

REGISTERED NUMBER 00014504 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 31 December 2012
for
De Vere Group Holdings Limited

WEDNESDAY



A2HN1F6P

A24

25/09/2013

#93

COMPANIES HOUSE

De Vere Group Holdings Limited (Registered number 00014504)

Contents of the Financial Statements
for the Year Ended 31 December 2012

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7

De Vere Group Holdings Limited

Company Information
for the Year Ended 31 December 2012

DIRECTORS

A M Coppel CBE
D G Caldecott

SECRETARY

S Kaushal

REGISTERED OFFICE

33 Cavendish Square
London
W1B 0PW

REGISTERED NUMBER

00014504 (England and Wales)

AUDITORS

Ernst & Young LLP
100 Barbican Square
Manchester
M2 3EY

Report of the Directors
for the Year Ended 31 December 2012

The directors present their report and financial statements for the year ended 31 December 2012

PRINCIPAL ACTIVITY

De Vere Group Holdings Limited (the Company) acts primarily as a property holding company

REVIEW OF BUSINESS

A comprehensive review of the strategic affairs of the group into which the company is consolidated, including key performance indicators and key risks and uncertainties, is contained in the report and financial statements of De Vere Group Limited, the ultimate parent company at the year end

The loss after taxation for the year amounted to £1,453,000 (2011 profit of £481,000)

DIVIDENDS

The directors do not recommend the payment of a dividend (2011 £nil)

DIRECTORS

The directors of the Company during the period were as follows

A M Coppel CBE
D G Caldecott

SIGNIFICANT EVENTS

In September 2012, the De Vere Group and Bank of Scotland plc extended the term of the Group's senior borrowing facilities to June 2015. The directors are satisfied that the Group will be able to meet the requirements of the revised loan agreement, thereby assuring the Company's ability to continue as a going concern

Further details of the De Vere Group's borrowings are available in the financial statements of De Vere Group Limited, the ultimate parent undertaking at the year end

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable 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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In accordance with Section 418(2) of the Companies Act 2006 each of the above directors

- is not aware of any relevant audit information of which the Company's auditors are unaware, and
- has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish the Company's auditors are aware of that information

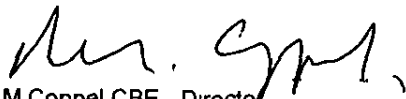
De Vere Group Holdings Limited (Registered number 00014504)

Report of the Directors - continued
for the Year Ended 31 December 2012

AUDITORS

Ernst & Young LLP have expressed their willingness to continue as auditors in accordance with Section 487(2) of the Companies Act 2006

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'A M Coppel', is written over the printed name.

A M Coppel CBE - Director

Date 16th September 2013

Independent Auditors Report to the Members of De Vere Group Holdings Limited

We have audited the financial statements of De Vere Group Holdings Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. 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 set out on page two, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the directors and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 and of its loss 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.

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.



Barry Flynn (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

Date 23 September 2013

De Vere Group Holdings Limited (Registered number 00014504)

Profit and Loss Account
for the Year Ended 31 December 2012

	Notes	2012 £'000	2011 £'000
TURNOVER		<u>156</u>	<u>28,402</u>
Continuing operations		156	75
Discontinued operations		<u>-</u>	<u>28,327</u>
Cost of sales	2	<u>(674)</u>	<u>(25,871)</u>
GROSS (LOSS)/PROFIT	2	(518)	2,531
Net operating income/(expenses)	2	<u>430</u>	<u>(3,332)</u>
OPERATING LOSS	5	<u>(88)</u>	<u>(801)</u>
Continuing operations		(88)	312
Discontinued operations		<u>-</u>	<u>(1,113)</u>
Loss on sale of business		-	(1)
Sale of tangible fixed assets		<u>-</u>	<u>51</u>
		(88)	(751)
Interest receivable and similar income		44	44
Interest payable and similar charges	6	<u>(53)</u>	<u>(57)</u>
		<u>(9)</u>	<u>(13)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(97)	(764)
Tax on loss on ordinary activities	7	<u>(1,356)</u>	<u>1,245</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(1,453)</u>	<u>481</u>

