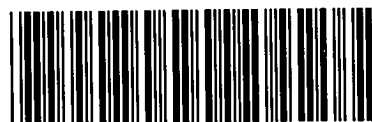


**THE DEBT SUPPORT COMPANY LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2014**

WEDNESDAY



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COMPANIES HOUSE

# THE DEBT SUPPORT COMPANY LIMITED

## COMPANY INFORMATION

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<b>DIRECTORS</b>	C Moat J Gittins
<b>SECRETARY</b>	J Gittins
<b>COMPANY NUMBER</b>	05629734
<b>REGISTERED OFFICE</b>	Eversheds House 70-76 Great Bridgewater Street Manchester M1 5ES
<b>AUDITORS</b>	BDO LLP 3 Hardman Street Manchester M3 3AT
<b>BANKERS</b>	AIB (UK) Group Plc St Helen's 1 Undershaft London EC3A 8AB  The Royal Bank of Scotland Manchester M3 3AP
<b>SOLICITORS</b>	Eversheds Eversheds House 70-76 Great Bridgewater Street Manchester M1 5ES

# THE DEBT SUPPORT COMPANY LIMITED

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# **THE DEBT SUPPORT COMPANY LIMITED**

## **DIRECTORS' REPORT** **For the year ended 31 December 2014**

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The directors present their report and the financial statements of the Company for the year ended 31 December 2014.

### **PRINCIPAL ACTIVITIES**

The Company's principal activity was the provision of financial solutions to individuals experiencing personal debt problems.

On 17 January 2014 Lawrence Charlton Limited, a subsidiary of Fairpoint Group plc, acquired 100% of the Company's share capital.

On 30 April 2014 the trade and assets of the Company were hived-up to its immediate parent company Lawrence Charlton Limited and the Company became dormant. The hive-up of trade and assets was at market value and the consideration for this transaction was initially recognised as an intercompany debtor, the majority of which was settled by a dividend paid on the same date.

### **RESULTS AND DIVIDENDS**

The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements.

A dividend of £1,161,646 was paid on 30 April 2014 (2013: £nil).

### **DIRECTORS AND THEIR INTERESTS**

The directors who served the Company during the year were as follows:

C Moat (appointed 17 January 2014)  
J Gittins (appointed 17 January 2014)  
D Maxwell (resigned 17 January 2014)  
M W Hendry (resigned 17 January 2014)

No director has any beneficial interest in the share capital of the Company. C Moat and J Gittins are also directors of the ultimate parent company, Fairpoint Group plc, and their interests in the share capital of that company are shown in its financial statements.

# THE DEBT SUPPORT COMPANY LIMITED

## DIRECTORS' REPORT For the year ended 31 December 2014

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### DIRECTORS' RESPONSIBILITIES

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 United Kingdom Generally Accepted Accounting Practice. 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. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate following the transfer of the trade and assets of the Company to the parent company and, in consequence, these financial statements have not been prepared on that basis. However, this decision has had no impact on the figures reported in these financial statements.

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.

### AUDITORS

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The auditors, BDO LLP were appointed during the year and reappointed at the Annual General Meeting in accordance with the Companies Act 2006.

The directors' report has been prepared in accordance with the special provisions of S415A of the Companies Act 2006 relating to small entities.

Signed on behalf of the directors.



**J Gittins**

Director

29 September 2015

**THE DEBT SUPPORT COMPANY LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO MEMBERS**  
**For the year ended 31 December 2014**

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**TO THE MEMBERS OF THE DEBT SUPPORT COMPANY LIMITED**

We have audited the financial statements of The Debt Support Company Limited for the year ended 31 December 2014 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). As described in note 1.1 the financial statements have not been prepared on a going concern basis.

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, 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 Financial Reporting Council's (FRC'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](http://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 2014 and of its profit 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 matters 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.

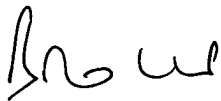
**THE DEBT SUPPORT COMPANY LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO MEMBERS**  
**For the year ended 31 December 2014**

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**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.
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.



