

Registrar's Copy

Romans 1 Limited

Report and Financial Statements

Period Ended

30 December 2014

Company Number 08652570

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Romans 1 Limited

Report and financial statements for the period ended 30 December 2014

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Directors

P A Coles
P Kavanagh
M E J Palmer
T Shelford
M Salter

Registered office

Crowthorne House, Nine Mile Ride, Wokingham, Berkshire, RG40 3GZ

Company number

08653077

Bankers

National Westminster Bank PLC, Abbey Gardens, 4 Abbey Street, Reading, Berkshire RG1 3BA

Solicitors

Clifton Ingram, 22-24 Broad Street, Wokingham, Berkshire RG40 1BA

Auditors

BDO LLP, Kings Wharf, 20-30 Kings Road, Reading, Berkshire RG1 3EX

Romans 1 Limited

Strategic report for the period ended 30 December 2014

The directors present their strategic report together with the audited financial statements for the period ended 30 December 2014.

Principal activities

The company was incorporated on 16 August 2013.

On 30 August 2013, The Romans Group (UK) Limited and its subsidiaries ("Romans Group") were acquired through Romans 3 Limited, a wholly owned subsidiary of the company.

The principal activity of the company is that of a holding company. These consolidated financial statements also include the company's subsidiary undertakings, whose principal activities are those of Property Services, Mortgage Advisers, Chartered Surveyors and Planning Consultants. There have been no changes in the activities of the group in the period under review.

Review of the business

The consolidated financial statements of the Romans 1 group ("the group") cover the period from its incorporation on 16 August 2013 to 30 December 2014 and include the results of the Romans Group, following its acquisition on 30 August 2013.

During the period ended 30 December 2014, the group recorded a turnover of £48,208,436 and an operating profit before amortisation of £8,014,353. During the period the group has grown organically and through acquisitions, with four acquisitions having been completed in addition to that of the Romans Group. The group opened offices in Sunningdale, Henley-on-Thames, Farnham and Burnham during the period.

The consolidated loss before taxation for the period was £6,920,536, stated after charging amortisation of £6,923,546 and interest payable of £8,488,085.

The group carefully monitors cashflow and at 30 December 2014 held cash amounting to £7,488,664.

The key performance indicators ("KPIs") for the group are based around turnover and operating profit before amortisation. A summary of KPIs for 2014 is shown below:

	2014
Turnover	£48,208,436
Operating profit before amortisation	£8,014,353
Residential sales pipeline	£3,106,847
Residential sales new instructions (no.)	6,009
Lettings Properties under management (no.)	5,751
Total debt as multiple of operating profit before amortisation	7.06

Romans 1 Limited

Strategic report for the period ended 30 December 2014 (*continued*)

Principal risks and uncertainties

The group is exposed to a variety of financial risks in its day-to-day operations and has in place a series of policies to mitigate these risks. The policies set by the board of directors are implemented by the finance department.

The activity levels of the group's businesses are closely related to that in the housing marketplace. Though we face risks associated with the housing marketplace the directors feel that our diversity of operations in second hand sales, lettings, new homes, planning, residential surveys, mortgages and auctions counter each other therefore reducing the risks to the group of any one division being adversely affected. The directors are cautiously optimistic about the next 12 months. The board of directors monitor work levels on a monthly basis to ensure that sufficient resources are in place.


The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed through strict credit vetting and monitoring. Credit limits are set for customers and where appropriate work is reviewed against available credit before being undertaken. Trade debtors are pursued vigorously by the group.

The group monitors cash flow as part of its daily control activities. Cash flow projections are prepared on a regular basis to ensure that the appropriate cash reserves are available to fund the future operation of the group's businesses.

Approval

This strategic report was approved on behalf of the Board on

24/04/15



M E J Palmer

Director

Date

24/04/15

Romans 1 Limited

Report of the directors for the period ended 30 December 2014

The directors present their report together with the audited financial statements for the period ended 30 December 2014. This report should be read in conjunction with the Strategic report

Results and dividends

The profit and loss account is set out on page 7 and shows the loss for the period.

No dividends were paid during the period.

Employment of disabled persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without *discrimination of any kind*. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the company. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company.

Employee involvement

Employees are encouraged to discuss with management any matters about which they are concerned and factors affecting the company. In addition, the management take account of employees' interests when making decisions and the employees are informed of the company's performance on a regular basis. Suggestions from employees aimed at improving the company's performance are welcome.

Future developments

The directors are optimistic about the group's prospects over the next 12 months.