TOTAL RECOGNISED GAINS AND LOSSES


The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year

De Vere Group Holdings Limited (Registered number 00014504)

Balance Sheet
31 December 2012

	Notes	2012 £'000	2011 £'000
FIXED ASSETS			
Tangible assets	8	-	244
Investments	9	<u>11,279</u>	<u>11,279</u>
		<u>11,279</u>	<u>11,523</u>
CURRENT ASSETS			
Debtors	10	172,092	1,297,157
Cash at bank		<u>55</u>	<u>150</u>
		172,147	1,297,307
CREDITORS			
Amounts falling due within one year	11	<u>(122,876)</u>	<u>(1,246,653)</u>
NET CURRENT ASSETS		<u>49,271</u>	<u>50,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		60,550	62,177
PROVISIONS FOR LIABILITIES	13	<u>(455)</u>	<u>(629)</u>
NET ASSETS		<u>60,095</u>	<u>61,548</u>
CAPITAL AND RESERVES			
Called up share capital	14	1	1
Profit and loss account	15	<u>60,094</u>	<u>61,547</u>
	18	<u>60,095</u>	<u>61,548</u>

The financial statements were approved by the Board of Directors on *16th September 2013* and were signed on its behalf by



A M Coppel CBE - Director

Notes to the Financial Statements
for the Year Ended 31 December 2012

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards

Group financial statements

The Company has taken advantage of the exemption from preparing group financial statements contained in Section s400 of the Companies Act 2006, on the basis that as at 31 December 2011 it was a wholly owned subsidiary of De Vere Group Limited, a company registered in England and Wales. The financial statements therefore only present the results and state of affairs of the Company and not the group

Cash flow statement

As a wholly owned subsidiary of De Vere Group Limited as at 31 December 2012, the Company is exempt from the requirement to present a cash flow statement under Financial Reporting Standard ("FRS") 1, as a consolidated cash flow statement is included in that company's financial statements, which are publicly available

Turnover

Turnover is the value of goods and services sold to third parties, including excise duties, as part of the Company's trading activities, after deducting discounts and sales based taxes

Tangible fixed assets

The cost of tangible fixed assets represents the actual purchase price paid. Cost of land and buildings may include gross interest on capital invested in major property development and directly attributable overheads

Fixtures and fittings contains items of plant, machinery, fixtures and fittings and equipment

Depreciation is provided to write off the cost of all other fixed assets over their useful lives to their estimated residual values and is calculated by the straight line method at the following rates

	Per annum
Buildings	2%
Fixtures and fittings	25%

Leasehold properties are depreciated over the shorter of 50 years and the lease term

The carrying values of tangible fixed assets are reviewed for impairment annually and if events or changes in circumstances indicate that the carrying value may not be recoverable

When an asset is fully depreciated and no longer in use, both the gross amount and the aggregate depreciation are eliminated from financial statements

Deferred tax

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, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold, and
- 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 that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Leasing commitments

Rental payments in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term. Provision has been established for future anticipated costs related to leased premises no longer occupied by the Company

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

1 ACCOUNTING POLICIES - continued

Pension costs

Pension contributions to the defined benefit or defined contribution plans are charged to the profit and loss account as they are incurred

Property provisions

Provision is made for future rental expenses and related costs of leasehold property (net of estimated sub lease income) where space is either vacant or not planned to be used for ongoing operations

Going concern

After making enquiries the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company's financial statements have therefore been prepared on a going concern basis.

As described in note 17 the Company was party to and provided guarantees in respect of De Vere Limited and De Vere Midco Limited borrowing facilities. The extent of these guarantees is limited to the assets of the Company.

Related party transactions

As a wholly owned subsidiary of De Vere Group Limited as at 31 December 2012, the Company has taken advantage of the exemption available under FRS 8 not to disclose details of transactions with other group companies.

