

THE FUNDING CORPORATION (BENTON) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



THE FUNDING CORPORATION (BENTON) LIMITED

COMPANY INFORMATION

Directors	D J Challinor G E Hutton
Company secretary	Martineau Secretaries Limited
Registered number	02585478
Registered office	International House Kingsfield Court Chester Business Park Chester CH4 9RF
Independent auditor	BDO LLP 3 Hardman Street Manchester M3 3AT

THE FUNDING CORPORATION (BENTON) LIMITED

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THE FUNDING CORPORATION (BENTON) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report and the financial statements for the year ended 31 December 2018.

Results and dividends

The profit and loss account is set out on page 6 and shows a profit of £220,865 for the year.

A dividend of £220,865 has been paid in the year (2017 – £nil).

Principal activity, trading review and future developments

The company ceased trading in December 2011 and the directors do not expect any further activity.

In the year, a historical VAT bad debt reclaim has been recognised and a corresponding inter-company balance has been written off.

Directors

The directors who served during the year and subsequent to the year-end were:

D J Challinor
G E Hutton

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 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 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. As explained in note 1 to the financial statements, the directors do not believe that the going-concern basis is appropriate for the preparation of the financial statements of the company and accordingly the financial statements have not been prepared on a going-concern basis.

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 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.

THE FUNDING CORPORATION (BENTON) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Audit information

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

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

Auditors

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next annual general meeting.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

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



27 SEPTEMBER 2019

D J Challinor
Director

THE FUNDING CORPORATION (BENTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE FUNDING CORPORATION
(BENTON) LIMITED**

Opinion

We have audited the financial statements of The Funding Corporation (Benton) Limited (the 'Company') for the year ended 31 December 2018, which comprise the Profit and loss account, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

THE FUNDING CORPORATION (BENTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE FUNDING CORPORATION
(BENTON) LIMITED (CONTINUED)**

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the Directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

THE FUNDING CORPORATION (BENTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE FUNDING CORPORATION
(BENTON) LIMITED (CONTINUED)**

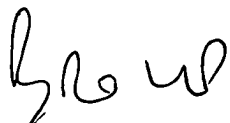
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

 27 SEPTEMBER 2019

Julien Rye (senior statutory auditor)

for and on behalf of BDO LLP, statutory auditor
BDO LLP

3 Hardman Street
Manchester
M3 3AT
United Kingdom

THE FUNDING CORPORATION (BENTON) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Other cost of sales		220,865	-
Operating profit	3	220,865	-
Profit on ordinary activities for the year		<u>220,865</u>	<u>-</u>

The notes on pages 9 to 11 form part of these financial statements.

THE FUNDING CORPORATION (BENTON) LIMITED
REGISTERED NUMBER: 02585478

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Current assets			
Trade and other receivables	4	1	1
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	6	<u>1</u>	<u>1</u>
		<u>1</u>	<u>1</u>

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



D J Challinor
Director

27 SEPTEMBER 2019

The notes on pages 9 to 11 form part of these financial statements.

THE FUNDING CORPORATION (BENTON) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE TWO YEARS ENDED 31 DECEMBER 2018**

	Called-up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018 and 31 December 2017	1	-	1
Comprehensive income for the period			
Profit for the year	-	220,865	220,865
Total comprehensive income for the period	-	220,865	220,865
Contributions by and distributions to owners			
Dividends paid	-	(220,865)	(220,865)
Total transactions with the owners	-	(220,865)	(220,865)
At 31 December 2018	<u>1</u>	<u>-</u>	<u>1</u>

The notes on pages 9 to 12 form part of these financial statements.

THE FUNDING CORPORATION (BENTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Accounting policies

1.1 Basis of preparation of financial statements

The Funding Corporation (Benton) Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are disclosed in the directors' report.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The company ceased trading in December 2011 and accordingly the financial statements have not been prepared on a going-concern basis. No adjustments were necessary to the amounts at which the remaining assets and liabilities are included in these 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.

1.2 Financial reporting standard 102 – reduced disclosure exemptions

The company meets the definition of a qualifying entity under Financial Reporting Standard 102. The company has taken advantage of the 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" for the following disclosures:

- Statement of Cash Flows and related notes; and
- Comparative period reconciliation for share capital and investments

This information is included in the consolidated financial statements of I.M. Group Limited as at 31 December 2018 and these financial statements may be obtained from Companies House.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, the directors have not made any judgements or estimates.

THE FUNDING CORPORATION (BENTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. Operating profit

The operating profit is stated after crediting:

	2018 £	2017 £
VAT reclaim on bad debts	<u>220,865</u>	<u> </u>

Other cost of sales comprises a credit of £220,865 (2017 - £nil) in relation to a VAT reclaim on historical bad debts.

Auditors' remuneration for 2018 has been borne by the parent undertaking. In the directors' opinion, a reasonable allocation of the audit fee to this company would be £750 (2017 - £nil).

4. Trade and other receivables

	2018 £	2017 £
Amounts due from group undertakings	<u>1</u>	<u>1</u>

5. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1</u>	<u>1</u>

Financial assets that are debt instruments measured at amortised cost comprise amounts due from group undertakings.

THE FUNDING CORPORATION (BENTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Share capital

	Allotted, called-up and fully paid 2018 £	Allotted, called-up and fully paid 2017 £
Allotted, called-up and fully paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

As part of a capital reduction, on 22 October 2015 222,421 ordinary shares of £1 each were issued, and paid in full from the capital reserve, immediately after which the company cancelled 232,420 ordinary shares of £1 each with the amount credited to retained earnings. At the same time the company also cancelled its share premium account and its capital redemption reserve.

7. Related party transactions

As the company is a wholly owned subsidiary of The Funding Corporation Limited, the company has taken advantage of the exemption contained in FRS 102 paragraph 33.1A and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of The Funding Corporation Limited, within which the company is included, can be obtained from Companies House.

8. Control

The Funding Corporation Limited is the parent of the smallest group of which the company is a member and for which consolidated financial statements are prepared.

I.M. Group Limited is the ultimate parent company of The Funding Corporation Limited and is the parent of the largest group of which the company is a member and for which consolidated statements are prepared. The ultimate controlling party is Lord Edmiston.

Copies of the consolidated financial statements of The Funding Corporation Limited and I.M. Group Limited are available from Companies House.

As part of a capital reduction, on 22 October 2015 222,421 ordinary shares of £1 each were issued, and paid in full from the capital reserve, immediately after which the company cancelled 232,420 ordinary shares of £1 each with the amount credited to retained earnings. At the same time the company also cancelled its share premium account and its capital redemption reserve.