

Registered number: 05946900

## TOPAZ FINANCE LIMITED

### DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

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## **TOPAZ FINANCE LIMITED**

### **COMPANY INFORMATION**

**Directors**

A N Jones (appointed 30 March 2015)  
J M Pattinson (appointed 30 March 2015)  
P M Costigan (appointed 30 March 2015)  
P Fryers (appointed 8 September 2016)  
R L Banks (appointed 4 October 2016)  
J Foster (appointed 17 October 2016)

**Company secretary**

J Dolbear

**Registered number**

05946900

**Registered office**

The Pavilions  
Bridgwater Road  
Bristol  
BS13 8AE

**Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
2 Glass Wharf  
Bristol  
BS2 0FR

## TOPAZ FINANCE LIMITED

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## **TOPAZ FINANCE LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2016**

The Directors present their report and the financial statements for the period ended 30 June 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 101 'Reduced Disclosure Framework'. 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 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.

#### **Principal activity**

The principal activity of Topaz Finance Limited ("the Company") is the administration of mortgaged loans.

#### **Results and dividends**

The loss for the period, after taxation, amounted to £122 thousand (2014: profit £313 thousand).

The Directors do not propose a final dividend to be paid (2014: £ nil), nor was an interim dividend paid (2014: £47,277 thousand) during the period.

At the end of the period, the balance sheet showed total assets of £2,285 thousand (2014: £1,539 thousand). Total shareholders' funds were £225 thousand (2014: £227 thousand).

**TOPAZ FINANCE LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 30 JUNE 2016**

**Directors**

The Directors who served during the period were:

M Larkin (resigned 30 March 2015)  
M I McDonald (resigned 30 March 2015)  
L M Richardson (resigned 30 March 2015)  
A S Devine (resigned 30 March 2015)  
A P Freeley (appointed 30 March 2015, resigned 8 September 2016)  
A N Jones (appointed 30 March 2015)  
J M Pattinson (appointed 30 March 2015)  
N Sarkar (appointed 30 March 2015, resigned 8 September 2016)  
P M Costigan (appointed 30 March 2015)  
J T Hood (appointed 30 March 2015, resigned 16 September 2015)

**Strategic report**

The Company has taken advantage of the small companies exemption from preparing a strategic report provided by section 414B of the Companies Act 2006.

**Disclosure of information to auditors**

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 auditors are 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 auditors are aware of that information.

**Auditors**

The Company confirms that following the acquisition by Computershare Mortgages Services Limited (previously Specialist Mortgage Services Limited), Deloitte LLP resigned as auditors and were replaced by PricewaterhouseCoopers LLP.

**Small Companies Note**

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 on 17 October 2016 and signed on its behalf.



**P M Costigan**  
Director

20 October 2016.

## TOPAZ FINANCE LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOPAZ FINANCE LIMITED

#### Report on the financial statements

##### Our opinion

In our opinion Topaz Finance Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its loss for the 18 month period (the "period") 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.

##### What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 30 June 2016;
- the Statement of Comprehensive Income for the period then ended;
- the Statement of Changes in Equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

##### Other matters on which we are required to report by exception

###### Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

## TOPAZ FINANCE LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOPAZ FINANCE LIMITED

#### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

#### Responsibilities for the financial statements and the audit

##### Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

##### What an audit of financial statements involves

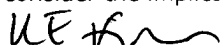
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.



Katharine Finn (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Bristol

Date: 20 October 2016

TOPAZ FINANCE LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2016

	Note	18 months ended 30 June 2016 £000	31 December 2014 £000
Turnover	4	353	-
Cost of sales		(380)	-
<b>Gross (loss)/profit</b>		(27)	-
Administrative expenses		(130)	(261)
Other operating income		35	127
<b>Operating loss</b>	6	(122)	(134)
Interest receivable and similar income		-	533
<b>(Loss)/profit before tax</b>		(122)	399
Tax on (loss)/profit	8	-	(86)
<b>(Loss)/profit for the period</b>		(122)	313

There were no recognised gains and losses for 2016 or 2014 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2014: £nil).

The notes on pages 9 to 18 form part of these financial statements.