2 ANALYSIS OF OPERATIONS

	Continuing £'000	2012 Discontinued £'000	Total £'000
Cost of sales	<u>674</u>	<u>-</u>	<u>674</u>
Gross loss	<u>(518)</u>	<u>-</u>	<u>(518)</u>
Net operating income			
Administrative expenses	11	-	11
Exceptional item - impairments	<u>419</u>	<u>-</u>	<u>419</u>
	<u>430</u>	<u>-</u>	<u>430</u>

	Continuing £'000	2011 Discontinued £'000	Total £'000
Cost of sales	<u>218</u>	<u>25,653</u>	<u>25,871</u>
Gross (loss)/profit	<u>(143)</u>	<u>2,674</u>	<u>2,531</u>
Net operating expenses			
Administrative expenses	(36)	3,787	3,751
Exceptional item - impairments	<u>(419)</u>	<u>-</u>	<u>(419)</u>
	<u>(455)</u>	<u>3,787</u>	<u>3,332</u>

3 STAFF COSTS

	2012 £'000	2011 £'000
Wages and salaries	33	2,166
Social security costs	3	217
Other pension costs	<u>-</u>	<u>155</u>
	<u>36</u>	<u>2,538</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

3 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	2012	2011
Average monthly number of employees	<u>1</u>	<u>74</u>

4 DIRECTORS' EMOLUMENTS

The emoluments of A M Coppel CBE and D G Caldecott are paid by De Vere Limited, a fellow subsidiary undertaking that made no recharge to the Company for their services. The total emoluments of A M Coppel CBE and D G Caldecott are included in the aggregate of directors' emoluments disclosed in the financial statements of De Vere Group Limited, the ultimate parent company.

5 OPERATING LOSS

The operating loss is stated after charging

	2012 £'000	2011 £'000
Hire of plant and machinery	-	74
Other operating leases	543	654
Depreciation - owned assets	49	722
Loss on disposal of fixed assets	<u>190</u>	<u>-</u>

The auditors' fee for the period of £3,000 (2011 £3,500) was settled by a related company, De Vere Central Services Limited.

The Company has the following annual operating lease commitments in respect of leases of land and buildings

	2012£'000	2011£'000
Lease expiry less than 1 year	5	46
2 to 5 years	169	193
over 5 years	<u>306</u>	<u>304</u>
	<u>480</u>	<u>543</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2012 £'000	2011 £'000
Interest payable - bank	9	10
Interest payable - other	<u>44</u>	<u>47</u>
	<u>53</u>	<u>57</u>

7 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the loss on ordinary activities for the year was as follows

	2012 £'000	2011 £'000
Current tax		
UK corporation tax	<u>1,356</u>	<u>(1,245)</u>
Tax on loss on ordinary activities	<u>1,356</u>	<u>(1,245)</u>

UK corporation tax has been charged at 24.50% (2011 - 26.50%)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

7 TAXATION - continued

Factors affecting the tax charge/(credit)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2012 £'000	2011 £'000
Loss on ordinary activities before tax	<u>(97)</u>	<u>(764)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.50% (2011 - 26.50%)	(24)	(203)
Effects of Capital allowances in excess of depreciation not chargeable	(48)	(2,169)
Impairment of fixed assets	-	204
Transfer pricing adjustment not reflected in financial statements	1,389	(817)
Current year movement on provisions and accruals	-	(2)
Non-taxable profit on third party disposals	47	1,742
Other items -disallowable/non taxable	<u>(8)</u>	<u>-</u>
Current tax charge/(credit)	<u>1,356</u>	<u>(1,245)</u>

A deferred tax asset of £101,000 (2011: £110,000), being the excess of tax losses over accelerated capital allowances, is unrecognised because the likelihood of realisation fails to meet the "more likely than not" criterion

8 TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Plant and equipment £'000	Totals £'000
COST			
At 1 January 2012	-	244	244
Disposals	-	(244)	(244)
Fully depreciated assets written off	<u>1,028</u>	<u>-</u>	<u>1,028</u>
At 31 December 2012	<u>1,028</u>	<u>-</u>	<u>1,028</u>
DEPRECIATION			
Charge for year	-	49	49
Eliminated on disposal	-	(49)	(49)
Fully depreciated assets written off	<u>1,028</u>	<u>-</u>	<u>1,028</u>
At 31 December 2012	<u>1,028</u>	<u>-</u>	<u>1,028</u>
NET BOOK VALUE			
At 31 December 2012	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2011	<u>-</u>	<u>244</u>	<u>244</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