Directors

The directors of the company during the period were as follows:

P A Coles	(appointed 30 August 2013)
P Kavanagh	(appointed 30 August 2013)
M E J Palmer	(appointed 30 August 2013)
T Shelford	(appointed 15 August 2013)
M Salter	(appointed 15 August 2013)

At 30 December 2014, third party indemnity provision for the benefit of the company's directors was in force.

Romans 1 Limited

Report of the directors for the period ended 30 December 2014 (*continued*)

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, 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 period. Under that law the directors have elected to prepare the group and company 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 group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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;
- 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

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP are deemed to have been reappointed in accordance with section 487 of the Companies Act 2006.

On behalf of the Board



M E J Palmer
Director

Date

24/04/15

Romans 1 Limited

Independent auditor's report

TO THE MEMBERS OF ROMANS 1 LIMITED

We have audited the financial statements of Romans 1 Limited for the 16 month period ended 30 December 2014 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. 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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC'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 group's and the parent company's affairs as at 30 December 2014 and of the group's loss 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 matters 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.

Romans 1 Limited

Independent auditor's report (*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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



*Simon Brooker (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Reading
United Kingdom*

Date *24 April 2015*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Romans 1 Limited

Consolidated profit and loss account for the period ended 30 December 2014

	Note	2014 £
Turnover	2	48,208,436
Cost of sales		(4,366,217)
Gross profit		43,842,219
Administrative expenses		(42,929,309)
Other operating income		177,897
Operating profit before amortisation		8,014,353
Amortisation	10	(6,923,546)
Operating profit	5	1,090,807
Interest receivable and similar income	6	476,742
Interest payable and similar charges	7	(8,488,085)
Loss on ordinary activities before taxation		(6,920,536)
Taxation on loss from ordinary activities	8	(445,393)
Loss on ordinary activities after taxation	20	(7,365,929)

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 11 to 30 form part of these financial statements.

Romans 1 Limited

Consolidated balance sheet at 30 December 2014

Company number 08652570

	Note	2014 £	2014 £
Fixed assets			
Intangible assets	10		43,614,825
Tangible assets	11		5,097,506
			<hr/>
			48,712,331
Current assets			
Debtors	13	5,590,220	
Cash at bank and in hand		7,488,664	
		<hr/>	
		13,078,884	
Creditors: amounts falling due within one year	15	(13,887,932)	
		<hr/>	
Net current liabilities			(809,048)
			<hr/>
Total assets less current liabilities			47,903,283
Creditors: amounts falling due after more than one year	16		(55,068,400)
Provision for liabilities and charges	17		(104,510)
			<hr/>
Net liabilities			(7,269,627)
			<hr/>
Capital and reserves			
Called up share capital	19		37,597
Share premium account	20		58,705
Profit and loss account	20		(7,365,929)
			<hr/>
Shareholders' deficit	20		(7,269,627)
			<hr/>

The financial statements were approved by the Board and authorised for issue on

24/04/15



M E J Palmer
Director

The notes on pages 11 to 30 form part of these financial statements

Romans 1 Limited

Company balance sheet at 30 December 2014

Company number 08652570	Note	2014 £	2014 £
Fixed assets			
Investments	12		1
Current assets			
Debtors due within one year	13	406,877	
Debtors due after more than one year	13	8,472,660	
		<u>8,879,537</u>	
Creditors: amounts falling due within one year	15	<u>(1,312,177)</u>	
Net current assets			<u>7,567,360</u>
Total assets less current liabilities			<u>7,567,361</u>
Creditors: amounts falling due after more than one year	16		<u>(7,522,590)</u>
Net liabilities			<u><u>44,771</u></u>
Capital and reserves			
Called up share capital	20		37,597
Share premium	20		58,705
Profit and loss account	20		<u>(51,531)</u>
Shareholders' deficit	20		<u><u>44,771</u></u>

The financial statements were approved by the Board and authorised for issue on

24/04/15



M E J Palmer
Director

The notes on pages 11 to 30 form part of these financial statements.

Romans 1 Limited

Consolidated cashflow statement for the period ended 30 December 2014

	Note	2014 £	2014 £
Net cash inflow from operating activities	1		10,173,377
Returns on investments and servicing of finance			
Interest received		600,179	
Interest paid		(1,387,987)	
Fees on new loans		(1,942,046)	
Interest paid on finance leases		(74,682)	
Net cash outflow from returns on investments and servicing of finance			(2,804,536)
Taxation			
UK corporation tax paid			(347,373)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(1,348,056)	
Receipts from sale of tangible fixed assets		40,397	
Net cash outflow from investing activities			(1,307,659)
Acquisitions and disposals			
Purchase of subsidiary undertakings		(46,420,623)	
Cash acquired with subsidiary undertakings		2,448,618	
Net cash outflow from acquisitions and disposals			(43,972,005)
Cash outflow before use of liquid resources and financing			(38,258,196)
Financing			
Capital element of finance leases repaid		(351,267)	
Share capital issued		597,000	
Loans granted in the period		44,998,951	
Directors loans repaid in the period		1,502,176	
Loan repaid in the period		(1,000,000)	
Net cash inflow from financing			45,746,860
Increase in cash	2,3		7,488,664

The notes on pages 11 to 30 form part of these financial statements.

