

eDevelopment (2) Limited

Report & Financial Statements

For the period from 11 October 2011(date of incorporation) to 31 December 2012



Company Registration No 07804781

eDevelopment (2) Limited

Company Information

For the period from 11 October (date of incorporation) to 31 December 2012

Company Registration Number:	07804781
Registered Office:	Lysander House (2 nd Floor) Catbrain Lane, Cribbs Causeway Bristol BS10 7TQ
Director:	A Banks
Company Secretary:	A Sheen
Bankers:	Royal Bank of Scotland 3 rd Floor 3 Temple Back East PO Box Bristol BS1 9BX Clydesdale Bank 3 Sheldon Square Paddington London W2 6HY
Solicitors:	Newlaw Solicitors Helmont House Churchill Way Cardiff CF10 2HE
Auditor:	Baker Tilly UK Audit LLP Chartered Accountants Hartwell House 55-61 Victoria Street Bristol BS1 6AD

eDevelopment (2) Limited

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eDevelopment (2) Limited

Report of the Director

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

Report of the Director

The Director present the report and the financial statements for the period ended 31 December 2012

eDevelopment (2) Limited (the "Company") is a limited company incorporated in United Kingdom on 11 October 2011

Principal Activity

The Company's principal business activity is that of a cash handling company for the underwritten premium of Southern Rock Insurance Company Limited

Business Review & Future Developments

The Company was set up in order to provide a cash handling service for the underwritten premium of fellow group undertaking Southern Rock Insurance Company Limited

There are no planned future developments which will affect the status of the Company

Results & Dividends

The profit for the year after taxation amounted to £3,000 No dividends have been paid on 2012 performance

Directors

The Directors who served during the period were

A Banks (appointed 29 August 2012)

PS Chase-Gardener (appointed 29 August 2012, resigned 31 December 2012)

J W Gannon (appointed 29 August 2012, resigned 29 August 2012)

eDevelopment (2) Limited

Report of the Director

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

Financial Risk Management Objectives and Policies

The Group parent company, Rock Holdings Limited, uses financial instruments such as cash, loans, debtors and creditors in order to raise finance for the Company's operations. The existence of these instruments exposes the Company to financial risks which are detailed below.

Liquidity Risk / Cash flow Risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet its foreseeable needs and to invest cash assets safely and profitably. The Group as a whole monitors cash flow using sophisticated forecasting techniques to ensure that all liabilities are met when due.

Interest Risk

The Company has minimal exposure to interest rate fluctuation on any bank borrowings as these are covered by our parent company, Rock Holdings Limited. Our Group company monitors its banking facilities and compliance with related covenants as required.

Credit Risk

In order to manage credit risk the Director has incorporated a range of credit control procedures to monitor debt levels and to ensure that any debts are collected as soon as reasonably possible. Strict credit control key performance indicators are reported to ensure that debts do not exceed the prescribed period.

Statement of Director's Responsibilities

The Director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has 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 Director 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 Director is required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Director is 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.

eDevelopment (2) Limited

Report of the Director

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

Provision of Information to the Auditor

Each of the persons who are Directors at the time when this Director's report is approved has confirmed that

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is 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 information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditor is aware of that information

Auditors

The auditor, Baker Tilly UK Audit LLP, was appointed in the period and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the Board and signed on its behalf



A Banks

Director

Date 30 September 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDEVELOPMENT (2) LIMITED

Independent auditor's report

We have audited the financial statements on pages 5 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).

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 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 (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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2012 and of its profit for 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.

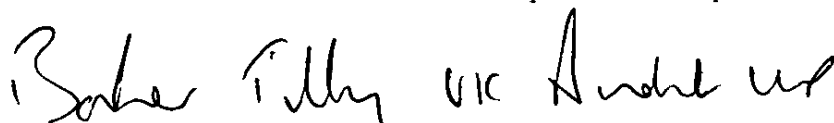
Opinion on other matter prescribed by the Companies Act 2006

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.



KATHRYN REID (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Hartwell House, 55 - 61 Victoria Street

Bristol, BS1 6AD

Date

30 September 2013

eDevelopment (2) Limited

Profit and loss account

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

	NOTES	Period from 11 Oct 11 to 31 Dec 12 £'000
Turnover	2	24
Administrative expenses		(25)
Operating loss	3	(1)
Interest received and similar income	4	5
Profit on ordinary activities before tax		4
Tax on profit on ordinary activities	5	(1)
Profit for the financial period		<u>3</u>

The notes on pages 9 to 12 are an integral part of these financial statements

All amounts relate to continuing operations and are stated on a historical cost basis

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

eDevelopment (2) Limited

Balance sheet

As at 31 December 2012

Company registration No 07804781

	NOTES	2012	
		£'000	£'000
Current Assets			
Debtors	6	24,250	
Cash at bank		<u>5,302</u>	
			29,552
Creditors:			
Amounts falling due within one year	7		(29,549)
			<u>3</u>
Net current assets			
Creditors:			
Amounts falling due after one year			-
			<u>3</u>
Net assets			
Capital and Reserves			
Ordinary share capital	8		-
Profit and loss account	9		<u>3</u>
Shareholders Funds	9		<u>3</u>

The notes on pages 9 to 12 are an integral part of these financial statements

The financial statements were approved by the Board of Directors and issued by

A Banks

Director

Date


30 September 2013

eDevelopment (2) Limited

Cash flow statement

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

	NOTES	2012 £'000
Operating profit		(1)
Increase in debtors		(24,250)
Increase in creditors		29,548
Net cash inflow from operating activities		<u>5,297</u>
Returns on investment and servicing of finance		
Interest received		5
Taxation		
Taxation paid		-
Net cash inflow before use of liquid resources and financing		<u>5,302</u>
Financing		
Issue of share capital		-
Increase of net cash being the cash balance at end of the period		<u><u>5,302</u></u>

