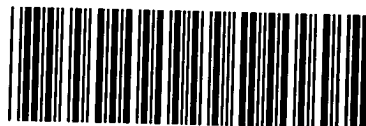


Registered number
04491974

JV Limited
Report and Accounts
31 March 2015

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JV Limited
Report and accounts
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JV Limited
Company Information

Directors

C Hickling
G Brewster
P Gratton
I Fergusson

Secretary

C Staley

Auditors

Baker Tilly UK Audit LLP
Suite A, 7th Floor
City Gate East
Tollhouse Hill
Nottingham
NG1 5FS

Bankers

HSBC Bank
26 Clumber Street
Nottingham
NG1 3GA

Registered office

3 & 4 Regan Way
Chetwynd Business Park
Chilwell
Nottingham
NG9 6RZ

Registered number

04491974

JV Limited**Registered number:****04491974****Directors' Report**

The directors present their report and accounts for the year ended 31 March 2015.

Principal activities

The company's principal activity during the year continued to be the supply of valuation services.

Directors

The following persons served as directors during the year:

C Hickling
G Brewster
P Gratton
I Fergusson

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, 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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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.

This report was approved by the board on 11th June 2015 and signed by its order.



C Staley
Secretary

JV Limited

Strategic Report

Fair Review of the Business

Our primary strategy is to deliver industry-leading residential valuations and surveys, focusing on quality, efficiency and risk management. Through the continued development of best-in-class software, we continue to drive improvements across productivity and risk management.

The UK Housing market started the year strongly, but the second half of 2014 saw sluggish behaviour, with demand dropping off across the country. Growth in the number of in-house surveyors and efficiencies through technology enabled the business to grow its revenues by £1.4m (19%) in the year, albeit performance was stronger in the first half of the year before the market slowed. However, those improvements put in place last year, combined with the growth in volumes seen in the first quarter of 2015 put the company in a strong position for 2015.

Position of the Business

The business increased Revenues in the year by £1.4m, a 19% increase on prior year, driven by investment in building capacity. This investment reduced operating margins, but encouraging volumes in the last quarter of the year will allow JV Ltd to utilise this investment more fully in 2015.

As at 31 March 2015, the business had net liabilities of £3.6m. This includes provision for Professional Indemnity Claims of £1.6m. Professional Indemnity claims continue to be managed closely, with historical claims being settled in the year in line with expectations, and the number of new notifications at its lowest level since claims began.

Principal Risks and Uncertainties

The Group's revenues and profits are substantially dependent on the volume of housing transactions in the UK residential property market. During recent years, the mortgage market has been steadily recovering, but remains highly cyclical, and competition in the industry is strong. Appetite for lending and lenders' approval policies also have an impact on group volumes, and retaining key customer relationships is a primary focus. This focus on key clients and high levels of customer service has enabled the Group to compete successfully in the market.

Professional indemnity insurance remains a risk in the surveying business. However, the group's surveying business maintains a quality assurance process supported by market leading technology to ensure that the surveys and valuations undertaken by its employees are accurate. As a result of these improvements, claims relating to surveys carried out post 2009 represent less than 1% of total claims made over the 20 year life of the business.

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

This report was approved by the board on 11th June 2015 and signed by its order.



C Staley
Secretary

JV Limited
Independent auditors' report
to the members of JV Limited

We have audited the accounts of JV Limited for the year ended 31 March 2015 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 auditors' 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, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

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

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

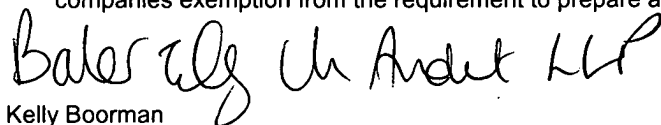
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

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 accounts 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 accounts in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Kelly Boorman
(Senior Statutory Auditor)
for and on behalf of
Baker Tilly UK Audit LLP
Statutory Auditor and Chartered Accountant
12th June 2015

