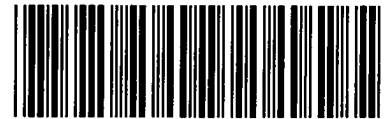


THE LONDON MINT OFFICE LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

WEDNESDAY



A3F6ME6Z

A24

27/08/2014

#404

COMPANIES HOUSE

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Independent Auditor's Report	5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8

THE LONDON MINT OFFICE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2013

DIRECTORS:

J Deeny
P C Mortensen
E R Constapel

SECRETARY:

W K Corporate Services Limited

REGISTERED OFFICE:

Harmsworth House
13-15 Bouverie Street
London
EC4Y 8DP

REGISTERED NUMBER:

03470348

AUDITOR:

BDO LLP
55 Baker Street
London
W1U 7EU

BANKERS:

Deutsche Bank Nederland BV
P.O. Box 12797
1100 AT Amsterdam
Netherlands

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

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

REVIEW OF BUSINESS

The London Mint Office Ltd is a wholly owned subsidiary of the Samlerhuset Group, a pan-European organisation specialising in the marketing and distribution of commemorative and historical coins to coin collectors

New customers are obtained through direct response advertising and telemarketing and offered a variety of products, drawn from national and private mints throughout the world, mainly on a single sales basis by means of a variety of marketing channels and techniques. The company's objective is to create new coin collectors in the market - not just service existing numismatists - and to provide long-term customer value over many years and thereby establish the business as a market leading distributor of collectible coins.

To support this objective the business has undertaken a major restructuring during 2013, changing the business from a traditional direct marketing subscription based sales model to a single product sales model utilising mainly Telemarketing and Digital channels. The restructuring has enabled the company to reduce its future operational cost base significantly.

The business continues to strive to overcome the difficult macro-economic climate in the UK which has affected consumer confidence and spending on non-essentials; and to minimise the impact of fluctuations in precious metal prices - the majority of our sales being in silver and gold. The business is subject to further external influences, as new customer acquisition is chiefly driven by major national events - particularly relating to the monarchy and military anniversaries - although significant product development breakthroughs have been achieved in recent years to lessen reliance on such events to drive business growth.

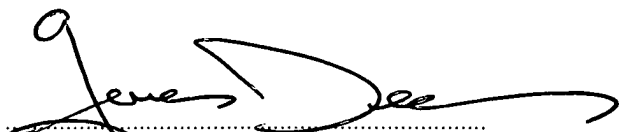
The most critical issue in maximising profitability surrounds our customer relationships - encouraging coin collection, and minimising returns - by delivering optimum customer service quality and providing a broad palette of attractive product offerings at a wide range of price levels. Significant investment has been - and will continue to be - made in the standard of our customer service infrastructure and data profiling techniques together with developing strong relationships with our key suppliers.

Our success in achieving our objectives is constantly measured according to a variety of key performance indicators - the most important being Gross Margin % (Gross Margin after Marketing Costs divided by the Turnover), returns rates, cost per new customer acquired, as well as traditional profit and loss and working capital measurements.

Results for the 2013 financial year reflect the impact of the difficult economic circumstances and the strategic decision taken to refine the business model mentioned earlier. The results include extra-ordinary cost of £1.15 million on business restructuring and on the impairment of our office lease. Turnover in 2013 reduced by 32% and Gross Margin reduced by 28%, whilst overheads increased by 2% due to extra-ordinary costs; and as a result the business made an operating loss of £2 million.

The board is confident that the restructuring of the business will result in 2014 being a profitable year.

ON BEHALF OF THE BOARD:



J Deeny - Director

Date: 11 August 2014

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their report with the financial statements of the company for the year ended 31 December 2013.

DIVIDENDS

The directors do not recommend the payment of a dividend (2012 £Nil).

DIRECTORS

J Deeny has held office during the whole of the period from 1 January 2013 to the date of this report.

