
CONRAN FINANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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CONRAN FINANCE LIMITED

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CONRAN FINANCE LIMITED

COMPANY INFORMATION

DIRECTORS	R Seelig E Dunley T Bowder-Ridger
COMPANY SECRETARY	E Dunley
REGISTERED NUMBER	03085223
REGISTERED OFFICE	22 Shad Thames London SE1 2YU
INDEPENDENT AUDITOR	Mazars LLP Chartered Accountants Tower Bridge House St Katharine's Way London E1W 1DD

CONRAN FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements 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.

PRINCIPAL ACTIVITY

The Company provides financing to fellow subsidiary undertakings of Conran Holdings Limited.

DIRECTORS

The directors who served during the year and to the date of this report were:

R Seelig (appointed 10 November 2015)
E Dunley
T Bowder-Ridger (appointed 10 November 2015)
J Conran (resigned 24 September 2015)

GOING CONCERN

The directors review the risks and uncertainties relevant to the Company on a regular basis and consider that these relate principally to the economic environment prevailing in the UK and internationally. The directors have a reasonable expectation that the Company has adequate resources to continue to trade for the foreseeable future. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company has the support of the ultimate parent undertaking which provides a mixture of long-term and short-term debt finance. The ultimate parent has provided a letter confirming that they will continue to offer financial support for a period of at least one year from the date of signing the financial statements. The directors have considered the ultimate parent undertakings ability to pay. Thus, the directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and continue to adopt the going concern basis in preparing the financial statements.

CONRAN FINANCE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


E Dunley
Director

Date: 21st December 2016

Independent auditor's report to the members of Conran Finance Limited

We have audited the financial statements of Conran Finance Limited for the year ended 31 March 2016 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 31 March 2016 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 the 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.



Samantha Russell (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Tower Bridge House

St Katharine's Way

London

E1W 1DD

Date: 23 December 2016

CONRAN FINANCE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016

		2016 £000	2015 £000
Administrative expenses		(3)	(6)
OPERATING LOSS	3	(3)	(6)
Interest receivable and similar income	4	202	429
Interest payable and similar charges		(121)	(162)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		78	261
Taxation on profit on ordinary activities	5	(16)	(55)
PROFIT FOR THE YEAR		62	206

The notes on pages 8 to 12 form part of these financial statements.

CONRAN FINANCE LIMITED
REGISTERED NUMBER: 03085223

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £000	2015 £000
CURRENT ASSETS			
Debtors: amounts falling due after more than one year	6	5,121	1,587
Debtors: amounts falling due within one year	6	104	396
Current asset investments	7	2,000	5,542
Cash at bank and in hand	8	1,349	890
		<u>8,574</u>	<u>8,415</u>
Creditors: amounts falling due within one year	9	(4,534)	(4,233)
NET CURRENT ASSETS		4,040	4,182
TOTAL ASSETS LESS CURRENT LIABILITIES		4,040	4,182
Creditors: amounts falling due after more than one year	10	(2,319)	(2,524)
NET ASSETS		1,721	1,658
CAPITAL AND RESERVES			
Called up share capital	11	-	-
Capital redemption reserve		(235)	(235)
Profit and loss account		1,956	1,893
SHAREHOLDER'S FUNDS		1,721	1,658

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


E Dunley
 Director

Date: 21st December 2016

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. GENERAL INFORMATION

Conran Finance Limited is a limited liability company incorporated in England and Wales. Its registered office is 22 Shad Thames, London, SE1 2YU. The financial statements have been prepared for the year ended 31 March 2016 using GBP Sterling as the presentational currency and rounded to the nearest thousand pound.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006, which has been adopted early.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company has the full support of the ultimate parent undertaking, and accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

2.3 Cash flow

The financial statements do not include a Cash Flow Statement because the Company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Section 1A of Financial Reporting Standard 102.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. ACCOUNTING POLICIES (continued)

2.7 Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

2.9 Current and deferred taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax assets and liabilities are not discounted.

