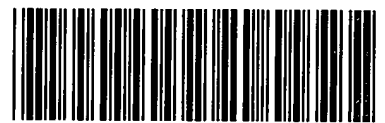


Cherry Midco 2 Limited

Annual report and financial
statements

Registered number 07765548
For the year ended 31 March 2015

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Strategic report

Principal activities and business review

The Company's principal activity is to hold investments in its subsidiaries. The results of the Company are shown on page 6.

The directors have reviewed the assets owned by the group's subsidiaries controlled by Cherry Topco Limited, of which this Company is a member. As a result of scaling back of trading operations, the carrying value of the investments in the Company's balance sheet have been written down and a provision has been made against the balance owed by its subsidiary. An impairment of £24,440,000 has been recognised in the Company's profit and loss account.

Going concern

Notwithstanding the Company's net current liabilities of £23,976,000, after making enquiries into the future trading forecasts and cash requirements, the directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Company has adequate resources to meet its obligations and continue in operational existence for the foreseeable future. Lloyds Development Capital and Bridgepoint Development Capital has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. For these reasons, the directors continue to adopt the going concern basis in preparing the directors report and accounts.

By order of the board



D Hughes
Director

28 May 2015

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 March 2015.

Proposed dividend

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

Directors

The directors who held office during the year were as follows:

A Brooks	(resigned 25 April 2014)
R Francis	
D Hewitt	
D Hughes	(appointed 4 July 2014)

Political and charitable contributions

The Company made no political contributions or donations to charities during the year (2014: £Nil).

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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board


D Hughes
Director

Lakeside 300
Old Chapel Way
Broadland Business Park
Norwich
NR7 0WG

28 May 2015

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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.



KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Independent auditor's report to the members of Cherry Midco 2 Limited

We have audited the financial statements of Cherry Midco 2 Limited for the year ended 31 March 2015 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 3, 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 31 March 2015 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Cherry Midco 2 Limited *(continued)*

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.



Colin Brearley (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

29 May 2015

Profit and loss account
for the year ended 31 March 2015

	<i>Note</i>	2015 £000	2014 £000
Impairment	2	(24,440)	-
Loss on ordinary activities before interest, being operating loss		(24,440)	-
Other operating income		-	5
Interest payable and similar charges	3	-	-
Loss on ordinary activities before taxation	2	(24,440)	5
Tax on profit on ordinary activities	4	-	14
Loss for the financial period	10	(24,440)	19

All operating results relate to continuing activities.

There were no recognised gains or losses in the current financial period other than those disclosed in the profit and loss account.

Balance sheet
at 31 March 2015

	<i>Note</i>	2015 £000	2014 £000	£000
Fixed assets				
Investments	5	-		509
Current assets				
Debtors	6	-	23,931	
Creditors: Amounts falling due within one year	7	(23,976)	(23,976)	
Net current liabilities			(23,976)	(45)
Total assets less current liabilities, being net liabilities			(23,976)	464
Capital and reserves				
Called up share capital	8	509		509
Profit and loss account	9	(24,485)		(45)
Shareholders' (deficit)/funds	10	(23,976)		464

These financial statements were approved by the board of directors on 28 May 2015 and were signed on its behalf by:



D Hughes
Director

Company number: 07765548

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. The financial statements present information about the Company as an individual undertaking and not of its group.

Under FRS 1 'Cash flow statements' the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Cherry Topco Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Cherry Topco Limited, within which this Company is included, can be obtained from the address given in note 13.

Going concern

Notwithstanding the Company's net current liabilities and net liabilities of £23,976,000, after making enquiries into the future trading forecasts and cash requirements, the directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Group has adequate resources to meet its obligations and continue in operational existence for the foreseeable future. Lloyds Development Capital and Bridgepoint Development Capital has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. For these reasons, the directors continue to adopt the going concern basis in preparing the directors' report and financial statements.