Other changes in directors holding office are as follows:

P D Swanston - resigned 8 April 2013

J Franks - resigned 30 September 2013

P C Mortensen - appointed 8 April 2013

E R Constapel - appointed 30 September 2013

FINANCIAL INSTRUMENTS

Financial risk management

The company's operations expose it to certain financial risks such as currency fluctuation, interest rate risk and credit risk. These risks are mitigated by the use of the Group financing facility provided by the Group bankers.

Currency fluctuation

As borrowings are provided on a group basis the rate control rests with the Group.

Liquidity risk

As the company is a wholly owned subsidiary it relies upon group support and has a share in a group financing facility. The company has received a confirmation of the ongoing support of the parent company for the foreseeable future.

Credit risk

The company manages credit risk through the implementation of credit limits to customers based upon credit scores for them provided by a third party.

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;
- 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.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013

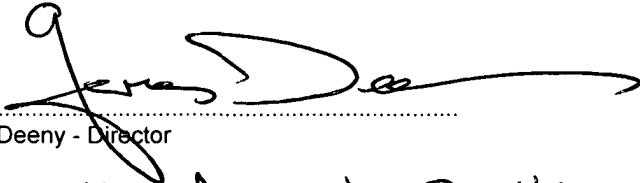
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of the approval of this directors report confirm that, so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and each director 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 that the company's auditor is aware of that information.

AUDITOR

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

ON BEHALF OF THE BOARD:



.....
J Deeny - Director

Date: 11 August 2014

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE LONDON MINT OFFICE LIMITED**

We have audited the financial statements of The London Mint Office Limited for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes. 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 2013 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 Strategic Report and the Report of the Directors 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.

BDO LLP

Nicholas Carter-Pegg (Senior Statutory Auditor)
for and on behalf of BDO LLP
Statutory Auditor
55 Baker Street
London
W1U 7EU

Date: *11/8/14*

BDO LLP is a Limited Liability Partnership registered in England and Wales (with Registered Number OC305127)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	£	2013	£	£	2012	£
TURNOVER				12,976,358			19,111,360
Cost of sales				<u>5,982,661</u>			<u>9,287,065</u>
GROSS PROFIT				6,993,697			9,824,295
Distribution costs		2,314,070				3,057,838	
Administrative expenses		<u>6,662,635</u>				<u>7,015,231</u>	
				<u>8,976,705</u>			<u>10,073,069</u>
OPERATING LOSS	3			(1,983,008)			(248,774)
Interest receivable and similar income				<u>22</u>			<u>5,217</u>
				(1,982,986)			(243,557)
Interest payable and similar charges	4			<u>(70,549)</u>			<u>101,300</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION				(2,053,535)			(344,857)
Tax on loss on ordinary activities	5			<u>-</u>			<u>-</u>
LOSS FOR THE FINANCIAL YEAR				<u><u>(2,053,535)</u></u>			<u><u>(344,857)</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current year or previous year.

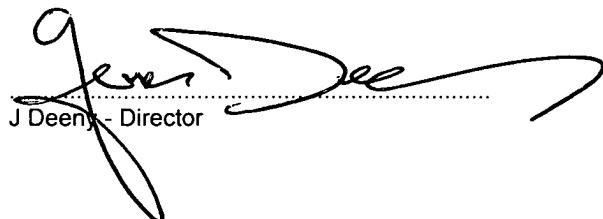
BALANCE SHEET
31 DECEMBER 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Intangible assets	6	-	-
Tangible assets	7	124,079	208,573
Investments	8	<u>200</u>	<u>200</u>
		124,279	208,773
CURRENT ASSETS			
Stocks	9	830,556	1,339,686
Debtors	10	3,729,620	3,635,068
Cash at bank		<u>135,493</u>	<u>72,445</u>
		4,695,669	5,047,199
CREDITORS			
Amounts falling due within one year	11	<u>7,426,667</u>	<u>5,809,156</u>
NET CURRENT LIABILITIES		<u>(2,730,998)</u>	<u>(761,957)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(2,606,719)</u>	<u>(553,184)</u>
CAPITAL AND RESERVES			
Called up share capital	14	11,483,993	11,483,993
Profit and loss account	15	<u>(14,090,712)</u>	<u>(12,037,177)</u>
SHAREHOLDERS' FUNDS	18	<u>(2,606,719)</u>	<u>(553,184)</u>