Suite A, 7th Floor
City Gate East
Toll House Hill
Nottingham
NG1 5FS

JV Limited
Profit and Loss Account
for the year ended 31 March 2015

	Notes	2015 £	2014 £
Turnover	2	9,156,335	7,725,952
Other external charges		(2,099,198)	(5,691,277)
Staff Costs		(4,248,580)	(3,086,995)
Depreciation written off fixed assets		(68,910)	(18,436)
Other operating charges		(1,857,707)	(1,263,354)
Operating profit/(loss)	3	<u>881,940</u>	<u>(2,334,110)</u>
Attributable to :			
Operating profit before exceptional Items		881,940	1,452,890
Exceptional Items		-	(3,787,000)
		<u>881,940</u>	<u>(2,334,110)</u>
Profit/(loss) on ordinary activities before taxation		<u>881,940</u>	<u>(2,334,110)</u>
Tax on profit/(loss) on ordinary activities	5	(174,072)	424,000
Profit/(loss) for the financial year		<u>707,868</u>	<u>(1,910,110)</u>

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than the profit/(loss) for the above two financial years.

The notes on pages 7 to 13 form part of the financial statements.

JV Limited
Balance Sheet
as at 31 March 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	6	199,079	49,065
Current assets			
Debtors	7	1,353,668	1,451,547
Creditors: amounts falling due within one year	8	(1,976,972)	(2,412,098)
Net current liabilities		<u>(623,304)</u>	<u>(960,551)</u>
Total assets less current liabilities		<u>(424,225)</u>	<u>(911,486)</u>
Creditors: amounts falling due after more than one year	9	(1,650,000)	-
Provisions for liabilities			
Other provisions	12	(1,554,386)	(3,424,993)
Net liabilities		<u>(3,628,611)</u>	<u>(4,336,479)</u>
Capital and reserves			
Called up share capital	13	200,000	200,000
Profit and loss account	14	(3,828,611)	(4,536,479)
Shareholders' funds	15	<u>(3,628,611)</u>	<u>(4,336,479)</u>

The accounts were approved by the directors and authorised for issue on 11th June 2015 and signed on their behalf by:



P Gratton
Director

The notes on pages 7 to 13 form part of the financial statements.

JV Limited
Notes to the Accounts
for the year ended 31 March 2015

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future, based on the continued support of its fellow group undertakings, directors and the company's bankers. The directors have prepared projections for the period to 31 March 2018. These projections have been prepared using assumptions which the directors consider to be appropriate to the current financial position of the company as regards to current expected revenues and its cost base. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from including a cash flow statement on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover comprises revenue recognised by the company when a valuation report is issued, exclusive of value added tax.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Motor vehicles	25% reducing balance
Office and computer equipment	33% reducing balance

The cost of tangible fixed assets is the purchase price together with any incidental costs of acquisition.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

Deferred tax assets are recognised only to the extent that the directors consider it 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 assets and liabilities recognised have not been discounted. Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

JV Limited
Notes to the Accounts
for the year ended 31 March 2015

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to income on a straight line basis over the lease term.

Claims provision

The company provides for the estimated liability that it expects to be required to settle arising from claims that customers have suffered a loss resulting from past valuations of properties undertaken by the company. The estimated liability is discounted where the effect of the time value of money is material.

When evaluating the impact of potential professional indemnity liabilities arising from claims made against the company, the directors take legal and professional advice to assist them in arriving at a best estimate of the liability, taking into account the probability of success of any such claims. The company also considers the likelihood of potential claims being received in the future in respect of work completed by the company before 31 March 2015 - i.e. incurred but not reported. Provision is made for such potential claims, where material, taking into account historical data regarding the likelihood of a claim being received and average cost per case. The estimate of these provisions, by their nature, is judgmental.