Romans 1 Limited

Notes forming part of the consolidated cashflow statement for the period ended 30 December 2014

1 Reconciliation of operating profit to net cash inflow from operating activities

	£
Operating profit	1,090,807
Depreciation	1,322,578
Amortisation	6,923,546
Loss on sale of tangible fixed assets	(20,287)
Increase in debtors	(78,559)
Increase in creditors	958,933
Decrease in provisions	(23,641)
	<u>10,173,377</u>

2 Reconciliation of net cash inflow to movement in net funds

	£
Increase in cash	5,040,046
Acquisition of subsidiaries	2,448,618
	<u>7,488,664</u>
Cash outflow from financing	(45,149,860)
	<u>(37,661,196)</u>
Change in net debt resulting from cash flows	(37,661,196)
Other non-cash movements	(11,445,448)
	<u>(49,106,644)</u>
Movement in net funds in the period	(49,106,644)
Net funds brought forward	-
	<u>(49,106,644)</u>
Net funds carried forward	(49,106,644)

3 Analysis of net funds

	At 16 August 2013 £	Cash flows £	Other non- cash-items £	Acquisition of subsidiaries £	At 30 December 2014 £
Cash at bank and in hand	-	5,040,046	-	2,448,618	7,488,664
Debt due within one year	-	(1,210,017)	-	-	(1,210,017)
Debt due after one year – Bank loans	-	(15,031,154)	-	-	(15,031,154)
Debt due after one year – Loan notes	-	(29,259,956)	(9,601,945)	-	(38,861,901)
Finance leases	-	351,267	(1,843,503)	-	(1,492,236)
	<u>-</u>	<u>(40,109,814)</u>	<u>(11,445,448)</u>	<u>2,448,618</u>	<u>(49,106,644)</u>
Total	-	(40,109,814)	(11,445,448)	2,448,618	(49,106,644)

Romans 1 Limited

Notes forming part of the consolidated cashflow statement for the period ended 30 December 2014

4 Major non-cash transactions

During the year the group entered into finance lease arrangements for assets with a total capital value at the inception of the leases of £1,843,503.

5 Clients' money balances

	2014 £
At 30 December:	
Amounts held on behalf of clients	15,281,832
Amounts due to clients	(15,281,832)
	<hr/>
	-
	<hr/>

Romans 1 Limited

Notes forming part of the financial statements for the period ended 30 December 2014

1 Accounting policies

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

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements incorporate the results of Romans 1 Limited and all of its subsidiary undertakings as at 30 December 2014 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

Going concern

The directors have considered the cash flow requirements for the group for a period including twelve months from the date of approval of these financial statements. Based on these projections, the directors consider that both the company and the group will have sufficient cash resources during this period to pay all of its liabilities as they fall due and therefore consider it appropriate to continue to prepare the financial statements on a going concern basis.

Goodwill

Purchased goodwill relates to the acquisition of a trade or book of lettings properties and represents the difference between the fair value of the consideration paid and the fair value of any assets and liabilities acquired. Purchased goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life of 2 years.

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Goodwill arising on an acquisition of a subsidiary undertaking is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life of 10 years.

Depreciation

Depreciation is provided over the estimated useful lives of all assets, except freehold land. The rates of depreciation are as follows:

Freehold land and buildings	-	2% per annum on cost
Short leasehold property	-	Over the term of the lease
Fixtures, fittings and equipment	-	15 to 33% per annum on cost
Motor vehicles	-	20 to 25% per annum on cost

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Turnover

Turnover represents the amounts (excluding VAT) derived from the provision of work for clients during the period.

Estate agency income, which represents fees receivable in connection with the sale, purchase and letting of properties, is recognised on exchange of contracts.

Romans 1 Limited

Notes forming part of the financial statements for the period ended 30 December 2014 (*continued*)

1 Accounting policies (*continued*)

Turnover (continued)

Financial consultancy income represents fees and commissions receivable in respect of financial advice provided. Commissions are recognised as turnover when the related financial products are placed "on risk". Administration fees are recognised on receipt.

