

**COMPANIES HOUSE
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Lesprit Limited

Annual report and financial statements

Period ended 31 December 2017

Registered number 08020588

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COMPANIES HOUSE

Company Information

Directors	A J Tough M Hughes C J Seggie
Company secretary	C Hawkins
Registered number	8020588
Registered office	Apollo House 6 Bramley Road Mount Farm Milton Keynes MK1 1PT
Independent auditor	KPMG LLP Chartered Accountants & Senior Statutory Auditor 319 St Vincent Street Glasgow G2 5AS United Kingdom
Bankers	National Westminster Bank plc 501 Silbury Boulevard Saxon Gate East Milton Keynes MK9 3ER
Solicitors	Brodies LLP 110 Queen Street Glasgow G1 3BX

Contents

Strategic Report	1
Directors' Report	2
Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements	3
Independent Auditor's Report to the Members of Lesprit Limited	5
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Strategic Report

The directors present their strategic report for the 9 months ended 31 December 2017, having changed the accounting reference date from 31 March 2018 to 31 December 2017.

Principal activities

The company acts as a holding company. Its subsidiaries provide facilities management and related services to major retail businesses.

Business review

On 31 March 2017 the whole of the share capital of the company was acquired by City Facilities Management Ltd, a company registered in Scotland.

The financial statements show a loss after taxation of £82,323 (13 Months ended 31 March 2017: loss £695,153) for the nine months ended 31 December 2017.

Principal risks and uncertainties

The company recognises that effective risk management is fundamental to delivering a safe and successful service. The company's systems for risk management identify opportunities and anticipate risks in order to improve business performance.

The business activity of one of Lesprit's UK subsidiaries is with a large, blue-chip international retail group based in France through a contract priced in Euros, which presents a potential currency exposure risk. However, all necessary services are subcontracted to the company's French subsidiary which are payable in Euros producing a natural hedge for the majority of the transactional currency risk.

Credit risk

The risk of financial loss from the loss of bank deposits is mitigated by only placing deposits with banks which have received a high credit rating.

The risk of financial loss due to a customer's failure to honour its obligation arises principally in relation to transaction where the company provides its services for a fee. Our policies are aimed at minimising the potential for such losses by granting credit terms only where a customer has demonstrated an appropriate payment history and has satisfied creditworthiness checks.

Liquidity risk

The company aims to mitigate liquidity risk by managing cash flow of its operations and applying cash collection targets on customer accounts. The company has little anticipated need to carry out capital investment, which, if required, would be subject a full investment appraisal process including cash payback assessment.

Strategic Report (continued)

Key performance indicators

The company's key financial performance indicators during the period were as follows:

	9 months 31 December 2017	13 months 31 March 2017
Operating Loss (£'000)	(30)	(103)
Loss after tax (£'000)	(82)	(695)
Shareholder funds (£'000)	541	623

Being a holding Company, Lesprit has no trading turnover and generates an operating loss due to interest charges on a loan from a related party.

By order of the board



C Hawkins
Company Secretary

Apollo House
6 Bramley Road
Mount Farm
Milton Keynes
MK1 1PT

3 July 2018

Directors' Report

The directors present their report and the financial statements of the company for the 9 month period ended 31 December 2017.

Dividend

An ordinary dividend amounting to £nil (13 Months ended 31 March 2017: £nil) was paid during the period.

Directors

The directors who served during the period were:

A J Tough
C Seggie
M Hughes

Employees

The company has no employees.

Political and charitable contributions

The company made no charitable contributions of £nil (13 Months ended 31 March 2017: £) during the 9 months ended 31 December 2017.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report has confirmed that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as directors in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information

Auditor

The company's auditor as at 31 March 2017 was Grant Thornton UK LLP, who resigned on 23 January 2018. KPMG LLP was duly appointed auditor of the company subsequent to that date and 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



C Hawkins
Company Secretary

Apollo House
6 Bramley Road
Mount Farm
Milton Keynes
MK1 1PT

3 July 2018

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The directors are responsible for preparing the Strategic report, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

Independent Auditor's Report to the Members of Lesprit Limited

Opinion

We have audited the financial statements of Lesprit Ltd ("the company") for the 9 months ended 31 December 2017 which comprise the Profit and Loss Account, the Balance Sheet and the Statement of Changes in Equity and related notes, including the accounting policies in note 2.

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 loss for the 9 months then ended;
- have been properly prepared in accordance with UK accounting standards, including 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.

Strategic report and directors' report

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

Our responsibility is to read the strategic report and 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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have 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

We have nothing to report in these respects.

Independent Auditor's Report to the Members of Lesprit Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, 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.



