

# **Target Financial Solutions Limited**

**Directors' report and financial statements**

**Registered number 1523236**

**Year ended 31 December 2015**

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## **Directors' report**

The directors present their Directors' report and the financial statements for the year ended 31 December 2015.

### **Principal activities**

The principal activity of the company is the provision of consultancy services principally to other group member companies.

### **Business review**

Turnover during the period was £nil (2014: £nil) with a retained profit of £nil (2014: £nil), any tax charge arising thereon is offset by group relief received for which no charge is made.

### **Results and dividends**

The results for the period are set out on page 6. The directors do not recommend the payment of a dividend for the period (2014: £Nil).

### **Political and charitable contributions**

There were no political or charitable contributions made during the period (2014: £Nil).

### **Directors**

The directors who held office during the period and since the period end were as follows:

W Alley

J Snow

I Larkin

P. M. Byrne (appointed 11 March 2015)

T. A. Baxter (appointed 11 March 2015)

S.A. Robertson (appointed 11<sup>th</sup> March 2016)

## Directors' report *(continued)*

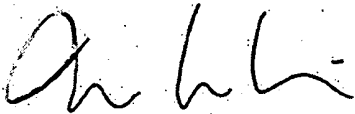
### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**I Larkin**  
Director

Target House  
Cowbridge Road East  
Cardiff CF11 9AU  
Registered number 1523236

1 April 2016

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 its profit or loss 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; and
- 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP  
Britannia Quay  
Cardiff  
CF10 4AX  
United Kingdom

## **Independent auditor's report to the members of Target Financial Solutions Limited**

We have audited the financial statements of Target Financial Solutions Limited for the year ended 31 December 2015 set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 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 set out on page 3, 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 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](http://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 December 2015 and of its result for the year then ended;
- have been properly prepared in accordance with UK 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**

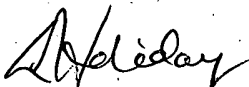
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report to the members of Target Financial Solutions Limited** *(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, 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.



**Emma Holiday (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

3 Assembly Square  
Britannia Quay  
Cardiff  
CF10 4AX

Date: *6th April 2016*

**Statement of Income and Retained Earnings**  
*for the year ended 31 December 2015*

	Note	Year ended 31 December 2015 £000	Year ended 31 December 2014 £000
Turnover	1	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses	3	-	-
		<hr/>	<hr/>
Operating profit being profit before tax and profit for the financial period	2	-	-
		<hr/>	<hr/>
Retained profit at 1 January		10	10
Retained profit at 31 December		10	10
		<hr/>	<hr/>


Turnover and operating results relate entirely to continuing operations. There were no items of other comprehensive income in either period, and no changes to equity during the period other than those arising from profit or loss.

The notes on pages 8 to 10 form part of these financial statements.

**Balance sheet**  
*at 31 December 2015*

	<i>Note</i>	<b>Year ended</b> <b>31 December 2015</b>		<b>Year ended</b> <b>31 December 2014</b>	
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Current assets</b>					
Debtors	5	10		10	
		<hr/>		<hr/>	
<b>Net current assets</b>			10		10
			<hr/>		<hr/>
<b>Total assets less current liabilities being net assets</b>			10		10
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	6	-		-	
Profit and loss account		10		10	
		<hr/>		<hr/>	
<b>Shareholders' funds</b>			10		10
			<hr/>		<hr/>

These financial statements, registered number 1523236, were approved by the board of directors on 1 April 2016 and were signed on its behalf by:



**I Larkin**  
*Director*

## Notes

*(forming part of the financial statements)*

### 1 Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

#### *General information and basis of accounting*

Target Financial Solutions Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 2. The nature of the company's operations and its principal activities are set out in the directors' report on pages 1 and 2.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Target Financial Solutions Limited meets the definition of a qualifying entity under FRS 102 paragraphs 1.8 to 1.12 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to intra-group transactions, remuneration of key management personnel, and the statement of cash flows. The consolidated financial statements of Target Group Limited, within which this Company is included, can be obtained from the address provided in Note 8.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### *Going Concern*

The directors have presented the financial statements on the going concern basis due to its belief that it will be able to meet its liabilities as they fall due, for at least 12 months from the date of signing these financial statements.

#### *Taxation*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

#### *Turnover*

Revenue received is credited to turnover in the period that the service has been provided.

### 2 Operating profit

The auditor's remuneration for Target Financial Solutions Limited was borne by the parent company Target Group Limited.

### 3 Remuneration of directors and employees

The directors of the company were paid by other group companies. Details of the directors' remuneration can be found in the financial statements of Target Group Limited. There were no employees in either year.

## Notes (continued)

### 4 Taxation

There was no current or deferred tax charge in either period.

#### *Factors affecting the tax charge for the period*

The tax charge for the period is lower than the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%). The differences are explained below:

	Year ended 31 December 2015 £000	Year ended 31 December 2014 £000
<b><i>Tax reconciliation</i></b>		
Profit on ordinary activities before tax	-	-
Total tax expense	-	-
	<hr/>	<hr/>
Tax using the UK corporation tax rate at 20.25% (2014: 21.5%)	-	-
	<hr/>	<hr/>
Total tax charge	-	-
	<hr/>	<hr/>

A reduction in the rate from 20% to 19% was enacted in 2015 effective from 1 April 2017. A further reduction to 18% was also enacted, effective from 1 April 2020. This will reduce the company's future tax charge accordingly.

### 5 Debtors

	Year ended 31 December 2015 £000	Year ended 31 December 2014 £000
Amounts owed by group undertakings	10	10
	<hr/>	<hr/>

## Notes (continued)

### 6 Called up share capital

	Year ended 31 December 2015 £	Year ended 31 December 2014 £
<i>Authorised</i>		
At 31 December 2014 and at 31 December 2015, 100 Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
At 31 December 2014 and at 31 December 2015, 2 Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

### 7 Commitments

There were no annual commitments at 31 December 2015 (2014: £Nil)

### 8 Immediate and ultimate parent undertaking

The immediate parent company is Target Group Limited. The company is a 100% subsidiary undertaking of Target Group Limited, incorporated in Great Britain and registered in England and Wales.

The smallest group in which the results of the company are consolidated is Target Group Limited. The consolidated accounts of Target Group Limited are available to the public and may be obtained from Target House, Cowbridge Road East, Cardiff.

The largest group in which the results of the company are consolidated is Target Topco Limited. The consolidated financial statements of Target Topco Limited are available to the public and may be obtained from the same address above.

Robin SARL, a company registered in Luxembourg owns 75% of the voting rights in Target Topco Limited and is considered the ultimate parent undertaking.

### 9 FRS 102 Transition

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition.

The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, none of the Company accounting policies have needed to change to comply with that standard and no transition adjustments were required.