

Company Registration No. 05364464 (England and Wales)

BGPH GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2014



BGPH GROUP LIMITED

COMPANY INFORMATION

Directors	W Murphy M Pates
Secretary	M Pates
Company number	05364464
Registered office	Gateway House Milverton Street Kennington London SE11 4AP
Independent Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Solicitors	Edwin Coe 2 Stone Buildings Lincoln's Inn London WC2A 3TH

BGPH GROUP LIMITED

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BGPH GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2014

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

The principal activity of the company is that of holding investments in subsidiary companies.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 June 2013:

W Murphy
I Armitage
M Pates

(Resigned 20 March 2014)

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

Statement of directors' responsibilities

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 these 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;
- 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.

BGPH GROUP LIMITED

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 MAY 2014**

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



.....
M Pates

Director 18/9/2014
.....

BGPH GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BGPH GROUP LIMITED

We have audited the financial statements of BGPH Group Limited for the year ended 31 May 2014 set out on pages 5 to 12. 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 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 set out on pages 1 - 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.

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 31 May 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.

BGPH GROUP LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF BGPH GROUP LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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.



**Donna Caira (Senior Statutory Auditor)
for and on behalf of Saffery Champness**

18 Sept 2014

**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

BGPH GROUP LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2014**

	Notes	2014 £'000	2013 £'000
Administrative expenses		(4)	(3)
Operating loss		(4)	(3)
Investment income	2	5,342	4,698
Interest payable and similar charges	3	(5,357)	(4,712)
Loss on ordinary activities before taxation		(19)	(17)
Tax on loss on ordinary activities	4	437	452
Profit for the year	10	418	435

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

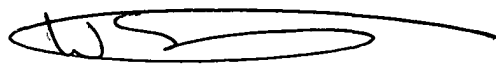
The notes on pages 7 to 12 form part of these financial statements.

BGPH GROUP LIMITED**BALANCE SHEET
AS AT 31 MAY 2014**

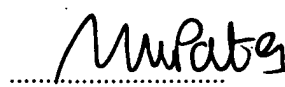
	Notes	2014 £'000	2013 £'000
Fixed assets			
Investments	5	29,465	29,465
Current assets			
Debtors	6	35,056	29,277
Cash at bank and in hand		-	4
Net current assets		35,056	29,281
Total assets less current liabilities		64,521	58,746
Creditors: amounts falling due after more than one year	7	(44,653)	(39,296)
		19,868	19,450
Capital and reserves			
Called up share capital	9	18,890	18,890
Share premium account	10	353	353
Profit and loss account	10	625	207
Shareholders' funds	11	19,868	19,450

The notes on pages 7 to 12 form part of these financial statements.

Approved by the Board and authorised for issue on 18/9/2014



W Murphy
Director



M Pates
Director

Company Registration No. 05364464

BGPH GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Deferred 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 taxable profits and the 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 measured on a non-discounted basis 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.

1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of BGPH Holdings Limited, a company incorporated in England, and is included in the consolidated financial statements of that company.

1.6 Financial instruments

In accordance with FRS 25 Financial Instruments: Disclosure and Presentation, equity instruments which result in a financial obligation have been classified as debt in these financial statements and dividends payable on such equity instruments are included as interest costs.

BGPH GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2014**

2	Investment income	2014	2013
		£'000	£'000
	Preference share dividend receivable from group undertaking	634	559
	Interest from group companies	4,708	4,139
		<u> </u>	<u> </u>
3	Interest payable	2014	2013
		£'000	£'000
	On loans repayable after five years	4,723	4,153
	Preference share dividends payable	634	559
		<u> </u>	<u> </u>
		5,357	4,712
		<u> </u>	<u> </u>
4	Taxation	2014	2013
		£'000	£'000
	Current tax charge	-	-
	Deferred tax		
	Deferred tax charge/credit current year	(437)	(452)
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(19)	(17)
		<u> </u>	<u> </u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 23.83%)	(4)	(4)
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	1,580	1,071
	Tax losses surrendered to group companies	(942)	(461)
	Non-taxable income	(634)	(606)
		<u> </u>	<u> </u>
		4	4
		<u> </u>	<u> </u>
	Current tax charge	-	-
		<u> </u>	<u> </u>