Bruce Marks (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
United Kingdom

3 July 2018

Profit and Loss Account

For the 9 month period ended 31 December 2017

	Note	9 months ended 31 December 2017 £	13 months ended 31 March 2017 £
Administrative expenses		(30,300)	(102,735)
Operating loss		(30,300)	(102,735)
Interest payable and similar charges	5	(65,210)	(592,418)
Loss before taxation		(95,510)	(695,153)
Tax on loss	6	13,187	-
Loss for the financial period		(82,323)	(695,153)

There was no other comprehensive income for the period ended 31 December 2017 other than the loss for the period (13 months ended 31 March 2017: £Nil).

The notes on pages 10 to 17 form part of these financial statements.

Balance Sheet

As at 31 December 2017

	Note	31 December 2017 £	31 March 2017 £
Fixed assets			
Investments	7	4,311,745	4,490,215
		<u>4,311,745</u>	<u>4,490,215</u>
Current assets			
Debtors: amounts falling due within one year	8	194,765	208,570
		<u>194,765</u>	<u>208,570</u>
Creditors: amounts falling due within one year	9	(1,961,815)	(1,593,297)
Net current liabilities		<u>(1,767,050)</u>	<u>(1,384,727)</u>
Total assets less current liabilities		<u>2,544,695</u>	<u>3,105,488</u>
Creditors: amounts falling due after more than one year	10	(2,003,999)	(2,482,469)
Net assets		<u>540,696</u>	<u>623,019</u>
Capital and reserves			
Called up share capital	11	47,504	47,504
Share premium		3,291,995	3,291,995
Profit and loss account		(2,798,803)	(2,716,480)
		<u>540,696</u>	<u>623,019</u>

The notes on pages 10 to 17 form part of these financial statements.

The Financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 July 2018.



C Seggie
Director

Company Registered Number: 08020558

Statement of Changes in Equity

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 March 2016	47,500	45,500	(2,021,327)	(1,928,327)
Total comprehensive income for the period				
Loss for the period	-	-	(695,153)	(695,153)
Total comprehensive income for the period	-	-	(695,153)	(695,153)
Issue of share capital	4	-	-	4
Repayment of loan note	-	3,246,495	-	3,246,495
At 31 March 2017	47,504	3,291,995	(2,716,480)	623,019
At 1 April 2017	47,504	3,291,995	(2,716,480)	623,019
Total comprehensive income for the period				
Loss for the period	-	-	(82,323)	(82,323)
Total comprehensive income for the period	-	-	(82,323)	(82,323)
At 31 December 2017	47,504	3,291,995	(2,798,803)	540,696

The notes on pages 10 to 17 form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 31 December 2017

1. General information

Lesprit Limited ("the Company") is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 08020588 and the registered address is Apollo House, 6 Bramley Road, Mount Farm, Milton Keynes, MK1 1PT.

The principal activity of the company continued to be 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 judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of City Facilities Management Limited as at 31 December 2017 and these financial statements may be obtained from The Registrar of Companies, Companies House, 4th Floor, Edinburgh Quay, 139 Fountainbridge, Edinburgh EH3 9FF.

2.3 Going concern

The company has recorded a loss after tax in both the current and previous financial periods, and the company's balance sheet shows that it has net current liabilities of £1,767,050 and net assets of £540,696. The current liabilities are almost entirely attributable to other group companies and as an intermediate holding company within the group, the directors' opinion is that the company is not at risk and will be supported by the group if required.

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the financial statements.

Notes to the Financial Statements

For the Period Ended 31 December 2017

2. Accounting policies (continued)

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 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.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 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, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

2.8 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.

Notes to the Financial Statements

For the Period Ended 31 December 2017

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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

Preparation of the financial statements required management to make significant judgements and estimates. The items in the financial statement where these judgements and estimates have been made include determining the requirement, if any, for any impairment provisions needed against the carrying value of fixed asset investments.

4. Employees

The company has no employees other than the directors, who did not receive any remuneration (13 month period ended 31 March 2017: £Nil)

5. Interest Payable and similar charges

	9 month period ended 31 December 2017 £	13 month period ended 31 March 2017 £
Interest payable and similar charges	65,210	592,418

Notes to the Financial Statements

For the Period Ended 31 December 2017

6. Taxation

	9 months ended 31 December 2017 £	13 months ended 31 March 2017 £
Current tax		
Group relief receivable	(13,187)	-
Total current tax	(13,187)	-
Taxation on loss	(13,187)	-
Reconciliation of effective tax rate		
Loss for the period	(82,323)	(695,153)
Total tax credit	(13,187)	-
Loss excluding taxation	(95,510)	(695,153)
Tax using the UK corporation tax rate of 19% (13 months to 31 March 2017 - 20.08%)	(18,147)	(139,031)
Non-deductible differences	-	50,125
Deferred tax not recognised	-	(57,836)
Other adjustments	4,960	31,070
Total tax credit included in profit or loss	(13,187)	-

Please note that from 1 April 2015, the main rate of corporation tax was reduced to 20%. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

The company has an unrecognised deferred tax asset of £136,595 (31 March 2017: £136,595) in relation to unutilised losses. This asset has not been recognised due to uncertainty around the timing of use of the losses.