**TOPAZ FINANCE LIMITED**  
**REGISTERED NUMBER: 05946900**

**BALANCE SHEET**  
**AS AT 30 JUNE 2016**

			<b>30 June</b>		<b>31</b>
	<b>Note</b>	<b>£000</b>	<b>2016</b>	<b>£000</b>	<b>December</b>
			<b>£000</b>	<b>£000</b>	<b>2014</b>
					<b>£000</b>
<b>Non-current assets</b>					
Investments	10		-		109
			<u>-</u>		<u>109</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	11	189		-	
Cash at bank	12	2,096		1,430	
		<u>2,285</u>		<u>1,430</u>	
Creditors: amounts falling due within one year	13	(2,060)		(1,312)	
<b>Net current assets</b>			<u>225</u>		<u>118</u>
<b>Total assets less current liabilities</b>			<u>225</u>		<u>227</u>
<b>Net assets</b>			<u><u>225</u></u>		<u><u>227</u></u>
<b>Capital and reserves</b>					
Called up share capital	15		100		100
Other reserves			120		-
Profit and loss account			<u>5</u>		<u>127</u>
			<u><u>225</u></u>		<u><u>227</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 October 2016.



**P M Costigan**  
 Director

The notes on pages 9 to 18 form part of these financial statements.

TOPAZ FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2016

	Called up share capital £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 January 2015	100	-	127	227
Loss for the period	-	-	(122)	(122)
<b>Total comprehensive income for the period</b>	-	-	(122)	(122)
Capital contribution	-	120	-	120
<b>At 30 June 2016</b>	100	120	5	225

TOPAZ FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2014	177,000	(129,809)	47,191
Profit for the year	-	313	313
<b>Total comprehensive income for the year</b>	-	313	313
Dividends paid	-	(47,277)	(47,277)
Capital transfer to reserves	-	176,900	176,900
Share capital reduction	(176,900)	-	(176,900)
<b>Total transactions with owners</b>	(176,900)	129,623	(47,277)
<b>At 31 December 2014</b>	100	127	227

The notes on pages 9 to 18 form part of these financial statements.

## TOPAZ FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

#### 1. General information

Topaz Finance Limited ("the Company") is a private limited company incorporated and domiciled in England and Wales.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis and under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

##### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

The following principal accounting policies have been applied:

##### 2.3 Going concern

The financial statements of the Company have been prepared on a going concern basis, which the Directors believe to be appropriate. Based on the performance and expected outlook of the business, the Directors are satisfied that the Company has adequate resources to continue to trade for the foreseeable future.

## TOPAZ FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

## 2. Accounting policies (continued)

### 2.4 Turnover

Fees in respect of services are recognised as the right to consideration accrues through the provision of the service to the customer. The arrangements are generally contractual and the cost of providing the service is incurred as the service is rendered. The price is usually fixed and always determinable. Fees charged for managing investments are recognised as turnover as the services are provided. Incremental costs that are directly attributable to securing an investment management contract are deferred and charged as expense as the related turnover is recognised.

### 2.5 Valuation of investments

Investments are measured at fair value. Any changes in fair value are recognised in the statement of comprehensive income. The Directors review investments for any change in fair value on a regular basis.

### 2.6 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.

### 2.7 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

#### Financial assets

The Company recognises its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired.

Other than the financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

#### Fair value through profit or loss

This category comprises only in-the-money derivatives. These are carried in the balance sheet at fair value with changes in fair value recognised in the profit and loss account.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the profit and loss account. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

## TOPAZ FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

#### 2. Accounting policies (continued)

##### 2.7 Financial instruments (continued)

###### Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

###### At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the balance sheet.

##### 2.8 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### 2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

##### 2.10 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.11 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

##### 2.12 Taxation

Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

# **TOPAZ FINANCE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016**

### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The Company makes estimates and assumptions that affect the reported amount of assets and liabilities within the next financial year. The Company also has to make judgements in applying its accounting policies which affect the amounts recognised in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Fair Value of Investments**

Investments held at fair value are regularly reviewed for objective evidence of a change in fair value. In determining whether objective evidence exists, the Company considers the present value of future benefits and rewards expected to derive from investments. Where this differs from the cost, the Directors assess whether any impairment should be made.

### **4. Turnover**

All turnover arose from administration of mortgaged loans.