The company carries professional indemnity insurance and no separate recognition is made of the cost of claims covered by insurance. The claims provision represents the expected net cost to the company (i.e. costs of the claim, including legal costs, which are not covered by insurance) as the directors believe to recognise a separate liability and reimbursement asset would seriously prejudice the position of the company. This is a departure from the requirements of FRS12 and the Companies Act 2006 and is considered necessary to show a true and fair view.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Analysis of turnover	2015	2014
	£	£
By activity:		
Surveying	9,156,335	7,725,952
By geographical market:		
UK	<u>9,156,335</u>	<u>7,725,952</u>

JV Limited
Notes to the Accounts
for the year ended 31 March 2015

3 Operating profit / (loss)	2015	2014
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	68,910	18,436
Claims provision charge	442,250	219,373
Exceptional costs	-	3,787,000

During the year, no directors received any emoluments (2014: £nil).

In 2014 within other external charges is an amount of £3,787,000 in relation to provision made on PI claims (note 12).

Auditors' remuneration for the year ended 31 March 2015 has been incurred by Direct Valuations Limited, a fellow subsidiary of Shepherd Direct Limited and is disclosed in that company's financial statements (in 2014 was incurred by Shepherd Direct Limited, the parent company and disclosed in that company's financial statements).

4 Staff costs	2015	2014
	£	£
Wages and salaries	3,728,951	2,764,694
Social security costs	443,562	322,301
Other pension costs	76,067	-
	<u>4,248,580</u>	<u>3,086,995</u>

Average number of employees during the year	Number	Number
Surveying	<u>72</u>	<u>57</u>

5 Taxation	2015	2014
	£	£
Analysis of charge in period		
Deferred tax:		
Origination and reversal of timing differences	174,072	(424,000)
	<u>174,072</u>	<u>(424,000)</u>
Tax on profit/(loss) on ordinary activities		
	<u>174,072</u>	<u>(424,000)</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2015	2014
	£	£
Profit/(loss) on ordinary activities before tax	<u>881,940</u>	<u>(2,334,110)</u>
Standard rate of corporation tax in the UK	21%	21%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	185,207	(490,163)
Effects of:		
Utilisation of tax losses	<u>(185,207)</u>	<u>490,163</u>
Current tax charge for period	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has taxable losses carried forward of £1,035,751 (2014 £2,117,941) available to utilise against future profits. A deferred tax asset has been recognised (note 11) based on expected utilisation of losses in 2015/6 as per detailed forecasts produced to March 18.

JV Limited
Notes to the Accounts
for the year ended 31 March 2015

6 Tangible fixed assets

	Motor vehicles £	Office and Computer Equipment £	Total £
Cost			
At 1 April 2014	9,513	648,590	658,103
Additions	-	218,924	218,924
Disposals	-	(223,106)	(223,106)
At 31 March 2015	<u>9,513</u>	<u>644,408</u>	<u>653,921</u>
Depreciation			
At 1 April 2014	8,556	600,482	609,038
Charge for the year	240	68,670	68,910
On disposals	-	(223,106)	(223,106)
At 31 March 2015	<u>8,796</u>	<u>446,046</u>	<u>454,842</u>
Net book value			
At 31 March 2015	<u>717</u>	<u>198,362</u>	<u>199,079</u>
At 31 March 2014	<u>957</u>	<u>48,108</u>	<u>49,065</u>

7 Debtors

	2015 £	2014 £
Trade debtors	988,330	951,872
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	14,889
Deferred tax asset (see note 11)	253,807	427,879
Prepayments and accrued income	111,531	56,907
	<u>1,353,668</u>	<u>1,451,547</u>

8 Creditors: amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	1,114,788	1,631,405
Trade creditors	413,907	150,414
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	15,012
Other taxes and social security costs	325,922	293,959
Accruals and deferred income	122,355	321,308
	<u>1,976,972</u>	<u>2,412,098</u>

The bank loan is secured by a debenture in the form of fixed and floating charges over the company's assets.