Notes to the Financial Statements

For the Period Ended 31 December 2017

7. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 April 2017	4,490,215
Impairment	(178,470)
At 31 December 2017	<u>4,311,745</u>
Net book value	
At 1 April 2017	4,490,215
At 31 December 2017	<u>4,311,745</u>

At 31 December 2017 the company held more than 20% of the allotted share capital of the following undertakings:

Subsidiary undertakings	Country of incorporation	Class of share capital held	Proportion held	Nature of business
Seckloe 280 Limited	England	Ordinary	100%	Holding company
Maintenance Management Limited	England	Ordinary	100%*	Retail maintenance and support
City Facilities Management Holdings (Europe) Limited	England	Ordinary	100%	Retail maintenance and support
Atrium Maintenance France SAS	France	Ordinary	100%*	Retail maintenance and support
City Facilities Management Europe SAS	France	Ordinary	100%*	Retail maintenance and support

* shares held by intermediate holding companies

The registered office is Apollo House, 6 Bramley Road, Mount Farm, Milton Keynes MK1 1PT.

Notes to the Financial Statements

For the Period Ended 31 December 2017

8. Debtors

	31 December 2017 £	31 March 2017 £
Amount owed by group undertakings	181,578	181,578
Group relief receivable	13,187	-
Other debtors	-	26,992
	<u>194,765</u>	<u>208,570</u>

9. Creditors: Amounts falling due within one year

	31 December 2017 £	31 March 2017 £
Amount owed to group undertakings	1,940,381	1,588,297
Accruals and deferred income	21,434	5,000
	<u>1,961,815</u>	<u>1,593,297</u>

10. Creditors: Amounts falling after more than one year

	31 December 2017 £	31 March 2017 £
Amount owed to group undertakings	2,003,999	2,303,999
Other creditors	-	178,470
	<u>2,003,999</u>	<u>2,482,469</u>

Of the amount due to group undertakings, £2,000,000 (31 March 2017: £2,300,000) is in respect of a loan that is repayable in instalments by 31 March 2020.

Notes to the Financial Statements

For the Period Ended 31 December 2017

11. Share capital

	31 December 2017 £	31 March 2017 £
Shared classified as equity		
Authorised		
65,000 A ordinary shares of 30p each	19,500	19,500
28,000 B ordinary shares of £1 each	28,000	28,000
325,000 C ordinary shares of £.00001 each	4	4
	47,504	47,504
Allotted, called up and fully paid		
65,000 A ordinary shares of 30p each	19,500	19,500
325,000 C ordinary shares of £.00001 each	4	4
Allotted, called up and partly paid		
28,000 B ordinary shares of £1 each		
Unpaid	26,992	26,992
Paid	1,008	1,008
	28,000	28,000

Notes to the Financial Statements

For the Period Ended 31 December 2017

12. Related party transactions

The company entered into transactions with Maintenance Management Ltd and City Facilities Management Ltd. All transactions occurred in the ordinary course of business and at normal market prices.

	Sales 9 months to 31 December 2017 £	Sales 13 months to 31 March 2017 £	Purchases 9 months to 31 December 2017 £	Purchases 13 months to 31 March 2017 £
Maintenance Management Ltd	-	-	3,308	102,735
City Facilities Management Ltd	-	-	-	2,603,999
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Receivables outstanding 31 December 2017 £	Receivables outstanding 31 March 2017 £	Creditors outstanding 31 December 2017 £	Creditors outstanding 31 March 2017 £
Maintenance Management Ltd	181,578	181,578	1,340,381	1,288,708
City Facilities Management Ltd	-	-	2,603,999	2,603,999
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. Ultimate parent company and controlling party

The company's immediate parent company is City Facilities Management Limited, a company registered in Scotland.

The smallest group for which the consolidated accounts are prepared and in which this company is included is City Facilities Management Ltd, a company registered in Scotland. Consolidated accounts are available from its registered office, Caledonia House, 2 Lawmoor Street, Glasgow, G5 0US.

The largest group for which consolidated accounts are prepared and in which this company is included is City Facilities Management Holdings Limited, a company registered in Scotland. Consolidated accounts are available from its registered office, Caledonia House, 2 Lawmoor Street, Glasgow, G5 0US.

At the balance sheet date the directors considered that the ultimate parent undertaking and controlling party was City Facilities Management Holdings Limited, a company incorporated in Scotland.