Investments

In the Company's financial statements, investments in subsidiary undertakings, associates and joint ventures are stated at cost.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 'Deferred tax'.

Notes (continued)

1 Accounting policies (continued)

Classification of financial instruments issued by the company

Financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares..

Classification of financial instruments issued by the company

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges.

Finance payments associated with financial instruments that are classified as part of shareholder's funds, are dealt with as appropriation in the reconciliation of movements in shareholders' funds

2 Profit on ordinary activities before taxation

Exceptional impairment charges totalling £24,440,000 (2014: £Nil) have been incurred. This relates to the impairment of the carrying value of the investment in Cherry Bidco Limited and the carrying value of amounts owed by subsidiary companies of Cherry Topco Limited.

The directors do not receive any remuneration from this Company (2014: £Nil).

Auditor's remuneration is borne by another group company.

3 Interest payable and similar charges

	2015 £000	2014 £000
Loan arrangement fees	-	-

4 Taxation

(i) *Analysis of credit for the period*

	2015 £000	2014 £000
<i>UK corporation tax</i>		
Current tax	-	-
Adjustments in respect of prior periods	-	(14)
Tax credit on profit on ordinary activities	-	(14)

Notes (continued)

4 Taxation (continued)

(ii) Factors affecting the tax credit for the period

The current tax credit for the period is lower (2014: higher) than the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are explained below:

	2015 £000	2014 £000
<i>Current tax reconciliation</i>		
(Loss)/profit on ordinary activities before tax	(24,440)	5
Current tax at 21% (2014: 23%)	(5,132)	1
<i>Effects of</i>		
Expenses not deductible for tax purposes	5,132	(1)
Adjustments in respect of prior periods	-	(14)
Total current tax charge (see above)	-	(14)

(iii) Factors affecting the tax charge for future periods

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

5 Fixed asset investments

	Shares in subsidiary undertakings £000
At beginning of year	509
Impairment	(509)
At end of year	-

The principal subsidiaries of the Company at the period end are as follows:

	Country of incorporation	Principal activity
Subsidiary undertakings		
Evander Glazing and Locks Limited*	UK	Insurance services
Evander Limited*	UK	Intermediate holding company
Evander Group United	UK	Intermediate holding company
Cherry Bidco Limited*	UK	Intermediate holding company
Highway Glass Limited*	UK	Dormant company
Highway Windscreen UK Limited*	UK	Dormant company

* held by a subsidiary undertaking.

The company owns 100% of the issued ordinary shares capital of each of the above subsidiaries

6 Debtors

	2015 £000	2014 £000
Amounts owed by Group undertakings	-	23,931

Notes (continued)

7 Creditors: Amounts falling due within one year

	2015 £000	2014 £000
Amounts owed to Group undertakings	23,976	23,976

8 Called up share capital

	2015 £000	2014 £000
<i>Allotted, called up and fully paid:</i>		
509,076 ordinary shares of £1 each	509	509

9 Reserves

	Profit and loss account £000
At beginning of year	(45)
Loss for the year	(24,440)
At end of year	(24,485)

10 Reconciliation of movements in shareholders (deficit)/funds

	2015 £000	2014 £000
(Loss)/profit for the financial year	(24,440)	19
Opening shareholders' funds	464	445
Closing shareholders' (deficit)/funds	(23,976)	464

11 Commitments

There were no capital commitments at the end of the financial year (2014: £Nil).

12 Related party transaction

As a wholly owned subsidiary of Cherry Topco Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

13 Ultimate controlling party

The Company's immediate parent company is Cherry Midco 1 Limited, incorporated in the United Kingdom. Its ultimate parent company is Cherry Topco Limited, incorporated in the United Kingdom. The consolidated financial statements of the group are available to the public and may be obtained from Cherry Topco Limited, Lakeside 300, Old Chapel Way, Broadland Business Park, Norwich, Norfolk, NR7 0WG.