Chartered surveying and planning consultancy income represents fees receivable in respect of services provided to third parties, recognised as the related work is undertaken. Services provided to clients during the period, which at the balance sheet date have not been billed to clients, have been recognised as turnover in accordance with Financial Reporting Standard 5 'Reporting the substance of transactions': Application Note G 'Revenue Recognition'. Turnover recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Provision is made against unbilled amounts on those engagements where the right to receive payment is contingent on factors outside the control of the company. Unbilled revenue is included in accrued income.

Leases

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of the estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a consistent proportion of the balance of capital repayments outstanding. The capital part reduced the financial lease liability.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

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 taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

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.

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

1 Accounting policies (*continued*)

Pension costs

The group operates defined contribution pension schemes for the benefit of employees. The assets of the schemes are administered by trustees in funds independent from those of the group. The pension costs charged against profits represent the amount of contributions payable to the schemes in respect of the accounting period.

2 Turnover

Turnover represents amounts derived from the group's operations in the following areas, all of which arises in the United Kingdom:

	£
Estate agency	35,305,470
Mortgage advisers	2,425,902
Chartered surveying	3,370,184
Planning consultancy	7,106,880
	<hr/>
	48,208,436
	<hr/>

3 Directors remuneration

	£
Directors' remuneration consists of:	
Emoluments	875,946
Pension contributions	60,274
	<hr/>
	936,220
	<hr/>
Highest paid director:	
Emoluments	494,895
Pension contributions	56,393
	<hr/>
	551,288
	<hr/>

There were 2 directors in the group's defined contribution pension schemes during the period.

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

4 Staff costs

	Group £	Company £
Staff costs during the period (including directors):		
Wages and salaries	23,870,307	-
Social security costs	2,908,189	-
Pension costs	434,091	-
	<u>27,212,587</u>	<u>-</u>
	Group Number	Company Number
Average number of persons employed (including directors):		
Sales	218	-
Administration and management	209	-
Broking staff	15	-
Surveyors and valuers	20	-
Planners	40	-
	<u>502</u>	<u>-</u>

5 Operating profit

	£
This has been arrived at after charging/(crediting):	
Depreciation - owned assets	973,728
Depreciation – assets held under finance leases	348,850
Rentals under operating leases - other	1,902,435
Loss on sale of tangible fixed assets	20,287
Auditors' remuneration	
- audit services - parent company	2,500
- audit services - subsidiary undertakings	41,250
- other regulatory services	5,750
- taxation services	22,250
Amortisation of purchased goodwill	575,068
Amortisation of goodwill on consolidation	6,348,478
	<u></u>

6 Interest receivable and similar income

	£
Bank deposit interest	<u>476,742</u>

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

7 Interest payable and similar charges

	£
Bank loans and overdrafts	1,252,092
Loan notes	6,499,386
Finance leases and hire purchase contracts	74,682
Finance costs	654,397
Other interest payable	7,528
	<hr/>
	8,488,085
	<hr/>

8 Taxation on loss from ordinary activities

	£
<i>Current tax</i>	
UK corporation tax charge	484,689
Adjustments in respect of prior periods	(157,166)
	<hr/>
Total current tax	327,523
<i>Deferred taxation</i>	
Origination and reversal of timing differences	117,870
	<hr/>
Taxation on profit from ordinary activities	445,393
	<hr/>

Reconciliation of current tax rate to standard rate of tax

	£
Loss on ordinary activities before tax	(6,920,536)
	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 21.91%/21.49%	(1,474,235)
Effects of:	
Expenses not deductible for tax purposes - fixed assets	529,522
Expenses not deductible for tax purposes	1,651,839
Capital allowances in excess of depreciation	(165,086)
Share option deduction	(355,888)
Other short term timing differences	3,220
Loss carry back	73,632
Adjustments in respect of prior periods	(157,166)
Unrelieved tax losses and other deductions	185,228
Other tax adjustments, reliefs and transfers	40,299
Effect of change in tax rate	(3,842)
	<hr/>
Current tax rate	327,523
	<hr/>

Romans 1 Limited

Notes forming part of the financial statements for the period ended 30 December 2014 (*continued*)

9 Profit of parent company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these accounts. The parent company's loss for the financial period amounted to £51,531.

