

MAPLE COURT INVESTMENTS LIMITED

Company No 3378840

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STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their strategic report for the year ended 31 December 2013

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The principal impact on the results of the Company arises from interest charged or received on balances owed to or by other group companies. There have been no changes in the Company's activities during the year.

The Company's key financial performance indicators during the year were as follows:

	2013 £	2012 £
Profit/(loss) for the financial year	4,952,139	(4,425,305)
Amounts owed from group companies	337,712,055	389,457,812
Amounts owed to group companies	-	(56,726,035)
Shareholders' funds	337,712,055	178,149,916

PRINCIPAL RISK AND UNCERTAINTIES

Ladbroke plc reviews and evaluates key risks and uncertainties faced by the group as part of the divisional reviews undertaken at its regular board meetings. The impact of risks and uncertainties of the Company is considered as part of this review process.

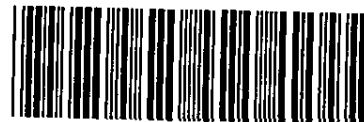
The Company's principal risks arise from changes in interest rates, which affect the balances with other group companies and interest due on those balances. The Company has no other significant risks or uncertainties other than those that arise from its membership of the Ladbroke group which are dealt with in the Business Review presented in the consolidated financial statements of Ladbroke plc on pages 22 to 24.

By order of the Board

Secretary
A J Bushnell
Date

11 SEP 2014

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Directors' report for the year ended 31 December 2013

Directors	J M Adelman (resigned 18 April 2014) A J Bushnell (appointed 18 April 2014) V Parmar A J Wilson
Secretary	J M Adelman (resigned 18 April 2014) A J Bushnell (appointed 18 April 2014)
Registered Office	Imperial House, Imperial Drive, Rayners Lane, Harrow, HA2 7JW

The directors present their report and the Company's financial statements for the year ended 31 December 2013

Results and dividends

The financial statements for the year show a profit after taxation of £4,952,139 (2012 loss of £4,425,305)

Preference interest of £3,769,572 was paid in the year (2012 £7,837,653)

Financial Risk Management

The company's exposure to financial risk managements are outlined in the Strategic Report

Going concern

After making enquires, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements

Future developments

The Company does not anticipate any changes in its activity in the forthcoming year

Directors' and officers' liability insurance

During the year Ladbrokes plc purchased and maintained on behalf of the Company liability insurance for its directors and officers as permitted by section s233 of the Companies Act 2006

By order of the Board



Director

A J Wilson

Date

11 SEP 2014

Statement of directors' responsibilities in relation to 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 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 estimates that are reasonable and prudent,
- state whether the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained by 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 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 members have not required the Company to obtain an audit of its accounts for the year ended 31 December 2013 in accordance with section 476 of the Companies Act 2006, and the directors acknowledge their responsibilities for complying with the requirements of the act with respect to accounting records and the preparation of accounts.

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Profit and Loss Account for the year ended 31 December 2013

	Note	2013 £	2012 £
Interest receivable	3	8,721,711	3,412,348
Interest payable and similar charges	4	<u>(3,769,572)</u>	<u>(7,837,653)</u>
Profit on ordinary activities before taxation		4,952,139	(4,425,305)
Taxation	6	<u>-</u>	<u>-</u>
Profit for the financial year	11	<u>4,952,139</u>	<u>(4,425,305)</u>

All of the Company's activities are from continuing operations

The Company has no other recognised gains or losses during the year ended 31 December 2013
(2012 none)

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Balance Sheet at 31 December 2013

	Note	2013 £	2012 £
Current assets			
Debtors	7	337,712,055	389,457,812
Creditors amounts falling due within one year	8	-	(57,153,052)
Total assets less current liabilities		337,712,055	332,304,760
Creditors amounts falling due after more than one year	9	-	(154,154,844)
Net assets		337,712,055	178,149,916
Capital and reserves			
Called up share capital	10	356,610,001	202,000,001
Profit and loss account	11	(18,897,946)	(23,850,085)
Shareholder's funds	11	337,712,055	178,149,916

For the year ended 31 December 2013 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

Directors' responsibilities

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts



A J Wilson

Director

Date 11 SEP 2014

Notes to the financial statements for the year ended 31 December 2013

1 Accounting policies

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. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention except where indicated below. They have been drawn up to comply with applicable UK accounting standards.

The accounting policies adopted by the Company are set out below and are consistent with those of the previous financial year.

Preference shares

Finance costs of preference shares that are classified as debt are allocated over the term of the preference shares at a constant rate on the carrying amount.

2. Operating Profit

In the current year the Company is exempt from the requirement to submit audited financial statements in 2013. In 2012, the audit fee for the Company's financial statements of £3,000 was borne by another Group company.

