

Proportion Limited

REPORT AND FINANCIAL STATEMENTS

31 December 2015



Proportion Limited

COMPANY INFORMATION

DIRECTORS

TJ Billings
RN Taylor
TK Reynolds
RH McPherson
MAV Henderson
AM Jordan

SECRETARY

TJ Billings

REGISTERED OFFICE

16 Hickman Avenue
London E4 9JG

AUDITOR

Mercer & Hole
Silbury Court
420 Silbury Boulevard
Central Milton Keynes
MK9 2AF

SOLICITORS

SGH Martineau
American Square Conference
1 America Square
Crosswall
London EC3N 2SG

BANKERS

National Westminster Bank plc
Walthamstow Central
204 High Street
Walthamstow
London E17 7LL

Proportion Limited

STRATEGIC REPORT

The directors submit their strategic report and the financial statements of Proportion Limited for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to hold its investment in a subsidiary undertaking which is involved in the manufacture and distribution of display busts, mannequins and other display equipment.

REVIEW OF THE BUSINESS

The company did not trade in the year, and consequently the profit and loss account has not been disclosed.

The company is an intermediary holding company and is a wholly owned subsidiary of Brightstar Capital (Proportion) Limited. A review of the group's business and principal risks and uncertainties are given in Brightstar Capital (Proportion) Limited's financial statements.

By order of the board



TJ Billings
Secretary

19 September 2016

Proportion Limited

DIRECTORS' REPORT

The directors submit their directors' report and the financial statements of Proportion Limited for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to hold its investment in a subsidiary undertaking which is involved in the manufacture and distribution of display busts, mannequins and other display equipment.

DIVIDENDS

The directors do not recommend payment of a dividend (2014: £Nil).

DIRECTORS

The following directors have held office since 1 January 2015:

TJ Billings	
RN Taylor	
AM D'Marco	resigned 15 June 2016
TK Reynolds	
RH McPherson	
MAV Henderson	
AM Jordan	appointed 11 November 2015

AUDITOR

Mercer & Hole Chartered Accountants have indicated their willingness to continue in the office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the board



TJ Billings
Secretary

19 September 2016

Proportion Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on a 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 AUDITOR'S REPORT TO THE MEMBERS OF PROPORTION LIMITED

We have audited the financial statements on pages 6 to 11. 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 Financial Reporting Standard 102.

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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 (APB's) Ethical Standards for Auditors.

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 website at <http://www.frc.org.uk/auditscopeukprivate>.

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 December 2015;
- 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 Strategic Report and 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.

Mercer & Hole

Andrew Lawes (Senior Statutory Auditor)
For and on behalf of Mercer & Hole, Statutory Auditor
Chartered Accountants
Silbury Court
420 Silbury Boulevard
Central Milton Keynes
MK9 2AF

Date: 19 September 2016

Proportion Limited

BALANCE SHEET

31 December 2015

Company Registration No 06329646

	<i>Notes</i>	2015 £	2014 £
FIXED ASSETS			
Investments	1	3,403,499	3,403,499
CURRENT ASSETS			
Debtors	2	1,316,705	1,316,705
NET ASSETS		<u>4,720,204</u>	<u>4,720,204</u>
CAPITAL AND RESERVES			
Called up share capital	3	374	374
Share premium account		4,719,830	4,719,830
SHAREHOLDERS' FUNDS		<u>4,720,204</u>	<u>4,720,204</u>

The financial statements on pages 6 to 11 were approved by the board of directors and authorised for issue on
19 September 2016 and are signed on its behalf by:



TJ Billings
Director

Proportion Limited
STATEMENT OF CHANGES IN EQUITY
31 December 2015

	Share capital	Share premium account	Total
	£	£	£
Balance at 1 January 2014	374	4,719,830	4,720,204
Period ended 31 December 2014			
Profit and total comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2014	374	4,719,830	4,720,204
Period ended 31 December 2015			
Profit and total comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	<u>374</u>	<u>4,719,830</u>	<u>4,720,204</u>

Proportion Limited

ACCOUNTING POLICIES

Company information

Proportion Limited is a limited company domiciled in England and Wales. The registered office is 16 Hickman Avenue, London, E4 9JG.

Accounting convention

These financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Proportion Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

In accordance with FRS102, the company has taken advantage of the exemptions from the following requirements:

- Section 7 'Statement of Cash Flows' – Presentation of Statement of Cash Flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' – Compensation of key management personnel.
- Section 26 'Share based Payments'
 - Requirement to disclose the number and weighted average exercise prices of share options for options outstanding at the beginning of the period, granted in the period, forfeited during the period, exercised during the period, expiring in the period and outstanding and exercisable at the end of the period.
 - Requirement to disclose information about how the fair value of options granted has been determined.
 - Requirement to disclose an explanation of modifications made to share based payment arrangements.
 - Requirement to disclose the total expense recognised in the profit or loss for the period and the total carrying value at the end of the period for liabilities arising for share based payment transactions.

The company has taken advantage of Section 400 of the Companies Act 2006 to be exempt from preparing group financial statements on the grounds that the company is included in the consolidated financial statements of its parent, Brightstar Capital (Proportion) Limited. These financial statements therefore present information about the company as an individual undertaking and not about its group

Going concern

At the time of approving the financial statements the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Profit and Loss Account

The company did not trade in the year and made neither a profit nor a loss. No profit and loss account has therefore been produced.

Fixed Assets

The fixed asset investment represents the company's investment in its subsidiary and is stated at cost, less any provision for impairment in value where appropriate.

Proportion Limited

ACCOUNTING POLICIES

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Proportion Limited

ACCOUNTING POLICIES

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Proportion Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

1 FIXED ASSET INVESTMENTS

	£
Cost and net book value	
At 1 January and 31 December 2015	3,403,499

Details of the company's principal subsidiaries are shown below. The investments are carried on the basis of cost less any subsequent impairment. During the year the directors reviewed the carrying value of investments in subsidiaries and concluded that no impairment had occurred.

<i>Company</i>	<i>Country of Incorporation</i>	<i>Proportion of shares held</i>
Proportion London Limited	Great Britain	100%

The aggregate amount of capital and reserves and the results of the undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit for the year £
Proportion London Limited	7,818,027	343,227

The principal activity of the subsidiary undertaking is the design and manufacture of mannequins.

2 DEBTORS

	2015 £	2014 £
Amount receivable from parent undertaking	1,316,705	1,316,705

3 CALLED UP SHARE CAPITAL

	2015 £	2014 £
Allotted, issued and fully paid:		
3,309 ordinary shares of £0.083 each	275	275
612 ordinary A shares of £0.083 each	51	51
576 ordinary A shares of £0.083 each	48	48
	374	374

4 ULTIMATE CONTROLLING PARTY

The company's immediate and ultimate parent undertaking is Brightstar Capital (Proportion) Limited, a company incorporated in the United Kingdom. Copies of its financial statements are available from the registered office. The directors do not consider there to be an ultimate controlling party.

5 RELATED PARTY TRANSACTIONS

Advantage is taken of the FRS102 exemption from the disclosure of certain intra group transactions.