-	17	54
Bracken House Properties LLP	-	-	-	90
	<u>10</u>	<u>10</u>	<u>56</u>	<u>186</u>

On 29 September 2006 the group made a loan in the normal course of business to M.R. Goldberg, a Director of the company. The loan has been made under normal commercial terms and was redeemed in full on 10 October 2009.

### 25. CONTROLLING PARTY

Mr. 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.