

Company Registration No. 05528591 (England and Wales)

BGPH LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2014

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BGPH LIMITED

COMPANY INFORMATION

Directors	W Murphy M Pates
Secretary	M Pates
Company number	05528591
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 LIMITED

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BGPH 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 was 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 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

18/4/2014

BGPH LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BGPH LIMITED

We have audited the financial statements of BGPH Limited for the year ended 31 May 2014 set out on pages 5 to 13. 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 loss 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 LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF BGPH 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
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**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

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

	Notes	2014 £'000	2013 £'000
Administrative expenses		(163)	(10,584)
Operating loss		(163)	(10,584)
Investment income	2	1,895	2,000
Other interest receivable and similar income	2	1	-
Amounts written off investments	3	-	(41,536)
Interest payable and similar charges	4	(9,085)	(8,590)
Loss on ordinary activities before taxation		(7,352)	(58,710)
Tax on loss on ordinary activities	5	-	-
Loss for the year	10	(7,352)	(58,710)

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 13 form part of these financial statements.

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

	Notes	2014 £'000	2013 £'000
Fixed assets			
Investments	6	47,278	47,278
Current assets			
Cash at bank and in hand	1	2,039	
Creditors: amounts falling due within one year	7	<u>(65,159)</u>	<u>(59,724)</u>
Net current liabilities		<u>(65,158)</u>	<u>(57,685)</u>
Total assets less current liabilities		<u>(17,880)</u>	<u>(10,407)</u>
Creditors: amounts falling due after more than one year	8	<u>(50,255)</u>	<u>(50,376)</u>
		<u>(68,135)</u>	<u>(60,783)</u>
Capital and reserves			
Called up share capital	9	18,281	18,281
Share premium account	10	353	353
Profit and loss account	10	<u>(86,769)</u>	<u>(79,417)</u>
Shareholders' funds	11	<u>(68,135)</u>	<u>(60,783)</u>

The notes on pages 7 to 13 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. 05528591

BGPH 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 the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Deferred tax is 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 LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2014**

2	Investment income	2014	2013
		£'000	£'000
	Income from shares in group undertakings	1,895	2,000
	Other interest	1	-
		<u>1,896</u>	<u>2,000</u>

Included in other interest is £nil (2013: £nil) due on amounts receivable from group companies.

3	Amounts written off investments	2014	2013
		£'000	£'000
	Amounts written off fixed asset investments:		
	- permanent diminution in value	-	41,536
		<u>-</u>	<u>41,536</u>

4	Interest payable	2014	2013
		£'000	£'000
	On amounts payable to group companies	4,708	4,139
	On loans repayable after five years	3,743	3,892
	Dividends paid on preference shares classified as financial liabilities		
	Preference dividend payable	634	559
		<u>9,085</u>	<u>8,590</u>

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

5 Taxation	2014 £'000	2013 £'000
Current tax charge	<u>-</u>	<u>-</u>
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	<u>(7,352)</u>	<u>(58,710)</u>
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 23.83%)	<u>(1,470)</u>	<u>(13,991)</u>
Effects of:		
Non deductible expenses	127	15,553
Tax losses surrendered to group companies	1,722	1,914
Non-taxable Income	(379)	(3,000)
Other tax adjustments	<u>-</u>	<u>(476)</u>
	<u>1,470</u>	<u>13,991</u>
Current tax charge	<u>-</u>	<u>-</u>

6 Fixed asset investments

	Shares in subsidiary undertakings £'000
Cost	
At 1 June 2013 & at 31 May 2014	<u>47,278</u>
Net book value	
At 31 May 2014	<u>47,278</u>
At 31 May 2013	<u>47,278</u>

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

7	Creditors: amounts falling due within one year	2014 £'000	2013 £'000
	Bank loans and overdrafts	4,500	3,000
	Amounts owed to group undertakings	60,507	56,668
	Other creditors	152	56
		<hr/>	<hr/>
		65,159	59,724
		<hr/>	<hr/>

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

8 Creditors: amounts falling due after more than one year	2014 £'000	2013 £'000
Bank loans	16,187	18,961
Other loans	18,000	18,000
Accruals and deferred income	10,708	8,690
Accrued preference share dividend	3,530	2,895
Preference shares classed as a financial liability	1,830	1,830
	<u>50,255</u>	<u>50,376</u>
Analysis of loans		
Wholly repayable within five years	<u>38,687</u>	<u>39,961</u>
	38,687	39,961
Included in current liabilities	<u>(4,500)</u>	<u>(3,000)</u>
	<u>34,187</u>	<u>36,961</u>
Loan maturity analysis		
In more than one year but not more than two years	11,375	4,500
In more than two years but not more than five years	<u>14,375</u>	<u>24,250</u>

The bank loans are secured by way of a debenture over the assets of the company and other group companies.

Preference shares classified as financial liabilities

In more than one year but not more than two years	<u>1,830</u>	<u>1,830</u>
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The bank loans bear interest at rates varying from LIBOR plus 4.50% to LIBOR plus 5.00%. The bank loan facilities are due for repayment in instalments by 30 November 2016.

The mezzanine loan bears interest at the rate of LIBOR plus 10.5%. Promissory notes referencing the mezzanine loan are listed on the Channel Islands Stock Exchange in Guernsey.

The BGPH Group loan bears interest at a rate of 12% (2013: 12%).

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

Included in bank loans is £562,513 (2013: £789,000) of deferred issue costs which are being released over the term of the loan.

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

9 Share capital	2014	2013
	£'000	£'000
Authorised		
36,562,508 Ordinary shares of 50p each	<u>18,281</u>	<u>18,281</u>
Allotted, called up and fully paid		
36,562,508 Ordinary shares of 50p each	<u>18,281</u>	<u>18,281</u>
10 Statement of movements on reserves	Share premium account	Profit and loss account
	£'000	£'000
Balance at 1 June 2013	353	(79,417)
Loss for the year	-	(7,352)
Balance at 31 May 2014	<u>353</u>	<u>(86,769)</u>
11 Reconciliation of movements in shareholders' funds	2014	2013
	£'000	£'000
Loss for the financial year	<u>(7,352)</u>	<u>(58,710)</u>
Net depletion in shareholders' funds	(7,352)	(58,710)
Opening shareholders' funds	<u>(60,783)</u>	<u>(2,073)</u>
Closing shareholders' funds	<u>(68,135)</u>	<u>(60,783)</u>
12 Employees		

Number of employees

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

BGPH LIMITED

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

13 Control

The immediate parent company is BGPH Group Limited, a company registered in England and Wales, and the ultimate 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 in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.