9 FIXED ASSET INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2012 and 31 December 2012	<u>192,952</u>
PROVISIONS	
At 1 January 2012 and 31 December 2012	<u>181,673</u>
NET BOOK VALUE	
At 31 December 2012	<u>11,279</u>
At 31 December 2011	<u>11,279</u>

The company's investments at the balance sheet date in the share capital of companies include the following

De Vere Group Investments Limited

Nature of business Holding Company

	% holding
Class of shares	
Ordinary shares	100 00

Sage Midlands Limited (previously Greenalls Midlands Limited)

Nature of business Non-trading

	% holding
Class of shares	
Ordinary shares	100 00
Preference shares	100 00

China Lane Limited

Nature of business Non-trading

	% holding
Class of shares	
Ordinary shares	100 00

10 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Trade debtors	-	47
Amounts owed by group undertakings	171,711	1,296,628
Other debtors	286	429
Value added tax	16	11
Prepayments and accrued income	79	42
	<u>172,092</u>	<u>1,297,157</u>

Amounts owed by group undertakings are unsecured and receivable on demand

11 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Debentures (see note 12)	14	14
Trade creditors	5	-
Amounts owed to group undertakings	122,756	1,246,515
Social security and PAYE	3	-
Other creditors	45	67
Accruals and deferred income	53	57
	<u>122,876</u>	<u>1,246,653</u>

Amounts owed to group undertakings are unsecured and payable on demand

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

12 LOANS

An analysis of the maturity of loans is given below

	2012 £'000	2011 £'000
Amounts falling due within one year or on demand		
Unsecured loan stock < 1 year	<u>14</u>	<u>14</u>

13 PROVISIONS FOR LIABILITIES

	Onerous lease provision		Exgratia lease pensions		Legal and uninsured claims	
	2012	2011	2012	2011	2012	2011
As at 1 January	91	183	441	449	97	1,390
Utilisation of provision	(91)	(92)	(6)	(8)	(77)	(1,293)
As at 31 December	-	91	435	441	20	97

The pension provision relates to ex gratia pensions for past employees that are not covered by the Company's pension scheme

The onerous lease expired in December 2012

Legal and uninsured claims relate to outstanding claims against the Company and will be discharged as these are resolved on an individual basis

14 CALLED UP SHARE CAPITAL

Allotted, called up and fully paid

Ordinary shares of 31p each

At 31 December 2011 and 31 December 2012

Number	£000
<u>3,214</u>	<u>1</u>

15 RESERVES

	Profit and loss account £'000
At 1 January 2012	61,547
Loss for the year	<u>(1,453)</u>
At 31 December 2012	<u>60,094</u>

The profit and loss reserve contains unrealised gains of £851,204,000 in respect of dividends in specie from a subsidiary undertaking. Under the Companies Act s846 these gains are not distributable except where the assets on which the gains arose are distributed as a non-cash distribution

16 ULTIMATE PARENT COMPANY

The immediate parent company of De Vere Group Holdings Limited is De Vere Finance No 3 Limited, a company registered in England and Wales

The ultimate parent and controlling party of the Company is De Vere Group Limited, a company registered in England and Wales (company registered number 6798902). The financial statements of the Company form part of the consolidated financial statements of De Vere Group Limited which can be obtained from Companies House

17 CONTINGENT LIABILITIES

Under the terms of a loan facility agreement between Bank of Scotland plc and two of the Company's fellow subsidiary undertakings, De Vere Limited and De Vere Midco Limited, a charge exists over all of the Company's assets. Total borrowings under the loan facility agreement at 31 December 2012 amounted to £1,079,649,000

(2011 £1,110,593,000) _

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

18 RECONCILIATION OF MOVEMENTS IN RESERVES

	2012 £'000	2011 £'000
(Loss)/Profit for the financial year	<u>(1,453)</u>	<u>481</u>
Net (reduction)/addition to reserves	(1,453)	481
Opening reserves	<u>61,548</u>	<u>61,067</u>
Closing reserves	<u>60,095</u>	<u>61,548</u>