

James Cropper EBT Limited

**Directors' Report and financial
statements**

Registered number 06377466

30 March 2013

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Directors' Report

The directors present their Directors' Report and financial statements for the 52 week period ending 30 March 2013 (2012 52 week period ending 31 March 2012)

The Company is incorporated in England and Wales as a limited company. The registered office and principal place of business of the Company is Burnside Mills, Burnside, Kendal, LA9 6PZ.

Principal activities

The Company is a trustee of an Employee Benefit Trust in favour of former, current and future employees of James Cropper plc and its subsidiaries. Its purpose is to acquire shares in James Cropper plc, with the intention that these should be made available to such employees on such terms or basis as the trustee of the Employee Trust so decides, and includes the granting of awards under a long term incentive plan.

Results and dividends

No trading activity occurred in the year. The Company has total investments of £101,700 (2012 £225,620), in relation to the shares of James Cropper plc. At each reporting date the Company assesses whether there is any indication that the investment may be impaired. The recoverable amount of the investment is taken to be the share price at the reporting date. At 30 March 2013 the share price was £2.41 (2012 £1.81). The directors do not recommend the payment of a dividend (2012 £nil).

Future developments

The Company is expected to acquire more shares in the future.

Principal risks and uncertainties

The Company can acquire shares in James Cropper plc in order to satisfy existing and future awards of shares. This provides management with the opportunity to hedge their position by acquiring shares when the price is low and providing them to management in the future when the share price is likely to be higher.

Post Balance Sheet events

There are no post Balance Sheet events to be reported.

Directors and their interests

The directors who held office at anytime during the period are given below:

J A Cropper
D R Wilks
M A J Cropper
J E Sharp
Douglas Mitchell

The interests of the above, all of whom are directors of the ultimate parent company, James Cropper plc, are given in the annual report of that company.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Our auditor, KPMG Audit Plc, have notified the Company that they are not seeking reappointment. The directors have decided to put KPMG LLP forward to be appointed as auditor and a resolution concerning their appointment will be put forward at the forthcoming AGM of the company.

By order of the board



D R Carey
Secretary

30 July 2013

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS101 *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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

- **ABCD**

KPMG Audit Plc

Edward VII Quay
Navigation Way
Preston
PR2 2YF
United Kingdom

Independent auditor's report to the members of James Cropper EBT Limited

We have audited the financial statements of James Cropper EBT Limited for the year ended 30 March 2013 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (Generally Accepted Accounting Practice), including FRS101 *Reduced Disclosure Framework*.

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 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.

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 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 30 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of James Cropper EBT Limited *(continued)*

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

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



Michael Frankish
(Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
Edward VII Quay
Navigation Way
Preston
PR2 2YF
30 July 2013

Statement of Profit and Loss Account and other Comprehensive Income

for the 52 week period ended 30 March 2013 (2012: 52 week period ended 31 March 2012)

	2013 £	2012 £
Other income	-	-
Other expenses	-	(32)
Waiver of Intercompany loan	-	208,160
	<hr/>	<hr/>
Profit before tax	-	208,128
Taxation	-	-
	<hr/>	<hr/>
Total Comprehensive Income for the period attributable to equity holders of the company	-	208,128
	<hr/>	<hr/>

Balance Sheet
at 30 March 2013

	<i>Note</i>	2013 £	2012 £
Fixed assets			
Investments	3	<u>101,700</u>	<u>225,620</u>
Current assets			
Amounts due from Group Undertakings		<u>1</u>	<u>1</u>
Cash at bank and in hand		<u>55</u>	<u>55</u>
		<u>56</u>	<u>56</u>
Current liabilities			
Trade and other creditors	4	<u>(130)</u>	<u>(130)</u>
Intercompany loans	5	<u>(101,700)</u>	<u>(225,620)</u>
Total current liabilities		<u>(101,830)</u>	<u>(225,750)</u>
Net current liabilities		<u>(101,774)</u>	<u>(225,694)</u>
Total assets and liabilities		<u>(74)</u>	<u>(74)</u>
Shareholders' equity			
Ordinary share capital	7	<u>1</u>	<u>1</u>
Retained earnings		<u>(75)</u>	<u>(75)</u>
Total shareholders' equity attributable to equity holders of the company		<u>(74)</u>	<u>(74)</u>