10 Intangible assets

Group	Purchased goodwill £	Goodwill arising on consolidation £	Total £
<i>Cost</i>			
Additions	2,926,149	-	2,926,149
Acquisition of subsidiary	-	47,612,222	47,612,222
	<hr/>	<hr/>	<hr/>
At 30 December 2014	2,926,149	47,612,222	50,538,371
	<hr/>	<hr/>	<hr/>
<i>Amortisation</i>			
Provided for the period	575,068	6,348,478	6,923,546
	<hr/>	<hr/>	<hr/>
At 30 December 2014	575,068	6,348,478	6,923,546
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 30 December 2014	2,351,081	41,263,744	43,614,825
	<hr/>	<hr/>	<hr/>

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

11 Tangible fixed assets

Group	Freehold land and buildings £	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
Additions	-	879,748	468,308	1,909,606	3,257,662
Acquisitions	207,790	2,176,202	759,539	64,991	3,208,522
Disposals	-	(12,075)	(28,587)	(77,669)	(118,331)
At 30 December 2014	207,790	3,043,875	1,199,260	1,896,928	6,347,853
Accumulated depreciation					
Charge for the period	5,683	499,038	451,138	366,719	1,322,578
Disposals	-	(3,473)	(22,459)	(46,299)	(72,231)
At 30 December 2014	5,683	495,565	428,679	320,420	1,250,347
Net book value					
At 30 December 2014	202,107	2,548,310	770,581	1,576,508	5,097,506

The net book value of motor vehicles for the company includes an amount of £1,560,756 in respect of assets held under finance leases and hire purchase contracts. The accumulated depreciation for the assets held under finance leases and hire purchase contracts was £348,850.

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

12 Fixed asset investments

Company	Shares in subsidiary undertakings £
Cost	-
At 16 August 2013	-
Additions and cost as at 30 December 2014	1

Subsidiary undertakings

The following were subsidiary undertakings at the end of the period and have all been included in the consolidated financial statements:

Name	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Romans 2 Limited	England and Wales	100%	Holding company
Romans 3 Limited*	England and Wales	100%	Holding company
The Romans Group (UK) Limited**	England and Wales	100%	Estate agency
Romans Mortgage Services Limited***	England and Wales	100%	Mortgage advisers
Romans Professional Services Limited***	England and Wales	100%	Chartered surveyors
Lennon Planning Limited****	England and Wales	100%	Dormant
Romans Projects Limited****	England and Wales	100%	Dormant
Boyer Planning Limited***	England and Wales	100%	Planning consultants
Imperial Estate Agents Trustee Limited***	England and Wales	100%	Dormant
Atkinson & Keene Limited***	England and Wales	100%	Dormant
JM Lettings Limited***	England and Wales	100%	Dormant
Romans Sales and Lettings Limited***	England and Wales	100%	Dormant
Jacksons Residential Limited***	England and Wales	100%	Dormant
Caroline Clark & Associates Limited***	England and Wales	100%	Dormant
Sherriff Mountford Limited***	England and Wales	100%	Dormant
Drummonds Property Rentals Limited***	England and Wales	100%	Dormant

*investment held by Romans 2 Limited

**investment held by Romans 3 Limited

***investments held by The Romans Group (UK) Limited

****investments held by Romans Professional Services Limited

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

13 Debtors

	Group £	Company £
Trade debtors	3,224,159	-
Amounts owed by group undertakings	-	8,538,208
Other debtors	1,080,632	341,329
Prepayments and accrued income	1,285,429	-
	<u>5,590,220</u>	<u>8,879,537</u>

Amounts owed by group undertakings within the company include an amount of £8,472,660 which is due after more than one year.

14 Deferred tax

	Group £	Company £
Credited to the profit and loss account	(117,870)	-
Acquired with subsidiary	97,713	-
	<u>(20,157)</u>	<u>-</u>
At 30 December 2014	(20,157)	-

The deferred tax liability consists of the following amounts:

	Group £	Company £
Depreciation in excess of capital allowances	(49,892)	-
Short term timing differences	35,667	-
Other	(5,932)	-
	<u>(20,157)</u>	<u>-</u>

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (continued)

15 Creditors: amounts falling due within one year

	Group £	Company £
Trade creditors	765,246	-
Amounts owed to group companies	-	23,291
Corporation tax payable	43,250	33,695
Other taxation and social security	1,775,064	-
Other creditors	346,383	-
Obligations under finance leases and hire purchase contracts	316,891	-
Bank loans	1,210,017	-
Accruals and deferred income	9,410,924	1,255,191
Deferred tax liability (note 14)	20,157	-
	<u>13,887,932</u>	<u>1,312,177</u>

The bank loans are secured by a floating and fixed charge over the assets of the group.

