

Precise Mortgage Holdings 2014-2 Limited
Annual report and financial statements
For the year ended 31 December 2017

Registered number: 09216421

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Precise Mortgage Holdings 2014-2 Limited

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Precise Mortgage Holdings 2014-2 Limited

Directors' Report

The Directors present their annual report, together with the audited financial statements of Precise Mortgage Holdings 2014-2 Limited (the Company), for the year ended 31 December 2017.

The Company qualifies as a small company in accordance with the sections 381-383 of the Companies Act 2006 (the Act). The Directors' Report has been prepared in accordance with the special provisions relating to small companies' exemptions provided in sections 414B (as incorporated) to the Act by The Strategic Report and Directors' Report Regulations 2013 and section 415A of the Act.

Principal activities

The Company's main activity is acting as a holding company for Precise Mortgage Funding 2014-2 plc (the Subsidiary) (see note 8).

Business review

The Company did not trade during the year.

Results and dividends

The result for the year ended 31 December 2017 was £nil (2016: £nil). No dividend was declared or paid during the year ended 31 December 2017 (2016: £nil).

Future developments

The Directors do not anticipate any changes to the present level of activity, or the nature of, the Company's business in the foreseeable future.

Financial risk management

The Company is a non trading holding company and has been structured so as to avoid, in as far as possible, all forms of financial risk.

Going concern

The Directors do not anticipate any changes in the activities of the Company in the following 12 months.

After considering the above, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Employees

The Company has no employees (2016: none). All operational services have been formally contracted to third parties by the Directors.

Precise Mortgage Holdings 2014-2 Limited Directors' Report (continued)

Directors

The Directors, who served throughout the year and to the date of this report were as follows:

Intertrust Directors 1 Limited
Intertrust Directors 2 Limited
Claudia Ann Wallace

None of the Directors had any interest either during or at the end of the year (2016: none) in any material contract or arrangement with the Company.

Third party indemnities

Qualifying third party indemnity provisions for the benefit of the Directors were in force during the year under review and remain in force as at the date of approval of the Directors' Report and financial statements.

Company Secretary

Intertrust Corporate Services Limited acted as Company Secretary throughout the year.

Statement of disclosure of information to auditor

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that she ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418(2) of the Companies Act 2006.

Independent auditor

The auditor, Deloitte LLP, has expressed its willingness to continue in office, in accordance with section 487 of the Companies Act 2006, a written resolution of the Shareholder will be passed to confirm the re-appointment of Deloitte LLP as auditor of the Company.

By order of the Board



Sue Abrahams
per pro Intertrust Directors 1 Limited
as Director

25 May 2018

Precise Mortgage Holdings 2014-2 Limited

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 year. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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. The Directors are responsible for the maintenance and integrity of the corporate and financial information included in this report.

Precise Mortgage Holdings 2014-2 Limited

Independent Auditor's Report to the Members of Precise Mortgage Holdings 2014-2 Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Precise Mortgage Holdings 2014-2 Limited (the 'Company') which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Precise Mortgage Holdings 2014-2 Limited

Independent Auditor's Report to the Members of Precise Mortgage Holdings 2014-2 Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Precise Mortgage Holdings 2014-2 Limited

Independent Auditor's Report to the Members of Precise Mortgage Holdings 2014-2 Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

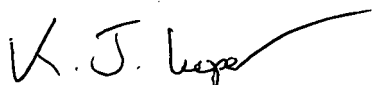
In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



Kieren Cooper (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
25 May 2018

Precise Mortgage Holdings 2014-2 Limited
Statement of Comprehensive Income
For the year ended 31 December 2017

There were no transactions which gave rise to a gain or loss during the year to 31 December 2017, or the year ended 31 December 2016. The Company made no profit or loss in the current or prior year. Accordingly, no Statement of Comprehensive Income has been provided.

