



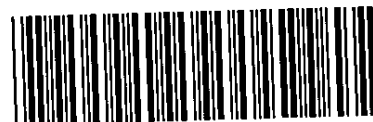
# Financial Statements

## Dalglen (No 823) Limited

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**For the year ended 31 March 2013**

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COMPANIES HOUSE

**Registered number: SC231283**

**Dalglen (No 823) Limited**

## Company Information

<b>Directors</b>	David Turner Dean Hartley Sunil Kant Munjal Frederic Jousset
<b>Company secretary</b>	Dean Hartley
<b>Registered number</b>	SC231283
<b>Registered office</b>	1 Central Park Avenue Central Business Park Larbert Falkirk FK5 4RX
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Colmore Plaza 20 Colmore Circus Birmingham West Midlands B4 6AT

Dalglen (No 823) Limited

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**Dalglen (No 823) Limited**

## **Directors' Report**

**For the year ended 31 March 2013**

The directors present their report and the financial statements for the year ended 31 March 2013.

### **Principal activity and business review**

The principal activity of the company was as an intermediate holding company which contained some of the enlarged Group's borrowing. The financial statements of Dalglen are consolidated within Hero Management Service (UK) Limited.

On 30 April 2012 by way of group reconstruction the company transferred its investment in Telecom Service Centres Limited to its parent undertaking at market value.

All external debt was also transferred to the parent undertaking.

The net balance due from the parent undertaking is held on a loan account and attracts a commercial rate of interest.

### **Results and dividends**

The profit for the year, after taxation, amounted to £60,665,000 (2012 - loss £763,000).

The directors do not recommend the payment of a dividend (2012 - £Nil).

### **Directors**

The directors who served during the year were:

David Turner

Dean Hartley

Sunil Kant Munjal

Rohit Chanana (resigned 19 February 2013)

Prabhjot Likhari (resigned 19 February 2013)

Frederic Jousset (appointed 19 February 2013)

## Directors' Report

For the year ended 31 March 2013

### 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 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

### Provision of information to auditor

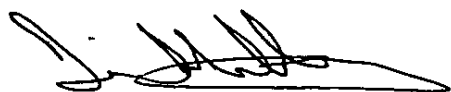
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

### Auditor

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

This report was approved by the board on 19 June 2013 and signed on its behalf.



Dean Hartley  
Director



## Independent Auditor's Report to the Members of Dalglen (No 823) Limited

We have audited the financial statements of Dalglen (No 823) Limited for the year ended 31 March 2013, which comprise the Profit and loss account, the Balance sheet 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 auditor**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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



## Independent Auditor's Report to the Members of Dalglen (No 823) Limited

### **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.

A handwritten signature in black ink, appearing to read "David Munton".

David Munton (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
Birmingham

19 June 2013

## Profit and Loss Account

For the year ended 31 March 2013

	Note	2013 £000	2012 £000
<b>Exceptional items</b>			
Net profit on sale of investment	6	<u>57,358</u>	<u>-</u>
<b>Profit on ordinary activities before interest</b>		<b>57,358</b>	<b>-</b>
Interest receivable and similar income	4	<b>3,326</b>	10
Interest payable and similar charges	5	<u>(19)</u>	<u>(773)</u>
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>60,665</b>	<b>(763)</b>
Tax on profit/(loss) on ordinary activities	7	<u>-</u>	<u>-</u>
<b>Profit/(loss) for the financial year</b>	13	<u><b>60,665</b></u>	<u><b>(763)</b></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account.

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

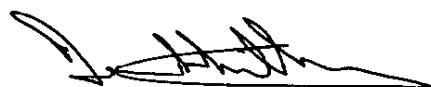


## Balance Sheet

As at 31 March 2013

	Note	£000	2013 £000	2012 £000
<b>Fixed assets</b>				
Investments	8		-	19,642
<b>Current assets</b>				
Debtors: amounts falling due after more than one year	9	65,133	-	
Debtors: amounts falling due within one year	9	-	831	
		<u>65,133</u>	<u>831</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>-</u>	<u>(3,570)</u>	
<b>Net current assets/(liabilities)</b>			<u>65,133</u>	<u>(2,739)</u>
<b>Total assets less current liabilities</b>			<u>65,133</u>	<u>16,903</u>
<b>Creditors: amounts falling due after more than one year</b>	11		<u>-</u>	<u>(12,435)</u>
<b>Net assets</b>			<u><u>65,133</u></u>	<u><u>4,468</u></u>
<b>Capital and reserves</b>				
Called up share capital	12		26	26
Share premium account	13		198	198
Other reserves	13		11	11
Profit and loss account	13		<u>64,898</u>	<u>4,233</u>
<b>Equity shareholders' funds</b>	14		<u><u>65,133</u></u>	<u><u>4,468</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 June 2013.



**Dean Hartley**  
Director

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

# Notes to the Financial Statements

For the year ended 31 March 2013

## 1. Accounting Policies

### 1.1 Basis of preparation of financial statements

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

### 1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

### 1.3 Investments

Investments in subsidiaries and participating interests are stated at cost less provision for impairment where necessary to reduce book value to recoverable amount. Other investments are stated at cost less any provision for permanent diminution in value. Cost is purchase price including acquisition expenses, but excluding any payment for accrued interest or fixed dividend entitlement.

### 1.4 Financing costs

Financing costs are accounted for in accordance with FRS 4 'Capital Instruments' and are written off over the life of the financing to which they relate. The balance at the end of the period is set against the outstanding liability.

### 1.5 Deferred taxation

Deferred tax is provided, except as noted below, on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Where law or accounting standards require gains and losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement of total recognised gains and losses in due course.