16 Creditors: amounts falling due after more than one year

	Group £	Company £
Bank loans	15,031,154	-
Amounts owed to group companies	-	-
12% Loan notes	38,861,901	7,522,590
Obligations under finance leases and hire purchase contracts	1,175,345	-
	<u>55,068,400</u>	<u>7,522,590</u>

Maturity of debt

Group	12% Loan notes £	Loans and overdrafts £	Finance leases £	Total £
In one year or less	-	1,210,017	316,891	1,526,908
In more than one year but not more than two years	-	1,363,242	316,891	1,680,133
In more than two years but not more than five years	38,861,901	13,667,912	858,454	53,388,267
	<u>38,861,901</u>	<u>15,031,154</u>	<u>1,175,345</u>	<u>55,068,400</u>

Romans 1 Limited

Notes forming part of the financial statements for the period ended 30 December 2014 (*continued*)

16 Creditors: amounts falling due after more than one year (*continued*)

The bank loans are secured via a charge over the assets of the group. The bank loans due within one year and due after one year at 30 December 2014 are reduced by arrangement fees of £289,983 and £680,847 respectively.

The bank loans comprise of three facilities as follows:

- Facility A is for £8,100,000 accruing interest at LIBOR plus 4.25%;
- Facility B is for £8,000,000 accruing interest at LIBOR plus 4.75%;
- Facility C is for £6,000,000 accruing interest at LIBOR plus 4.50%;
- Revolving facility for £1,000,000 accruing interest at LIBOR plus 4.25%;

All interest on the facilities is paid quarterly in arrears.

The repayment terms for the outstanding loans are as follows:

Facility A is repayable half yearly ending on 30 September 2018;

Facility B is repayable in full on 30 September 2019;

Facility C is repayable half yearly ending on 30 September 2019;

Revolving facility is repayable quarterly ending on 3 September 2018.

Liquidity risk is managed through detailed cash forecasting and the application of strict cash management practices to ensure the group has sufficient funds for operations. The group has a working capital facility which the directors consider will be sufficient for the company's needs for the twelve months from the date of approval of these financial statements.

The loan notes comprise of three types as follows:

- Unsecured A loan notes up to £20,000,000 accruing interest at 12%;
- Unsecured B loan notes up to £21,000,000 accruing interest at 12%;
- Unsecured B2 loan notes up to £35,000 bearing no interest;
- Unsecured C loan notes up to £7,750,000 accruing interest at 12%.

The repayment terms for the outstanding loan notes are as follows:

Unsecured A loan notes are repayable by 30 August 2018 or at point of sale or listing;

Unsecured B loan notes are repayable by 30 August 2018 or at point of sale or listing;

Unsecured B2 loan notes are repayable by 30 August 2018 or at point of sale or listing;

Unsecured C loan notes are repayable by 30 August 2018 or at point of sale or listing;

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

17 Provision for liabilities and charges

Group	Clawback provision £
At 16 August 2013	-
Acquisitions	128,151
Charge for the period	52,920
Applied	(76,561)
	<hr/>
At 30 December 2014	104,510
	<hr/>

A provision of £104,510 has been recognised for expected clawbacks of commission received due to the cancellation of investments products sold within the last three years by Romans Mortgage Services Limited, a subsidiary.

It is expected that this expenditure will be incurred within three years from the balance sheet date.

18 Acquisitions

Acquisition of The Romans Group (UK) Limited

On 30 August 2013 the group acquired the entire share capital of The Romans Group (UK) Limited for consideration of £56,212,250 (including expenses of £889,152). The book and fair value of the assets acquired, and the resulting goodwill arising is shown in the table below.

	Book value £	Fair value adjustments £	Fair value £
Intangible fixed asset	3,294,998	(3,294,998)	-
Tangible fixed assets	3,182,865	-	3,182,865
Current assets			
Debtors	7,189,433	-	7,189,433
Cash in hand	2,170,989	-	2,170,989
Creditors	(3,771,949)	(43,159)	(3,815,108)
Provisions	(128,151)	-	(128,151)
	<hr/>	<hr/>	<hr/>
Net assets/(net liabilities)	11,938,185	(3,338,157)	8,600,028
			<hr/>
Cash consideration:			
Loan notes			12,568,299
Cash consideration (including expenses £889,152)			43,643,951
			<hr/>
Total consideration			56,212,250
Net assets acquired			8,600,028
			<hr/>
Goodwill arising on acquisition			47,612,222
			<hr/>

Romans 1 Limited

Notes forming part of the financial statements for the period ended 30 December 2014 (*continued*)

18 Acquisitions (*continued*)

The fair value adjustment to intangible fixed assets was due to the intangible fixed assets not being separately identifiable.

The fair value adjustment to creditors relates to a provision for corporation tax for the period up to acquisition.

