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Financial Statements

Christopher Midco 1 Limited

For the Period Ended 31 March 2017



Registered number: 10192502

Christopher Midco 1 Limited

Company Information

Directors

T McCormac
M Bamber
C Hill
R Barley

Registered number

10192502

Registered office

2 Malt Street
Knutsford
Cheshire
WA16 6ES

Independent auditor

Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Contents

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Statement of income and retained earnings	5
Statement of financial position	6
Notes to the financial statements	7 - 12

Directors' Report

For the Period Ended 31 March 2017

The directors present their report and the financial statements for the period ended 31 March 2017.

The company was incorporated on 20 May 2016 and its principal activity is the management activities of a holding company.

On the same date the accounting reference date was shortened from 31 May 2017 to 31 March 2017.

Directors

The directors who served during the period were:

R Crayton (appointed 20 May 2016, resigned 8 June 2016)

T McCormac (appointed 1 July 2016)

M Bamber (appointed 8 June 2016)

C Hill (appointed 8 June 2016)

R Barley (appointed 8 June 2016)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Christopher Midco 1 Limited

Directors' Report (continued)

For the Period Ended 31 March 2017

Auditor

The auditor, Grant Thornton UK LLP, was appointed during the period and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



R Barley

Director

Date: 9/8/17

Independent Auditor's Report to the Members of Christopher Midco 1 Limited

We have audited the financial statements of Christopher Midco 1 Limited for the period ended 31 March 2017, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on page 1, 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 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 2017 and of its 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.



Independent Auditor's Report to the Members of Christopher Midco 1 Limited (continued)

Opinion 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 period for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

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

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Grant Thornton use us

Carl Williams (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Manchester

Date: 9/8/17

Statement of Income and Retained Earnings

For the Period Ended 31 March 2017

		Period from 20 May 2016 to 31 March 2017 £
	Note	
Interest payable and expenses	5	(3,305,815)
Loss before tax		<u>(3,305,815)</u>
Tax on loss on ordinary activities		-
Loss after tax		<u><u>(3,305,815)</u></u>
 Loss for the period		 <u>(3,305,815)</u>
Retained deficit at the end of the period		<u><u>(3,305,815)</u></u>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of income and retained earnings.

The notes on pages 7 to 12 form part of these financial statements.

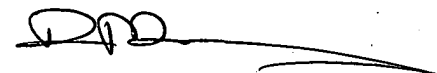
Statement of Financial Position

As at 31 March 2017

	Note	2017 £
Fixed assets		
Investments	6	1
		<u>1</u>
Current assets		
Debtors: amounts falling due within one year	7	37,106,489
		<u>37,106,489</u>
Creditors: amounts falling due within one year	8	(325,769)
		<u>(325,769)</u>
Net current assets		<u>36,780,720</u>
Total assets less current liabilities		<u>36,780,721</u>
Creditors: amounts falling due after more than one year	9	(40,086,535)
		<u>(40,086,535)</u>
Net liabilities		<u>(3,305,814)</u>
Capital and reserves		
Called up share capital	12	1
Profit and loss account	12	(3,305,815)
		<u>(3,305,815)</u>
Shareholders' deficit		<u>(3,305,814)</u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



R Barley
Director

Date: 9/8/17

The notes on pages 7 to 12 form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 31 March 2017

1. General information

Christopher Midco 1 Limited is a company incorporated in the United Kingdom under the Companies Act 2006 and its registered office is 2 Malt Street, Knutsford, Cheshire, WA16 6ES. The principal activity of the company during the period was that of a holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The individual accounts of Christopher Midco 1 Limited has adopted the disclosure exemption in the requirement to present a statement of cashflows and related notes on the basis that they are consolidated within the financial statements of Christopher Topco Limited, which are available from Companies House.

The financial statements are presented in Sterling (£).

The following principal accounting policies have been applied:

2.2 Going concern

Notwithstanding the loss for the year and the net liabilities position, after reviewing the company's forecasts and projections, the directors have reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the Financial Statements

For the Period Ended 31 March 2017

2. Accounting policies (continued)

2.5 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the period in which they are incurred.

Notes to the Financial Statements

For the Period Ended 31 March 2017

2. Accounting policies (continued)

2.9 Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Deferred tax - management have not recognised the deferred tax asset relating to the loss generated by the company in the current period, due to the uncertainty as to whether these losses will be able to be utilised.

4. Operating profit

No directors received remuneration during the period.

5. Interest payable and similar charges

	Period from 20 May 2016 to 31 March 2017 £
Loan note interest payable	3,305,815
	<u>3,305,815</u>

Notes to the Financial Statements

For the Period Ended 31 March 2017

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	1
At 31 March 2017	1
Net book value	
At 31 March 2017	1

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Christopher Midco 2 Limited	Ordinary	100 %	Intermediate holding company

7. Debtors

	2017 £
Amounts owed by group undertakings	37,106,489
	37,106,489

At 31 March 2017, the company has an unprovided deferred tax asset of £446,485 relating to the loss generated by the company in the period. No deferred tax has been recognised in the financial statements due to the uncertainty as to whether these losses will be utilised.

8. Creditors: Amounts falling due within one year

	2017 £
Amounts owed to group undertakings	325,769
	325,769

Notes to the Financial Statements

For the Period Ended 31 March 2017

9. Creditors: Amounts falling due after more than one year

	2017 £
Loan notes	37,051,156
Accruals and deferred income	3,035,379
	<u>40,086,535</u>

10. Loan notes

Analysis of the maturity of loan notes is given below:

	2017 £
Amounts falling due after more than 5 years	
Loan notes	37,051,156
	<u>37,051,156</u>

On 8 June 2016 the group received 10% loan note funding from private equity funds managed by Graphite Capital Partners VIII A LP, Graphite Capital Partners VIII B LP, Graphite Capital Partners VIII C LP, Graphite Capital Partners VIII D LP and Graphite Capital Co-investments VIII LP. At the period end, loans totalling £7,183,895, £13,210,309, £5,357,064, £10,668,742 and £631,146 are due in more than one year respectively. All of the loan notes are redeemable in May 2026.

At 31 March 2017, loan note interest totalling £3,035,379 is included within accruals and will be paid upon maturity of the loan notes.

The loan notes are secured by way of a charge over all assets of the company.

Notes to the Financial Statements

For the Period Ended 31 March 2017

11. Financial instruments

	2017 £
Financial assets	
Financial assets measured at amortised cost	37,106,489
	<u>37,106,489</u>
Financial liabilities	
Financial liabilities measured at amortised cost	(40,412,304)
	<u>(40,412,304)</u>

Financial assets measured at amortised cost comprise amounts owed from group undertakings.

Financial liabilities measured at amortised cost comprise accruals and deferred income and amounts owed to group undertakings and loan notes.

12. Reserves

Called up share capital - represents the nominal value of shares that have been issued.

Profit and loss account - the profit and loss account includes the current period losses.

13. Contingent liabilities

The directors have confirmed there were no contingent liabilities at 31 March 2017.

14. Capital commitments

The directors have confirmed there were no capital commitments at 31 March 2017.

15. Related party transactions

The company has taken advantage of the exemption in FRS 102 (section 33) "Related Party Disclosure" and has not disclosed transactions with group undertakings where the company is a 100% subsidiary.

16. Controlling party

The immediate parent company and ultimate controlling party is Christopher Topco Limited, an entity incorporated in England and Wales.

The smallest and largest group of undertakings for which group accounts have been drawn up is that headed by Christopher Topco Limited. Copies of the group financial statements can be obtained from Companies House.