## Notes to the Financial Statements

For the year ended 31 March 2013

### 1. Accounting Policies (continued)

#### 1.6 Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

### 2. Operating profit

Auditors' remuneration is borne by other group companies.

During the year, no director received any emoluments (2012 - £NIL).

### 3. Staff costs

The average monthly number of employees, including the directors, during the year was as follows:

	2013 No.	2012 No.
Directors	<u>5</u>	<u>5</u>

### 4. Interest receivable

	2013 £000	2012 £000
Interest receivable from group companies	<u>3,326</u>	<u>10</u>

# Notes to the Financial Statements

For the year ended 31 March 2013

## 5. Interest payable

	2013 £000	2012 £000
Bank interest	19	692
Interest payable to group companies	-	81
	<u>19</u>	<u>773</u>

## 6. Exceptional items

	2013 £000	2012 £000
Net profit on sale of investment	<u>57,358</u>	<u>-</u>

The net profit on sale of investment arose due to the transfer of this company's investment in Telecom Service Centres Limited to its parent undertaking at market value.

## 7. Taxation

### Factors affecting the tax charge for the year

The tax assessed for the year is lower than (2012 - higher than) the standard rate of corporation tax in the UK of 24% (2012 - 26%). The differences are explained below:

	2013 £000	2012 £000
Profit/(loss) on ordinary activities before tax	<u>60,665</u>	<u>(763)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012 - 26%)	<u>14,560</u>	<u>(198)</u>
Effects of:		
Profit on sale of investment not taxable	(13,766)	-
Utilisation of losses brought forward	(700)	-
Group relief (received)/given without payment	(94)	198
Current tax charge for the year	<u>-</u>	<u>-</u>

### Factors that may affect future tax charges

The company has an unrecognised deferred tax asset of £Nil (2012 - £700,000).

# Notes to the Financial Statements

For the year ended 31 March 2013

## 8. Fixed asset investments

	Investment in subsidiary company £000
<b>Cost or valuation</b>	
At 1 April 2012	19,642
Disposals	(19,642)
At 31 March 2013	-
<b>Net book value</b>	
At 31 March 2013	-
At 31 March 2012	19,642

On 30 April 2012 by way of a group reconstruction the company transferred its investment in Telecom Services Centres Limited to its parent undertaking at market value.

## 9. Debtors

	2013 £000	2012 £000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	65,133	-
<b>Due within one year</b>		
Amounts owed by group undertakings	-	831

The amounts owed by group undertakings are unsecured, have no fixed repayment date and attract interest at a market rate.

## 10. Creditors:

### Amounts falling due within one year

	2013 £000	2012 £000
Bank loans and overdrafts	-	3,524
Accruals and deferred income	-	46
	-	3,570

# Notes to the Financial Statements

For the year ended 31 March 2013

## 11. Creditors:

### Amounts falling due after more than one year

	2013 £000	2012 £000
Bank loans	-	3,546
Amounts owed to group undertakings	-	8,889
	<u>-</u>	<u>12,435</u>

Included within the above are amounts falling due as follows:

	2013 £000	2012 £000
<b>Between one and two years</b>		
Bank loans	-	1,763
<b>Between two and five years</b>		
Bank loans	-	1,783

ICICI Bank provided bank loans which were secured by a floating charge over all of the assets of the company and its subsidiary, and standard securities over Bute House, Rothesay and Caledonia House, Dunoon. The Company's holding Company, Hero Management Service (UK) Limited, had also given certain guarantees to ICICI Bank.

All bank loans were repaid in full during the year and the floating charge and corporate guarantee were released.

## 12. Share capital

	2013 £	2012 £
<b>Allotted, called up and fully paid</b>		
77,745,489 A Preferred Ordinary shares of £0.0001 each	7,775	7,775
180,000 A Ordinary shares of £0.10 each	18,000	18,000
36,000 B Ordinary shares of £0.01 each	360	360
18,000 D Ordinary shares of £0.01 each	180	180
	<u>26,315</u>	<u>26,315</u>

### Rights Of Shares

#### Return of Capital

First to holders of ordinary shares to the value of the subscription price. The balance distributed between holders of Preferred ordinary shares and Ordinary shares is *pari passu* as if the same constituted one class of shares.

# Notes to the Financial Statements

For the year ended 31 March 2013

## 12. Share capital (continued)

### *Voting*

All shares rank equally in respect of voting. There are certain conditions within the Articles of Association, which if broken entitle the owners of Preferred ordinary shares to exercise three votes per share instead of one.

### *Dividends*

All shares rank pari passu in respect of dividends.

All shares are held by the parent undertaking, Hero Management Service (UK) Limited.

## 13. Reserves

	Share premium account £000	Other reserves £000	Profit and loss account £000
At 1 April 2012	198	11	4,233
Profit for the year	-	-	60,665
At 31 March 2013	198	11	64,898

## 14. Reconciliation of movement in equity shareholders' funds

	2013 £000	2012 £000
Opening equity shareholders' funds	4,468	5,231
Profit/(loss) for the year	60,665	(763)
Closing equity shareholders' funds	65,133	4,468

## 15. Related party transactions

The company has taken advantage of the exemption available to 100% subsidiaries, under FRS 8, not to disclose separately transactions with other group companies. The results of the company are consolidated in the financial statements of Hero Management Service (UK) Limited. Copies of the consolidated financial statements are available from Companies House.

## 16. Ultimate parent undertaking and controlling party

The immediate parent company is Hero Management Service (UK) Limited, which is registered in Scotland. As at 31 March 2012 the ultimate parent undertaking was Hero Corporate Service Limited, a company registered in India. On the 19 February 2013 the ultimate controlling party become Charterhouse Capital Partners IX.