The results of The Romans Group (UK) Limited and its subsidiaries prior to its acquisition were as follows:

Profit and loss account

	Current period up to acquisition	Year ended 31 December 2012
	£	£
Turnover	20,443,822	27,055,581
Operating profit	169,285	917,205
Net interest	200,856	326,848
Profit on ordinary activities before taxation	370,141	1,244,053
Taxation on profit from ordinary activities	-	(383,994)
Profit for the year	370,141	860,059

Statement of total recognised gains and losses

	£
Profit for the year	860,059
Total recognised gains and losses for the year	860,059

Cash flows

The net outflow of cash arising from the acquisition of The Romans Group (UK) Limited was as follows:

	£
Cash consideration, as above	43,643,951
Cash acquired	(2,170,989)
Net outflow of cash	41,472,962

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

18 Acquisitions (*continued*)

Acquisition of Jacksons Residential Limited

On 28 March 2014 the group acquired the entire share capital of Jacksons Residential Limited for cash consideration of £631,249 (including expenses of £31,922). The book and fair value of the assets acquired, and the resulting goodwill arising is shown in the table below.

	Book value £	Fair value adjustments £	Fair value £
Intangible fixed asset	86,805	(86,805)	-
Tangible fixed assets	16,903	(16,903)	-
Current assets			
Debtors	17,148	(1,984)	15,164
Cash in hand	33,684	-	33,684
Creditors	(153,213)	-	(153,213)
Net assets/(net liabilities)	1,327	(105,692)	(104,365)
Cash consideration (including expenses £31,922)			631,249
Net liabilities acquired			(104,365)
Goodwill arising on acquisition			735,614

Acquisition of Caroline Clark & Associates Limited

On 22 May 2014 the group acquired the entire share capital of Caroline Clark & Associates Limited for cash consideration of £450,660 (including expenses of £26,296). The book and fair value of the assets acquired, and the resulting goodwill arising is shown in the table below.

	Book value £	Fair value adjustments £	Fair value £
Tangible fixed assets	16,158	(6,158)	10,000
Current assets			
Debtors	1,575	-	1,575
Cash in hand	26,540	-	26,540
Creditors	(32,651)	(34,066)	(66,717)
Net assets/(net liabilities)	11,622	(40,224)	(28,602)
Cash consideration (including expenses £26,296)			450,660
Net liabilities acquired			(28,602)
Goodwill arising on acquisition			479,262

Romans 1 Limited

Notes forming part of the financial statements for the period ended 30 December 2014 (continued)

18 Acquisitions (continued)

Acquisition of Sherriff Mountford Limited

On 14 August 2014 the group acquired the entire share capital of Sherriff Mountford Limited for cash consideration of £693,072 (including expenses of £40,166). The book and fair value of the assets acquired, and the resulting goodwill arising is shown in the table below.

	Book value £	Fair value adjustments £	Fair value £
Intangible fixed asset	100,000	(100,000)	-
Tangible fixed assets	15,657	-	15,657
Current assets			
Debtors	71,137	-	71,137
Cash in hand	105,142	-	105,142
Creditors	(210,640)	2,382	(208,258)
Net assets/(net liabilities)	81,296	(97,618)	(16,322)
Cash consideration (including expenses £40,166)			693,549
Net liabilities acquired			(16,322)
Goodwill arising on acquisition			709,871

Acquisition of Drummonds Property Rentals Limited

On 3 December 2014 the group acquired the entire share capital of Drummonds Property Rentals Limited for cash consideration of £1,001,215 (including expenses of £29,230). The book and fair value of the assets acquired, and the resulting goodwill arising is shown in the table below.

	Book value £	Fair value adjustments £	Fair value £
Tangible fixed assets	13,518	(13,518)	-
Current assets			
Debtors	573	-	573
Cash in hand	112,263	-	112,263
Creditors	(51,154)	-	(51,154)
Net assets/(net liabilities)	75,200	(13,518)	61,682
Cash consideration (including expenses £29,230)			1,001,215
Net liabilities acquired			(188)
Goodwill arising on acquisition			1,001,403

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

19 Called up share capital Group and company

	Number	£
<i>Called up, allotted and fully paid</i>		
A Ordinary shares of £0.0001 each	6,050,850	605
B Ordinary shares of £0.01 each	1,749,150	17,492
C1 Ordinary shares of £0.01 each	450,000	4,500
C2 Ordinary shares of £0.01 each	340,000	3,400
C3 Ordinary shares of £0.01 each	340,000	3,400
C4 Ordinary shares of £0.01 each	350,000	3,500
C5 Ordinary shares of £0.01 each	220,000	2,200
C6 Ordinary shares of £0.025 each	100,000	2,500
	<hr/>	<hr/>
	9,600,000	37,597
	<hr/>	<hr/>

On incorporation 1 Ordinary share was issued at par value for consideration of £1.