All turnover arose within the United Kingdom.

### **5. Net gain on mortgages**

	<b>18 months ended 30 June 2016 £000</b>	<b>31 December 2014 £000</b>
Repayments of live mortgages (net of incurred costs)	-	3
Shortfalls recovered during the year	35	15
Movements in fair value of mortgage assets	-	109
	<u>35</u>	<u>127</u>

**TOPAZ FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2016**

	<b>2016 £000</b>	<b>Number of shortfalls under recovery</b>
Shortfalls as at 1 January 2015	12,869	273
Shortfalls no longer under recovery	(292)	(9)
Shortfalls recovered during the year	(35)	-
Costs to be recovered (added to shortfalls)	148	2
<b>Shortfalls as at 30 June 2016</b>	<b>12,690</b>	<b>266</b>

	<b>2014 £000</b>	<b>Number of shortfalls under recovery</b>
Shortfalls as at 1 January 2014	12,879	273
Shortfalls no longer under recovery	-	-
Shortfalls recovered during the year	(15)	-
Costs to be recovered (added to shortfalls)	5	-
<b>Shortfalls as at 31 December 2014</b>	<b>12,869</b>	<b>273</b>

Shortfalls represent the residual balance owed to the Company following default by borrowers and subsequent repossession and disposal of the mortgage security. The outstanding Shortfalls balance presented above was fully written down in prior periods due to the low probability of recovery. Where amounts have been recovered during the period these are included within Other operating income in the Statement of Comprehensive Income.

The Company has one live mortgage outstanding at the balance sheet date. No capital repayments were received during the period. The outstanding balance was fully written down in prior periods due to the low probability of recovery.

**6. Operating loss**

The operating loss is stated after charging:

	<b>18 months ended 30 June 2016 £000</b>	<b>31 December 2014 £000</b>
Defined contribution pension cost	10	-
Auditor's remuneration - audit services	8	13



**TOPAZ FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2016**

**7. Employees**

Staff costs were as follows:

	<b>18 months ended 30 June 2016 £000</b>	<b>31 December 2014 £000</b>
Wages and salaries	252	-
Social security costs	23	-
Cost of defined contribution scheme	10	-
	<u>285</u>	<u>-</u>

The average monthly number of employees, including the Directors, during the period was as follows:

	<b>18 months ended 30 June 2016 No.</b>	<b>31 December 2014 No.</b>
Operations staff	<u>2</u>	<u>-</u>

None (2014: none) of the Directors of the Company are remunerated by the Company. All those directors who are remunerated are done so by either Computershare Investor Services plc or Homeloan Management Limited, and hence their emoluments, including entitlements under share based long term incentive plans, are disclosed within the financial statements of the company. The highest paid director information is also disclosed there.

**8. Taxation**

	<b>18 months ended 30 June 2016 £000</b>	<b>31 December 2014 £000</b>
<b>Corporation tax</b>		
Current tax on (loss)/profits for the year	-	86
<b>Total current tax</b>	<u>-</u>	<u>86</u>

**TOPAZ FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2016**

**8. Taxation (continued)**

**Factors affecting tax charge for the period/year**

The tax assessed for the period/year is lower than (2014 -the same as) the standard rate of corporation tax in the UK of 20.16% (2014: 21.5%). The differences are explained below:

	<b>18 months ended 30 June 2016 £000</b>	<b>31 December 2014 £000</b>
(Loss)/profit on ordinary activities before tax	(122)	399
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.16% (2014: 21.5%)	(24)	86
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1	-
Group relief	23	-
<b>Total tax charge for the period/year</b>	<b>-</b>	<b>86</b>

The Company has surrendered tax losses of £118 thousand (2014: £nil) with a tax effect of £23 thousand (2014: £nil) to fellow subsidiary undertakings for no payment. Therefore no tax losses are available to carry forward.

**Factors that may affect future tax charges**

The main UK corporation tax rate is 20% throughout the year ended 30 June 2016, but it will be reduced to 19% from 1 April 2017 and 18% from 1 April 2020 following Royal Assent on 18 November 2015. A further reduction in the corporation tax rate to 17% from 1 April 2020 was given Royal Assent on 15 September 2016.

