

Espial Group Limited

Annual report and financial statements

Registered number 05372859

For the year ended 31 December 2017



Contents

Directors' report	1
Statement of directors' responsibilities in respect of the Directors' report and the financial statements	2
Independent Auditor's Report to the Members of Espial Group Limited	3
Profit and loss account	5
Balance sheet	6
Notes	7

Directors' report

The director presents his report together with the audited financial statements for the year ended 31 December 2017.

Principal activities

The company was dormant for the 2017 year and holds investments in other companies within the wider Espial Group Inc.

Directors

The directors of the company during the year were:

C Smith
J Dolvane

The directors have taken advantage of the small companies exemption provided by Section 414B of the Companies Act 2006 not to provide a Strategic Report.

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

Directors

This report was approved by the board on September 28, 2018 and signed on its behalf.

By order of the board



C Smith
Director

100 Fetter Lane
London, England
EC4A 1BN
September 27, 2018

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 applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 judgements and estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESPIAL GROUP LIMITED

Opinion

We have audited the financial statements of Espial Group Limited ("the company") for the year ended 31 December 2017, which comprise the Profit and Loss Account, Balance Sheet and related notes, including the accounting policies in note 1.

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 UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 [prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESPIAL GROUP LIMITED (continued)

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Richard Bartlett-Rawlings (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Botanic House
100 Hills Road
Cambridge
CB2 1AR

Date: 28 September 2018

Profit and loss account
for the year ended 31 December 2017

The company did not trade during the current or preceding financial year and, consequently, made neither a profit nor a loss.

Balance sheet
at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	3	725,337	725,337
Current assets			
Debtors	4	4,081,521	4,081,521
Cash at bank		-	-
		<u>4,081,521</u>	<u>4,081,521</u>
Creditors: amounts falling due within one year	5	<u>(1,734,151)</u>	<u>(1,734,151)</u>
Net current assets		<u>2,347,370</u>	<u>2,347,370</u>
Net assets		<u>3,072,707</u>	<u>3,072,707</u>
Capital and reserves			
Called up share capital	6	1,214,318	1,214,318
Share premium account	7	12,066,990	12,066,990
Profit and loss account	7	(10,208,601)	(10,208,601)
		<u>3,072,707</u>	<u>3,072,707</u>
Shareholder's funds		<u>3,072,707</u>	<u>3,072,707</u>

The parent company accounts have been prepared in accordance with the special provisions in part 15 of the Companies Act 2006 relating to small companies.

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



C Smith
Director
September 27, 2018

Company registered number: 05372859

The notes on pages 7 to 9 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

These financial statements for the year ended 31 December 2017 are the first financial statements that comply with FRS 102 Section 1A small entities. The date of transition is 1 January 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.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

1.2 Investments

Investments are stated at cost, less any provisions for impairment in value.

1.3 Taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, except that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates are expected to apply in the periods in which timing differences reverse, based on tax and laws enacted or substantively enacted at the balance sheet date.

2 Taxation

Factors affecting tax charge for the year

The UK corporation tax on the result for the year and the profit in the prior year was £nil (2016: £nil).

3 Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2017 and 31 December 2017	725,337
Net book value	
At 31 December 2016 and 31 December 2017	725,337

Notes (continued)

3 Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares
Espial Limited 100%	Ordinary
100 Fetter Lane	
London, England	
EC4A 1BN	

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Espial Limited	(887,303)	868,182

4 Debtors

	2017 £	2016 £
Amounts owed by group undertakings	4,081,521	4,081,521

5 Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	1,734,151	1,734,151

6 Share capital

	2017 £	2016 £
Allotted, called up and fully paid 24,286,367 (2016: 24,286,367) Ordinary shares of £0.05 each	1,214,318	1,214,318

7 Reserves

	Share premium account £	Profit and loss account £
At 1 January 2017 and 31 December 2017	12,066,990	(10,208,601)

Notes (continued)

8 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Espial (UK) Limited, a company registered in England. The ultimate parent undertaking and controlling party at 31 December 2017 is Espial Group Inc, a company registered in Canada. Copies of its group accounts, which is the smallest and largest group in which the company is included, are publicly available, can be obtained from Espial Group Inc, 200 Elgin Street, Suite 1000, Ottawa, Ontario, Canada, K2P 1L5.