On 30 August 2013 the 1 Ordinary share of £1 was subdivided into 10,000 A Ordinary shares of £0.0001.

On 30 August 2013 6,050,850 A Ordinary shares of £0.0001 were issued at £0.01 each.

On 30 August 2013 1,749,150 B Ordinary shares of £0.01 were issued at £0.01 each.

On 30 August 2013 450,000 C1 Ordinary shares of £0.01 were issued at £0.01 each.

On 30 August 2013 340,000 C2 Ordinary shares of £0.01 were issued at £0.01 each.

On 30 August 2013 340,000 C3 Ordinary shares of £0.01 were issued at £0.01 each.

On 30 August 2013 350,000 C4 Ordinary shares of £0.01 were issued at £0.01 each.

On 30 August 2013 220,000 C5 Ordinary shares of £0.01 were issued at £0.01 each.

On 30 August 2013 100,000 C6 Ordinary shares of £0.025 were issued at £0.025 each.

Romans 1 Limited

Notes forming part of the financial statements
for the period ended 30 December 2014 (*continued*)

20 Combined statement of movements in shareholders' funds and movements on reserves

	Called up share capital £	Share Premium Account £	Profit and loss account £	Total £
Group				
Loss for the financial period	-	-	(7,365,929)	(7,365,929)
Shares issued	37,597	58,705	-	96,302
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 December 2014	37,597	58,705	(7,365,929)	(7,269,627)
	<hr/>	<hr/>	<hr/>	<hr/>
Company				
At 16 August 2013	-	-	-	-
Loss for the financial year	-	-	(51,531)	(51,531)
Shares issued	37,597	58,705	-	96,302
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 December 2014	37,597	58,705	(51,531)	44,771
	<hr/>	<hr/>	<hr/>	<hr/>

21 Operating lease commitments

At 30 December 2014 the group was committed to making the following payments during the next year in respect of operating leases:

	Land and buildings £
Group	
Leases which expire:	
Within one year	90,000
Within two to five years	532,315
After five years	546,000
	<hr/>
	1,168,315
	<hr/>

Romans 1 Limited

Notes forming part of the financial statements for the period ended 30 December 2014 (*continued*)

22 Related party transactions

In accordance with Financial Reporting Standard No. 8 "Related Party Disclosures", transactions with other wholly owned group companies have not been disclosed in these financial statements.

Other related party transactions

Group

During the period P Coles, a director of the company, repaid an amount of £54,698 that was due to the group. There is no outstanding balance due at the year end.

During the period Romans 3 Limited incurred expenditure of £80,356 from Bowmark Capital LLP, the ultimate controlling party. Romans 3 Limited is a subsidiary of Romans 2 Limited. There is no outstanding balance payable at the year end.

The group issued loan notes to M Palmer, a director of the company, amounting to £147,460 during the period to 30 December 2014. Interest on the loan is charged at 12% and an amount of £24,374 was charged to the profit and loss account. At 30 December 2014, the group owed M Palmer £171,834.

The group issued loan notes to Bowmark Capital LLP, the ultimate controlling party, amounting to £26,639,491 during the period to 30 December 2014. Interest on the loan is charged at 12% and an amount of £4,403,267 was charged to the profit and loss account. At 30 December 2014, the group owed Bowmark Capital LLP £31,042,758.

Company

The company issued loan notes to P Coles, a director of the company, amounting to £5,418,672 during the period to 30 December 2014. Interest on the loan is charged at 12% and an amount of £895,657 was charged to the profit and loss account. At 30 December 2014, the group owed P Coles £6,314,329.

The company issued loan notes to P Kavanagh, a director of a subsidiary company, amounting to £1,446,191 during the period to 30 December 2014. Interest on the loan is charged at 12% and an amount of £239,042 was charged to the profit and loss account. At 30 December 2014, the group owed P Kavanagh £1,685,233.

The company issued loan notes to P Fuller, a director of a subsidiary company, amounting to £509,852 during the period to 30 December 2014. Interest on the loan is charged at 12% and an amount of £84,274 was charged to the profit and loss account. At 30 December 2014, the group owed P Fuller £594,126.

The company issued loan notes to V Courtney, a director of a subsidiary company, amounting to £161,632 during the period to 30 December 2014. Interest on the loan is charged at 12% and an amount of £26,716 was charged to the profit and loss account. At 30 December 2014, the group owed V Courtney £188,348.

All the above transactions were on an arm's length basis.

23 Post balance sheet events

On 14 April 2015, the group acquired a lettings business based in Bracknell for a consideration of approximately £570,000.

24 Ultimate controlling party

The group is ultimately controlled by funds managed by Bowmark Capital LLP.