The financial statements were approved by the Board of Directors on its behalf by:

11 August 2014

and were signed on


J Deeny - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

The financial statements have been prepared on the going concern basis, despite the net current liabilities of £2,730,998 and net liabilities of £2,606,719, which the directors believe to be appropriate for the following reason. The company is reliant for its working capital on funds provided by Samlerhuset Group B.V. that has provided the company with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. The directors have made enquiries of the group and its available finance and its ability to provide support to The London Mint Office Limited.

In preparing these financial statements, the directors have given consideration to the above and on this basis they believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the going concern basis of preparation not being appropriate.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated information.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax is recognised on the despatch of goods to customers. All turnover arose wholly in the United Kingdom.

Intangible fixed assets

Business names and trademarks are capitalised at cost and amortised over five years, being the deemed economic life of the asset.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 25% - 33% on cost

In the year expenditure on Coin Dies was recorded in the Profit and Loss Account as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charge for taxation is based on the profit / loss for the year and takes in to account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account, in arriving at the operating result.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged to the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Fixed asset investments

Investments in subsidiary undertakings are stated at cost (less any impairments).

2. STAFF COSTS

	2013 £	2012 £
Wages and salaries	2,763,957	2,845,447
Social security costs	328,481	336,640
Other pension costs	102,854	117,905
	<u>3,195,292</u>	<u>3,299,992</u>

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

	2013	2012
Administration	<u>43</u>	<u>73</u>

3. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2013 £	2012 £
Depreciation - owned assets	139,486	162,051
Auditors' remuneration	20,000	17,390
Foreign exchange differences	(21,231)	(1,722)
Operating lease costs - other	200,733	200,733
Impairment of office lease	<u>560,579</u>	<u>-</u>
Directors' remuneration	647,014	656,307
Directors' pension contributions to money purchase schemes	61,564	59,631
Compensation to director for loss of office	<u>94,282</u>	<u>-</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2013	2012
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2013 £	2012 £
Emoluments etc	292,675	376,123
Pension contributions to money purchase schemes	<u>17,600</u>	<u>36,911</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
Bank interest	66,406	79,370
Group interest	<u>4,143</u>	<u>21,930</u>
	<u>70,549</u>	<u>101,300</u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2013 nor for the year ended 31 December 2012.

Factors affecting the tax charge

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

	2013 £	2012 £
Loss on ordinary activities before tax	<u>(2,053,535)</u>	<u>(344,857)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.250% (2012 - 24.500%)	(477,447)	(84,490)
Effects of:		
Expenses not deductible for tax purposes	6,563	8,666
Depreciation in excess of capital allowances	2,912	11,252
Unutilised taxation losses carried forward	<u>467,972</u>	<u>64,572</u>
Current tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has tax losses available to carry forward against future profits of £13,939,195 (2012: £11,895,074).