The notes on pages 9 to 12 are an integral part of these financial statements

eDevelopment (2) Limited

Notes to the Financial Statements

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

1. Accounting policies

1.1 Basis of preparation of accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice)

The Financial statements have been prepared on a going concern basis as the Company's parent undertaking, Rock Holdings Limited, has agreed to provide continued financial support to the Company for at least twelve months from the date of approval of these accounts

1.2 Turnover

Turnover comprises of revenue recognised by the Company in respect of services re-charged, exclusive of Value Added Tax and trade discounts

Turnover represents costs recharged to Southern Rock Insurance Limited, a company incorporated in Gibraltar, in accordance with the service agreement dated 1 November 2011

1.3 Current taxation

Provision is made at the applicable rate for corporation tax payable on profits for the year, as adjusted for tax purposes

2. Turnover

	Period from 11 Oct 11 to 31 Dec 12 £'000
Turnover	24
	<u>24</u>

3. Operating loss

The operating loss is stated after charging

	Period from 11 Oct 11 to 31 Dec 12 £'000
Auditor's Remuneration - Audit Services	8
	<u>8</u>

eDevelopment (2) Limited

Notes to the Financial Statements

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

3. Operating loss (continued)

Other than the director the Company has no employees. Remuneration of the Director is paid through the Company's parent undertaking Rock Holdings Limited. It is not possible to make an accurate apportionment of remuneration in respect of the various Group entities. Any element of that remuneration which is applicable to this Company is not recharged. Details regarding this remuneration can be obtained in Rock Holdings Limited financial statements.

4. Interest and similar items

	Period from 11 Oct 11 to 31 Dec 12 £'000
Bank interest received	5
	<u>5</u>

5. Taxation

	Period from 11 Oct 11 to 31 Dec 12 £'000
Tax charge on profit for the year	<u>(1)</u>

The Company is subject to taxation in the United Kingdom at a standard rate of 20% of taxable income. The tax charge for the year equates to the Profit of £4,000 multiplied by the current tax rate of 20%.

6. Debtors

	2012 £'000
Due within one year	
Amounts owed by parent undertaking	20,650
Amounts owed by related parties	3,600
	<u>24,250</u>

7. Creditors

	2012 £'000
Amounts falling due within one year:	
Amounts owed to group undertakings	29,548
Corporation tax	1
	<u>29,549</u>

eDevelopment (2) Limited

Notes to the Financial Statements

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

8. Share capital

	2012 £'000
Allotted, called up and fully paid:	
1 Ordinary share of £1 each	-

Reconciliation of movement in shareholder's funds

	Share capital £'000	Profit and loss £'000	Total £'000
Issued share capital	-	-	-
Profit for the period	-	3	3
Balance at 31 December 2012	-	3	3

9. Related party transactions

The following are the year end balances arising from trading transactions with group entities

	2012 £'000
Payable to Group undertaking	£'000
Southern Rock Insurance Company Limited	29,548

The above balance includes accrued income of £24,000

	2012 £'000
Receivable from Parent Undertaking	£'000
Rock Holdings Limited	20,650

	2012 £'000
Receivable from related party	£'000
Brightside Group plc	3,600

	2012 £'000
Sales of services in the period from Group undertakings	£'000
Southern Rock Insurance Company Limited	4

The above entities are considered group entities since they are under common ownership and have Directors in common with this Company, who exercise influence over the financial and operating policies of the Company

eDevelopment (2) Limited

Notes to the Financial Statements

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

10. Ultimate parent undertaking and controlling party

The ultimate parent undertaking for which the group accounts have been prepared is Rock Holdings Limited. The registered address of Rock Holdings Limited is 2nd Floor, Murdoch Chambers, South Quay, Douglas, Isle of Man, IM1 5AS and the company number is 114781C.

The ultimate controlling party of Rock Holdings Limited is A Banks by virtue of his 51% shareholding.

eDevelopment (2) Limited

Notes to the Financial Statements

For the period from 11 October 2011 (date of incorporation) to 31 December 2012

8. Share capital

	2012 £'000
Allotted, called up and fully paid:	
1 Ordinary share of £1 each	<u>-</u>

Reconciliation of movement in shareholder's funds

	Share capital £'000	Profit and loss £'000	Total £'000
Issued share capital	-	-	-
Profit for the period	-	3	3
Balance at 31 December 2012	<u>-</u>	<u>3</u>	<u>3</u>

9. Related party transactions

The following are the year end balances arising from trading transactions with group entities

	2012 £'000
Payable to Group undertaking	
Southern Rock Insurance Company Limited	<u>29,548</u>

The above balance includes accrued income of £24,000

	2012 £'000
Receivable from Group Undertaking	
Southern Rock Insurance Company Limited	<u>869</u>

	2012 £'000
Receivable from Parent Undertaking	
Rock Holdings Limited	<u>20,650</u>

	2012 £'000
Receivable from related party	
Brightside Group plc	<u>2,731</u>

	2012 £'000
Sales of services in the period from Group undertakings	
Southern Rock Insurance Company Limited	<u>4</u>

The above entities are considered group entities since they are under common ownership and have Directors in common with this Company, who exercise influence over the financial and operating policies of the Company

eDevelopment (2) Limited

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