JV Limited
Notes to the Accounts
for the year ended 31 March 2015

9 Creditors: amounts falling due after one year	2015	2014
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>1,650,000</u>	<u>-</u>

10 Loans	2015	2014
	£	£
Analysis of maturity of debt:		
Between one and two years	<u>1,650,000</u>	<u>-</u>

11 Deferred taxation	2015	2014
	£	£
Accelerated capital allowances	(3,879)	(3,879)
Tax losses carried forward	<u>(249,928)</u>	<u>(424,000)</u>
Undiscounted provision for deferred tax	(253,807)	(427,879)

	2015	2014
	£	£
At 1 April	(427,879)	(3,879)
Deferred tax charge in profit and loss account	174,072	(424,000)
At 31 March	<u>(253,807)</u>	<u>(427,879)</u>

12 Provisions for liabilities

	Claims provision
	£
At 1 April 2014	3,424,993
Provided during the year	442,250
Paid during the year	<u>(2,312,857)</u>
At 31 March 2015	<u>1,554,386</u>

The provision carried forward represents the estimated cost to the group of settling claims against previous property valuations undertaken by the group.

The estimate of the provisions is by their nature judgmental. Three key inputs: claim rate, claim rate liability and average loss are very sensitive to changes in trends. The claims relate to valuations performed prior to 2008. There have been very few claims received in relation to valuations performed post 2008.

While there are many factors which determine the settlement date of any claims, the expected cash flows are estimated based on the average length of time it takes to settle claims historically, which has been around 2 years.

JV Limited
Notes to the Accounts
for the year ended 31 March 2015

13 Share capital

	Nominal value	2014 and 2015 Number	2015 £	2014 £
Allotted, called up and fully paid:				
A Ordinary shares	£1 each	100,000	100,000	100,000
B Ordinary shares	£1 each	100,000	100,000	100,000
			<u>200,000</u>	<u>200,000</u>

14 Profit and loss account

	2015 £	2014 £
At 1 April 2014	(4,536,479)	(2,626,369)
Profit/(loss) for the financial year	707,868	(1,910,110)
	<u>(3,828,611)</u>	<u>(4,536,479)</u>
At 31 March 2015		

15 Reconciliation of movement in shareholders' funds

	2015 £	2014 £
At 1 April	(4,336,479)	(2,426,369)
Profit/(loss) for the financial year	707,868	(1,910,110)
	<u>(3,628,611)</u>	<u>(4,336,479)</u>
At 31 March		

16 Contingent liabilities

The company is party to a composite company limited multilateral guarantee in respect of the bank facilities with Shepherd Direct Limited, Direct Valuations Limited, Moneyquest Mortgage Brokers Limited and JV Limited. At 31 March 2015 the total liability was £428,880 (2014: £2,506,071)

JV Limited
Notes to the Accounts
for the year ended 31 March 2015

17 Related party transactions	2015	2014
	£	£
J&E Shepherd Partnership		
J&E Shepherd Partnership is related to the company as it has partners who have an interest in J&E Nominees Limited, a shareholder in Shepherd Direct Limited, the company's ultimate parent company.		
Services purchased:	(265,153)	(102,730)
Services sold	186,454	815,066
Sesame Bankhall Services Limited		
A company in which a group company has an investment and for which P Gratton and G Brewster are directors.		
Sales, management charges and other recharges	6,655,378	5,600,620
Amount due from (to) the related party	775,803	815,066
Shepherd Direct Limited		
Parent company		
Loan		
Amount due from (to) the related party	(1,650,000)	-

All transactions are at arms length.

Unless otherwise stated, there are nil balances owed to / from the related party at the year end.

Advantage has been taken of the exemption provided by the Financial Reporting Standard No8 not to disclose transactions with fellow group companies as consolidated financial statements are prepared for the group and are publicly available.

18 Ultimate controlling party

The company is a wholly owned subsidiary of Direct Valuations Limited. The largest and smallest group in which the results of the company are consolidated is that headed by Shepherd Direct Limited. Consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3 UZ

In the opinion of the directors of Shepherd Direct Limited there is no ultimate controlling party.