**9. Dividends**

	<b>30 June 2016 £000</b>	<b>31 December 2014 £000</b>
Dividends paid	-	47,277
	-	47,277

TOPAZ FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2016

10. Investments

	<b>Mortgages £000</b>
At 1 January 2015	109
Disposals	(109)
At 30 June 2016	-
	<u>          </u>
	<u>          </u>
At 31 December 2014	109
	<u>          </u>

Investments represent outstanding mortgages. As detailed in Note 5, at the period end there was one mortgage outstanding which had been fully impaired to £nil in previous periods.

11. Debtors

	<b>30 June 2016 £000</b>	<b>31 December 2014 £000</b>
<b>Due within one year</b>		
Trade debtors	163	-
Corporation tax	19	-
Prepayments and accrued income	7	-
	<u>189</u>	<u>-</u>
	<u>          </u>	<u>          </u>

12. Cash and cash equivalents

	<b>30 June 2016 £000</b>	<b>31 December 2014 £000</b>
Cash at bank and in hand	2,096	1,430
	<u>2,096</u>	<u>1,430</u>
	<u>          </u>	<u>          </u>

TOPAZ FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2016

**13. Creditors: Amounts falling due within one year**

	<b>30 June 2016 £000</b>	<b>31 December 2014 £000</b>
Amounts owed to group undertakings	652	-
Corporation tax	-	41
Taxation and social security	29	-
Other creditors	1,343	1,271
Accruals and deferred income	36	-
	<u>2,060</u>	<u>1,312</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**14. Financial instruments**

	<b>30 June 2016 £000</b>	<b>31 December 2014 £000</b>
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	-	109
Financial assets that are debt instruments measured at amortised cost	<u>2,259</u>	<u>1,430</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(2,749)</u>	<u>(1,271)</u>

Financial assets measured at fair value through profit or loss comprise investments.

Financial assets measured at amortised cost comprise of trade debtors and cash at bank.

Financial Liabilities measured at amortised cost comprise of amounts owed to Group undertakings and other creditors.

# TOPAZ FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

### 15. Share capital

	30 June 2016 £000	31 December 2014 £000
<b>Shares classified as equity</b>		
<b>Authorised, allotted, called up and fully paid</b>		
100,000 Ordinary shares shares of £1 each	100	100

### 16. Pension commitments

The majority of the Company's employees are eligible to join the defined contribution Stakeholder pension scheme of a fellow subsidiary, Computershare Investor Services plc. The Company contributes to the Stakeholder scheme on behalf of its employees. A minimum 1% contribution is required by employees and the Company contributes an additional 2% (i.e. a minimum of 3%), with a maximum contribution of 8% by the Company. The assets of the scheme are held separately from those of Computershare and the Company.

### 17. Post balance sheet events

On 19 October 2016 the Financial Conduct Authority published a Guidance Consultation (GC16/6) relating to a proposed remediation framework for borrowers potentially affected by the way lenders calculate monthly payments for customers in arrears. Responses to this consultation are required by 18 January 2017. The Directors are reviewing the publication and will assess in due course the impact (if any) on the Company.

### 18. Controlling party

Topaz Finance Limited is controlled and 100% owned by Computershare Investments (UK) (No. 3) Limited, a company incorporated in England and Wales. During the period, the Company was sold from Royal Bank of Scotland plc to Computershare Mortgage Services Limited (previously Specialist Mortgage Services Limited) on 30 March 2015 for consideration of £1. The Company was then purchased for £2,013 thousand by Computershare Investments (UK) (No. 3) Limited on 29 April 2016. Control therefore passed to Computershare Investments (UK) (No. 3) Limited on the date of this transaction.

The ultimate parent undertaking and ultimate controlling party is Computershare Limited ("Computershare Limited (Australia)"), a company incorporated in Australia under ACN 005485825, which ultimately holds 100% of the share capital in Topaz Finance Limited and Computershare Investments (UK) (No. 3) Limited.

The smallest and largest group in which Topaz Finance Limited is a member and for which group financial statements are drawn up is the Computershare Limited (Australia) group. The consolidated financial statements of this group can be obtained from Computershare Limited, 452 Johnston Street, Abbotsford, Victoria 3067, Australia. These may also be found at Computershare's website [www.computershare.com](http://www.computershare.com).