These financial statements were approved by the board of directors on 30 July 2013 and were signed on its behalf by



J A Cropper
Director
Registered number 06377466

Statement of Changes in Equity
for the year ended 30 March 2013

	Share capital £	Retained earnings £	Total £
At 2 April 2011	1	(208,203)	(208,202)
Profit for the financial period	-	208,128	208,128
At 31 March 2012	<u>1</u>	<u>(75)</u>	<u>(74)</u>
Profit for the financial period	-	-	-
At 30 March 2013	<u><u>1</u></u>	<u><u>(75)</u></u>	<u><u>(74)</u></u>

Notes

(forming part of the financial statements)

1 Accounting policies

James Cropper EBT Limited (the Company) is a company incorporated in the UK

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The accounting "year" for the Company is a 52 week accounting period ending 30 March 2013 (2012: 52 week accounting period ended 31 March 2012).

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has adopted early FRS 101 and for the first time.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes,
- Disclosures in respect of transactions with wholly owned subsidiaries,
- The effects of new but not yet effective IFRSs,

As the consolidated financial statements of James Cropper plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The financial statements are prepared on the historical cost basis of accounting except where IFRS requires assets and liabilities to be measured at fair value.

The Company has net liabilities of £74 as at 30 March 2013 (2012: £74). The accounts have been prepared on a going concern basis which the directors believe to be appropriate. The going concern basis presupposes the continued support of the parent company.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Investment

Investments are stated at cost, less any provision for impairment in value.

Cash

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as borrowings within current liabilities on the Balance Sheet. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Debtors

Debtors are recorded at their fair value after appropriate revision of impairment.

Creditors

Creditors are stated at their fair value.

Notes (continued)

1 Accounting policies (continued)

Impairment of assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes an estimate of recoverable amount. Where the carrying value of an asset exceeds its recoverable amount the asset is written down to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use and is deemed for an individual asset. If the asset does not generate cash flows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash generating unit to which the asset belongs is determined. Discount rates reflecting the assets' specific risks and the time value of money are used for the value in use calculation.

Capital management

The Company's capital includes share capital, reserves and retained earnings and their policy is to maintain the ability to continue as a going concern, in order to provide returns to the shareholder and benefits to other stakeholders. The Company invest in financial assets that will provide an adequate level of return to the shareholder commensurate with the level of risk. The Company manages that capital structure and adjusts this in light of the changes in the economic conditions and risk associated with the underlying assets.

In order to maintain or adjust the capital structure, the Company may adjust the amount of any dividend paid to the shareholder, return capital to the shareholder, issues new shares, or sell assets to reduce debt. The Company are not subject to any externally imposed capital requirements. There have been no material changes in the management of capital during the period.

Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

2 Profit before tax

The following items have been included in arriving at the profit before tax

	2013 £	2012 £
Services provided by the company's auditor and network firms		
Fees for the audit of the company	1,000	2,000
The audit fee for this company is paid for by James Cropper plc		

3 Investments

The Company has total investments of £101,700 (2012: £225,620) in relation to shares of James Cropper plc which is incorporated in England. This relates to 60,000 shares valued at an average price of £1.695 (2012: 114,000 shares valued at £1.98).

4 Trade and other creditors

	2013 £	2012 £
Other creditors	130	130

5 Intercompany loans

	2013 £	2012 £
Current		
Intercompany loans	101,700	225,620

The intercompany loans are unsecured, interest free and repayable on demand.

Notes (continued)

6 Employees and directors

The Company had no employees during the period, other than directors

No directors' emoluments were payable in the period. Directors of the Company are also directors of the ultimate parent undertaking, James Cropper plc and details of their remuneration from the group are given in the annual report of that company

7 Share capital

	2013 £	2012 £
Issued and fully paid		
1 ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

Consideration is included within amounts due from group undertakings

8 Ultimate parent undertaking and controlling party

The ultimate parent company and ultimate controlling party is James Cropper plc, which is the parent of the smallest and largest group to consolidate these financial statements. James Cropper plc is a company registered in England and Wales and copies of the financial statements can be obtained from the Company Secretary at Burneside Mills, Kendal, Cumbria, LA9 6PZ