Precise Mortgage Holdings 2014-2 Limited
Statement of Financial Position
As at 31 December 2016

		As at 31 December 2017 £	As at 31 December 2016 £
	Note		
Investment in subsidiary	8	12,501	12,501
Total assets		<u>12,501</u>	<u>12,501</u>
 Share capital and reserves			
Share capital	9	1	1
Capital contribution reserve	10	12,500	12,500
Total equity		<u>12,501</u>	<u>12,501</u>

The notes on pages 11 to 15 form an integral part of the financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements for Precise Mortgage Holdings 2014-2 Limited, company number 09216421, were approved by the Board of Directors and authorised for issue on 25 May 2018. They were signed on its behalf by:



Sue Abrahams
per pro Intertrust Directors 1 Limited
as Director

Precise Mortgage Holdings 2014-2 Limited
Statement of Changes in Equity
For the year ended 31 December 2017

	Note	Share Capital £	Capital contribution reserve £	Total £
		9	10	
At 1 January 2016		1	12,500	12,501
Total comprehensive result for the year		-	-	-
At 31 December 2016		1	12,500	12,501
Total comprehensive result for the year		-	-	-
At 31 December 2017		1	12,500	12,501

Precise Mortgage Holdings 2014-2 Limited
Statement of Cash Flows
For the year ended 31 December 2017

There were no transactions which gave rise to cash flows during the year ended 31 December 2017, or 31 December 2016. Accordingly, no Statement of Cash Flows has been prepared.

Precise Mortgage Holdings 2014-2 Limited

Notes to the financial statements

For the year ended 31 December 2017

1. General information

Precise Mortgage Holdings 2014-2 Limited (the Company) is a company incorporated in London, the United Kingdom under the Companies Act 2006 with company number 09216421. The Company is a private company limited by shares. The address of the registered office is 35 Great St Helen's, London, EC3A 6AP. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 1.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates. There are currently no foreign operations.

2. Adoption of new and revised Standards

The Company has elected to adopt International Financial Reporting Standards (IFRSs) as applied in the EU in force as at the statement of financial position date of 31 December 2017.

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2017. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

IAS/IFRS standards

IAS 7 (amendments)	Disclosure Initiative
IAS 12 (amendments)	Recognition of deferred tax assets for unrealised losses

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

Effective for accounting periods beginning on or after 1 January 2018:

IFRS 9	Financial instruments
IFRS 15	Revenue from contracts with customers

The Directors do not expect that the adoption of the Standards and Interpretations listed above will have a material impact on the financial statements of the Company in future periods.

IFRS 9 – Financial instruments

IFRS 9 Financial Instruments is the replacement of IAS 39 Financial Instruments: recognition and measurement and will be applied for the first time in the Company's financial statements for the year ended 31 December 2018. The new standard is split into three segments, classification and measurement, impairment and hedge accounting.

Precise Mortgage Holdings 2014-2 Limited

Notes to the financial statements (continued)

For the year ended 31 December 2017

2. Adoption of new and revised Standards (continued)

IFRS 15 - Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers is effective for annual periods beginning on or after 1 January 2018. It sets out the principles to be applied in connection with revenue from contracts with customers including the core principle that the recognition of revenue must follow the transfer of promised goods or services to customers in an amount that reflects the entitlement to consideration in exchange for those goods and services. IFRS 15 applies to all contracts with customers but does not apply to lease contracts, insurance contracts, financial instruments and certain non-monetary exchanges.

The Company does not expect the new standards to have a material effect.

3. Accounting policies

Basis of accounting

The financial statements of the Company for the year ended 31 December 2017 were prepared and published in accordance with IFRS adopted by the European Union.

The financial statements have been prepared on the historic cost basis. The principal accounting policies are set out below.

Going concern

The Directors do not anticipate any changes in the activities of the Company in the following 12 months.

After considering the above, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Basis of preparation

In accordance with the requirements of IFRS 10 Consolidated Financial Statements, the financial statements of the Company's subsidiary, Precise Mortgage Funding 2014-2 plc, for the year ended 31 December 2017 have been incorporated in the consolidated financial statements of Charter Court Financial Services Group Limited prepared under IFRS. The Company has taken advantage of the exemption available under IFRS 10 Consolidated Financial Statements from preparing consolidated financial statements. Accordingly, these financial statements relate to the Company only.

Taxation

Secondary tax legislation, enacted in November 2006 under powers conferred by the Finance Act 2005, ensures that for companies that meet the definition of a securitisation company for accounting periods commencing on or after 1 January 2007, corporation tax will be calculated by reference to the retained profit of the securitisation company required to be retained under the agreement that governs the Company. The Company is currently a holding company of a securitisation company and therefore has no tax.