6. INTANGIBLE FIXED ASSETS

	Business names and trade marks £
COST	
At 1 January 2013 and 31 December 2013	<u>74,611</u>
AMORTISATION	
At 1 January 2013 and 31 December 2013	<u>74,611</u>
NET BOOK VALUE	
At 31 December 2013	<u>-</u>
At 31 December 2012	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2013	320,073	34,980	1,130,806	1,485,859
Additions	-	-	54,992	54,992
Disposals	-	(34,980)	-	(34,980)
At 31 December 2013	<u>320,073</u>	<u>-</u>	<u>1,185,798</u>	<u>1,505,871</u>
DEPRECIATION				
At 1 January 2013	221,665	33,037	1,022,584	1,277,286
Charge for year	57,203	1,943	80,340	139,486
Eliminated on disposal	-	(34,980)	-	(34,980)
At 31 December 2013	<u>278,868</u>	<u>-</u>	<u>1,102,924</u>	<u>1,381,792</u>
NET BOOK VALUE				
At 31 December 2013	<u>41,205</u>	<u>-</u>	<u>82,874</u>	<u>124,079</u>
At 31 December 2012	<u>98,408</u>	<u>1,943</u>	<u>108,222</u>	<u>208,573</u>

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2013 and 31 December 2013	<u>200</u>
NET BOOK VALUE	
At 31 December 2013	<u>200</u>
At 31 December 2012	<u>200</u>

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

The Crown Collections Limited

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

London Mint Limited

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

9. STOCKS

	2013 £	2012 £
Finished goods	<u>830,556</u>	<u>1,339,686</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Trade debtors	2,455,641	2,932,420
Amounts owed by group undertakings	857,483	336,812
Prepayments and accrued income	416,496	365,836
	<u>3,729,620</u>	<u>3,635,068</u>

Included within prepayments and accrued income is a rent deposit of £78,620 (2012: £78,620) which is due after one year.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Bank loans and overdrafts (see note 12)	4,079,033	563,362
Trade creditors	539,547	1,232,988
Amounts owed to group undertakings	1,073,814	2,981,003
Social security and other taxes	49,720	165,780
Accruals and deferred income	1,684,553	866,023
	<u>7,426,667</u>	<u>5,809,156</u>

12. LOANS

An analysis of the maturity of loans is given below:

	2013	2012
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>4,079,033</u>	<u>563,362</u>

The overdraft with the bank is secured by way of offset against the group balances held by the bank. The company has a share of a group financing facility dated 17 October 2012. The total group facility amounts to €5.5million, consisting of a €4.0million overdraft facility and a €1.5million guarantee facility.

13. OPERATING LEASE COMMITMENTS

The following annual operating lease payments are committed to be paid within one year:

	Land and buildings	
	2013	2012
	£	£
Expiring:		
Between one and five years	267,644	-
In more than five years	-	267,644
	<u>267,644</u>	<u>267,644</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2013	2012
Number:	Class:		£	£
1,000	Ordinary	£1	1,000	1,000
11,482,993	Redeemable ordinary	£1	<u>11,482,993</u>	<u>11,482,993</u>
			<u>11,483,993</u>	<u>11,483,993</u>

15. RESERVES

	Profit and loss account £
At 1 January 2013	(12,037,177)
Deficit for the year	<u>(2,053,535)</u>
At 31 December 2013	<u>(14,090,712)</u>

16. ULTIMATE PARENT COMPANY

The immediate parent company is International Coins B.V, a company registered in The Netherlands. The ultimate parent company is Proof Holdings AS, a company incorporated in Norway.

In the opinion of the Directors there is no ultimate controlling party.

17. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemptions conferred by FRS8, whereby transactions and balances with wholly owned subsidiaries do not need to be disclosed.

Consolidated accounts, within which this company is included, are available from Samlerhuset Group BV, Versterkerstaat 4, Almere, The Netherlands.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Loss for the financial year	<u>(2,053,535)</u>	<u>(344,857)</u>
Net reduction of shareholders' funds	(2,053,535)	(344,857)
Opening shareholders' funds	<u>(553,184)</u>	<u>(208,327)</u>
Closing shareholders' funds	<u>(2,606,719)</u>	<u>(553,184)</u>

19. DEFERRED TAXATION

The company had an unrecognised deferred taxation asset of £2,976,799 (2012: £2,787,766). This relates to the net tax effect of losses available and timing differences on capital allowances and has not been recognised due to uncertainty over the timing of future profits.