BGPH GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2014****5 Fixed asset investments**

	Shares in subsidiary undertakings £'000
Cost	
At 1 June 2013 & at 31 May 2014	<u>29,465</u>
Net book value	
At 31 May 2014	<u>29,465</u>
At 31 May 2013	<u>29,465</u>

6 Debtors	2014 £'000	2013 £'000
Amounts owed by parent and fellow subsidiary undertakings	21,652	18,757
Amounts owed by subsidiary undertakings	12,515	10,068
Deferred tax asset (see note 8)	<u>889</u>	<u>452</u>
	<u>35,056</u>	<u>29,277</u>

Included in the amounts owed by group undertakings is an amount for dividends from preference shares held in a subsidiary which fall due after more than one year for £3,529,635 (2013: £2,895,000).

BGPH GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2014**

7 Creditors: amounts falling due after more than one year	2014 £'000	2013 £'000
Other loans	30,193	27,257
Accruals and deferred income	9,100	7,314
Accrued preference share dividend payable	3,530	2,895
Preference shares classed as a financial liability	1,830	1,830
	<u>44,653</u>	<u>39,296</u>
Analysis of loans		
Wholly repayable within five years	30,193	27,257
	<u>30,193</u>	<u>27,257</u>
Loan maturity analysis		
In more than one year but not more than two years	30,193	-
In more than two years but not more than five years	-	27,256
	<u>-</u>	<u>27,256</u>
Preference shares classified as financial liabilities		
In more than one year but not more than two years	1,830	1,830
	<u>1,830</u>	<u>1,830</u>

The loan notes are due for repayment on 30 November 2017 and accrue interest at a rate of 12% (2013: 12%) per annum. The loan notes are listed on the Channel Island Stock Exchange in Guernsey. Included in the balance are deferred issue costs of £51,522 (2013: £66,242) which are released to profit and loss over the term of the loan.

The company has in issue 1,830,391 12.6% cumulative redeemable preference shares of £1 each. These have been classified as a financial liability in accordance with FRS 25 Financial Instruments - Disclosure and Presentation.

On 31 May 2011 the company issued £2,000,000 loan notes which accrue interest at 15% compounding daily. The loan notes are secured by way of debenture over the assets of the company. The loan notes are due for repayment on 30 November 2017.

On 3 February 2012 the company issued £5,000,000 loan notes which accrue interest at 15% compounding daily. The loan notes are secured by way of debenture over the assets of the company. The loan notes are due for repayment on 30 November 2017.

BGPH GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2014****8 Provisions for liabilities**

The deferred tax asset (included in debtors, note) is made up as follows:

	2014 £'000
Balance at 1 June 2013	(452)
Profit and loss account	(437)
Balance at 31 May 2014	<u>(889)</u>

	2014 £'000	2013 £'000
Other timing differences	<u>(889)</u>	<u>(452)</u>

9 Share capital

	2014 £'000	2013 £'000
Authorised		
37,780 Ordinary shares of 50p each	<u>18,890</u>	<u>18,890</u>
Allotted, called up and fully paid		
37,780 Ordinary shares of 50p each	<u>18,890</u>	<u>18,890</u>

10 Statement of movements on reserves

	Share premium account £'000	Profit and loss account £'000
Balance at 1 June 2013	353	207
Profit for the year	-	418
Balance at 31 May 2014	<u>353</u>	<u>625</u>

BGPH GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MAY 2014

11 Reconciliation of movements in shareholders' funds	2014 £'000	2013 £'000
Profit for the financial year	418	435
Opening shareholders' funds	19,450	19,015
	<hr/>	<hr/>
Closing shareholders' funds	19,868	19,450
	<hr/>	<hr/>

12 Employees

Number of employees

There were no employees during the year apart from the directors.

13 Control

The immediate parent company is BGPH Holdings Limited, a company registered in England and Wales.

BGPH Holdings Limited prepares group financial statements and copies can be obtained from Gateway House, Milverton Street, London SE11 4AP.

14 Related party relationships and transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.