Precise Mortgage Holdings 2014-2 Limited

Notes to the financial statements (continued)

For the year ended 31 December 2017

3. Accounting policies (continued)

Investments

Investments in subsidiary undertakings are accounted for at historical cost less, where appropriate, provision for impairment. The carrying value of investee companies is assessed annually for impairment. Dividends from subsidiaries are accounted for in the year in which the right to receive the dividend is established.

4. Critical accounting judgements and key sources of estimation uncertainty

The Directors believe there are no critical judgements in applying the Company's accounting policies and no key sources of estimation uncertainty which impact on the financial statements of the Company.

5. Auditor's remuneration

Auditor's remuneration for the audit of the Company's financial statements of £2,500 (2016: £2,500) was charged in the year. The cost was born by Precise Mortgage Funding 2014-2 plc, the Company's subsidiary, and not recharged to the Company.

Non-audit fees payable to the Company's auditor of £nil (2016: £nil) for taxation services was charged in the year. The cost was born by Precise Mortgage Funding 2014-2 plc, the Company's subsidiary, and was not recharged to the Company.

6. Staff costs and Directors' remuneration

The Company had no employees during the year (2016: none).

During the year the Company's subsidiary, Precise Mortgage Funding 2014-2 plc, paid £3,000 (2016: £1,897) to Intertrust Management Limited for corporate services including provision of directors. No amount was recharged to the Company in respect of these services.

7. Taxation

The Company has no tax charge/credit for the year as there has been no trading since incorporation.

Precise Mortgage Holdings 2014-2 Limited
Notes to the financial statements (continued)
For the year ended 31 December 2017

8. Investment in subsidiary

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Investment at cost		
Precise Mortgage Funding 2014-2 plc	<u>12,501</u>	<u>12,501</u>

Details of investment of Precise Mortgage Holdings 2014-2 Limited	Country of incorporation	Holdings	Proportion of voting rights and shares held	Nature of business
Precise Mortgage Funding 2014-2 plc	United Kingdom ¹	Ordinary shares	100%	Financing of residential mortgages

¹ Registered offices 35 Great St. Helen's, London, EC3A 6AP

For accounting purposes, Precise Mortgage Funding 2014-2 plc, the subsidiary, is deemed to be controlled by Charter Court Financial Services Group Limited and not its legal parent. See notes 11 and 12 for further information on group and related party relationships.

9. Share capital

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Authorised, issued, called up and allotted		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

10. Capital contribution reserve

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Capital contribution reserve at 31 December	<u>12,500</u>	<u>12,500</u>

Charter Court Financial Services Limited made a capital contribution of £12,500 to the Company, and received no goods or services in exchange.

Precise Mortgage Holdings 2014-2 Limited
Notes to the financial statements (continued)
For the year ended 31 December 2017

11. Ultimate parent undertaking and controlling entity

The entire share capital of Precise Mortgage Holdings No. 1 Limited is held by the legal parent company, Intertrust Corporate Services Limited, on a discretionary trust basis for the benefit of certain charities.

In accordance with the requirements of IFRS 10 Consolidated Financial Statements, the financial statements of the Company's subsidiary, Precise Mortgage Funding No. 1 plc, for the year ended 31 December 2017 have been incorporated in the consolidated financial statements of Charter Court Financial Services Group Limited prepared under International Financial Reporting Standards.

Until 4 October 2017, the joint controlling parties of Charter Court Financial Services Group plc were Elliott International L.P. and Elliott Associates L.P. by virtue of their combined controlling interest in the Group's issued share capital and voting rights. On this date, the controlling parties sold a proportion of their shareholding such that they no longer had a controlling interest in the Group's issued share capital and voting rights. In addition, the controlling parties entered into a relationship agreement with the Group. As a result, from 4 October 2017, Elliott International L.P. and Elliott Associates L.P. are no longer controlling parties of the Group.

The largest and smallest group in which the results of the Company's subsidiary are consolidated is that headed by Charter Court Financial Services Group Limited, copies may be obtained from the Company Secretary at the registered office: 2 Charter Court, Broadlands, Wolverhampton, West Midlands, WV10 6TD.

12. Related party transactions

There were no related party transactions arising in the year ended 31 December 2017, or 31 December 2016.