3. Interest receivable

	2013 £	2012 £
Interest receivable from group companies	<u>8,721,711</u>	<u>3,412,348</u>

4. Interest payable and similar charges

	2013 £	2012 £
Interest payable to group companies on preference shares	3,769,572	7,837,653
	<u>3,769,572</u>	<u>7,837,653</u>

Preference interest of £3,769,572 was paid in the year (2012: £7,837,653)

Notes to the financial statements for the year ended 31 December 2013

5. Directors and employees

The directors' emoluments are borne entirely by other group companies and it is not practicable to estimate what portion of their emoluments is attributable to this subsidiary. The directors, all of whom are members of a Ladbrokes plc defined benefit pension scheme, received a total remuneration during their directorships in the year of £568,180 (2012: £618,489).

All operations of the Company are undertaken by employees of other group companies and their respective emoluments have not been included in these financial statements.

6. Taxation

No provision for taxation has been made, as an undertaking has been received from the Company's ultimate parent, Ladbrokes plc, that the latter will assume all liabilities for taxation including those amounts arising as a result of timing differences.

There are no amounts of deferred tax required to be indemnified in respect of any material timing differences for 2013 or 2012.

7 Debtors

	2013 £	2012 £
Amounts owed from group companies	<u>337,712,055</u>	<u>389,457,812</u>

8. Creditors: amounts falling due within one year

	2013 £	2012 £
Amounts owed to group companies	-	56,726,035
Accrued preference dividend	-	427,017
	<u>-</u>	<u>57,153,052</u>

Amounts due to group companies are included under amounts falling due within one year where there are no specified terms as to their repayment.

9 Creditors: amounts falling due after more than one year

	2013 £	2012 £
Redeemable cumulative preference shares	<u>-</u>	<u>154,452,722</u>

Notes to the financial statements for the year ended 31 December 2013

10. Called up share capital

	2013 £	2012 £
Issued, called up and fully paid.		
356,610,001 ordinary shares of £1 each	<u>356,610,001</u>	<u>202,000,001</u>
1,546,100 preference shares of £100 each (note 11)	<u>-</u>	<u>154,610,000</u>

The holders of the preference shares are entitled to a fixed cumulative preferential dividend at the rate of LIBOR +4 26% per annum in priority to holders of any other class of share capital until the redemption date of 11 June 2031. On a return of assets on winding up, or otherwise, preference shareholders are entitled, in priority to the holders of any other class of shares, to the repayment of amounts paid up on the preference shares and any arrears of dividend. Preference shareholders are not entitled to receive notice of, or attend, or vote at any general meeting.

The preference shares are classified as liabilities on the balance sheet. On the 26th June 2013 the entire preference shares were converted to ordinary shares to simplify the capital structure for accounting and administrative purposes. Preference shares with book value of £154,610,000 were converted to ordinary shares with book value of the same amount.

11. Reconciliation of shareholders' funds and movements in reserves

	Share capital £	Profit and loss account £	Total £
At 1 January 2012	202,000,001	(19,424,780)	182,575,221
Loss for the year	<u>-</u>	<u>(4,425,305)</u>	<u>(4,425,305)</u>
At 31 December 2012	202,000,001	(23,850,085)	178,149,916
Profit for the year		4,952,139	4,952,139
Preference to ordinary shares ⁽¹⁾	<u>154,610,000</u>	<u>-</u>	<u>154,610,000</u>
At 31 December 2013	<u>356,610,001</u>	<u>(18,897,946)</u>	<u>337,712,055</u>

⁽¹⁾ During the year preference shares with book value of £154,610,000 were converted to ordinary shares to simplify the capital structure for accounting and administrative purposes (note 10 & 11).

12. Contingent liabilities

The Company has jointly and severally guaranteed the value added tax liability of certain other Ladbroke plc companies within a group registration amounting to £nil at 31 December 2013 (2012 £5.9 million).

13. Cash flow statement

The Company has taken advantage of the provisions within FRS 1, which exempt subsidiaries from preparing a cash flow statement where 90% or more of the voting rights are controlled within the group. The ultimate parent company, Ladbroke plc has included the required consolidated statement of cash flows within its consolidated financial statements.

Notes to the financial statements for the year ended 31 December 2013

14 Related party transactions

The Company has taken advantage of provisions of FRS 8 which exempt subsidiary companies, 100% of whose voting rights are controlled within the group, from disclosing transactions with other entities within the group. The ultimate parent company, Ladbrokes plc, has included the required related party disclosures within its group financial statements.

15 Immediate and ultimate parent undertaking

The immediate parent undertaking of the Company is Ladbrokes Group Finance plc, a company registered in England and Wales. The ultimate parent undertaking is Ladbrokes plc, a company registered in England and Wales. The largest and smallest group preparing consolidated group accounts which include the Company is Ladbrokes plc for the year ended 31 December 2013. Copies of the financial statements of Ladbrokes plc can be obtained from the registered office of that company at Imperial House, Imperial Drive, Harrow, Middlesex, HA2 7JW.