3. OPERATING LOSS

The operating loss is stated after charging:

	2016 £000	2015 £000
Fees payable to the Company's auditor for the audit of the company's annual financial statements	2	2

During the year, no director received any emoluments for services provided to the company (2015 - £NIL).

The company has an agreement with Conran Limited, a fellow subsidiary undertaking, for the provision of the services of the directors.

CONRAN FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

4. INTEREST RECEIVABLE

	2016 £000	2015 £000
Interest receivable from group companies	114	353
Other interest receivable	88	76
	<u>202</u>	<u>429</u>

5. TAXATION

	2016 £000	2015 £000
CORPORATION TAX		
Current tax on profits for the year	16	55

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The changes to the main rate of corporation tax for UK companies announced in the 2016 Finance Bill were substantively enacted for financial reporting purposes on 24 March 2016, being a reduction in the UK corporation tax rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Accordingly, the relevant deferred tax balances have been remeasured.

6. DEBTORS

	2016 £000	2015 £000
DUE AFTER MORE THAN ONE YEAR		
Amounts owed by group undertakings	5,121	1,587
	<u>5,121</u>	<u>1,587</u>
DUE WITHIN ONE YEAR		
Amounts owed by group undertakings	87	389
Prepayments and accrued income	17	7
	<u>104</u>	<u>396</u>

CONRAN FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. CURRENT ASSET INVESTMENTS

	2016	2015
	£000	£000
Fixed term cash deposits	2,000	5,542
	2,000	5,542

Being cash held on fixed term deposits that mature within one year.

8. CASH AND CASH EQUIVALENTS

	2016	2015
	£000	£000
Cash at bank and in hand	1,349	890
Less: bank overdrafts	(676)	-
	673	890

In addition to cash and cash equivalents there is cash held on fixed term deposits that have been disclosed separately as these will mature after 3 months but within one year (see note 7).

9. CREDITORS: Amounts falling due within one year

	2016	2015
	£000	£000
Bank overdrafts	676	-
Amounts owed to group undertakings	3,840	4,176
Amounts owed to group undertakings in respect of group relief	16	55
Accruals and deferred income	2	2
	4,534	4,233

10. CREDITORS: Amounts falling due after more than one year

	2016	2015
	£000	£000
Loan from ultimate parent undertaking	2,319	2,524

CONRAN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

11. SHARE CAPITAL

	2016 £	2015 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

12. CONTINGENT LIABILITIES

The company, together with its ultimate parent undertaking and certain fellow subsidiary undertakings, is party to a limited inter-company Composite Accounting System guarantee dated 19 February 2009 and renewed on 22 July 2015 to Barclays Bank Plc as security for a group overdraft arrangement between the company, its ultimate parent undertaking and those fellow subsidiary undertakings. As at the balance sheet date, the net overdraft under the guarantee was £nil (2015: £nil).

13. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Conran Holdings, and is included in the consolidated financial statements of Conran Holdings which are publicly available. Consequently, the company has taken advantage of the exemption under FRS 102 from disclosing related party transactions with entities that are 100% owned by the Conran Holdings Limited.

During the year, the company paid interest in the amount of £28,000 (2015: £34,000) to Conran and Partners Limited, a fellow subsidiary of the ultimate parent undertaking, Conran Holdings Limited, which is not fully owned by the group. Amounts payable to Conran and Partners Limited at the year end amounts to £Nil (2015: £534,000).

There were no other related party transactions.

14. CONTROLLING PARTY

The ultimate controlling party is Sir Terence Conran.

The company is a subsidiary undertaking of Conran Holdings Limited, registered in England and Wales. The results of the company are consolidated into the financial statements of Conran Holdings Limited, the ultimate parent undertaking, which is the smallest and largest group to consolidate the company's financial statements. Copies of the group's financial statements are available from Companies House.

15. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

On transition to FRS 102, fixed term cash deposits that mature within one year have been redesignated from cash and cash equivalents to current asset investments. There was no impact on the profit and loss account.