**Julien Rye (Senior Statutory Auditor)**  
**For and on behalf of BDO LLP, Statutory Auditor**

Manchester  
United Kingdom

Date: 30 September 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**THE DEBT SUPPORT COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT**  
For the year ended 31 December 2014

		Year ended 31 December 2014	9 month period ended 31 December 2013
	Note	£	£
<b>TURNOVER</b>	<b>1 &amp; 2</b>	209,405	766,531
Cost of sales		(75,350)	-
<b>GROSS PROFIT</b>		134,055	766,531
Administrative expenses		(232)	(773,579)
Other income		-	6,000
<b>OPERATING PROFIT (LOSS)</b>	<b>3</b>	133,823	(1,048)
Profit on disposal of trade and assets	<b>4</b>	1,058,467	-
Interest payable and similar charges	<b>5</b>	-	(2,214)
<b>PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,192,290	(3,262)
<b>TAXATION ON PROFIT (LOSS) ON ORDINARY ACTIVITIES</b>	<b>7</b>	(28,772)	-
<b>PROFIT (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>	<b>13</b>	1,163,518	(3,262)

All amounts relate to discontinued operations.

There are no recognised gains or losses for the year/period other than the profit (loss) for the year/period.

The notes on pages 7 to 11 form part of these financial statements.



**THE DEBT SUPPORT COMPANY LIMITED**

**BALANCE SHEET**  
**As at 31 December 2014**

**COMPANY NUMBER:** 05629734

		<b>As at</b> <b>31 December</b> <b>2014</b> <b>£</b>	<b>As at</b> <b>31 December</b> <b>2013</b> <b>£</b>
<b>FIXED ASSETS</b>	<b>Note</b>		
Tangible fixed assets	<b>8</b>	-	9,972
<b>CURRENT ASSETS</b>			
Debtors	<b>9</b>	100	15,887
Cash at bank and in hand		-	-
		100	15,887
<b>CREDITORS:</b> amounts falling due within one year	<b>10</b>	-	(101,213)
<b>NET CURRENT ASSETS (LIABILITIES)</b>		100	(85,326)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		100	(75,354)
<b>NET ASSETS (LIABILITIES)</b>		100	(75,354)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	<b>11</b>	100	100
Profit and loss account	<b>12</b>	-	(75,454)
<b>SHAREHOLDERS' FUNDS (DEFICIT)</b>		100	(75,354)

The financial statements were approved by the board of directors on 29 September 2015 and signed on its behalf by:



**J Gittins**

Director

The notes on pages 7 to 11 form part of these financial statements.

# THE DEBT SUPPORT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

As described in the directors' report on page 1, the directors took the decision to cease trading and to transfer the trade and assets of the company to the parent company. As a result, the directors have concluded that it is not appropriate to adopt a going concern basis of preparation in these financial statements. There has been no impact on the figures reported in these financial statements of the decision not to adopt the going concern basis of preparation.

#### 1.2 Cash flow

The Company has taken advantage of the exemption under FRS 1 (revised 1996) not to prepare a cash flow statement on the grounds that over 90% of the voting rights of the Company are controlled within the group, and consolidated accounts, which include the Company, are publicly available.

#### 1.3 Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

#### 1.4 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and machinery - 25% reducing balance

### 2. TURNOVER

The turnover is attributable to the principal activity of the Company, which was the provision of financial solutions to individuals experiencing personal debt problems.

All turnover arose within the United Kingdom.

### 3. OPERATING PROFIT (LOSS)

The operating profit (loss) is stated after charging:

	Year ended 31 December 2014	9 month period ended 31 December 2013
	£	£
Depreciation – owned assets	-	8,468
Pension costs	-	1,336
Directors' remuneration and other benefits	-	96,978

The audit fee for the year has been borne by the parent company.

**THE DEBT SUPPORT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**4. EXCEPTIONAL ITEMS**

	Year ended 31 December 2014 £	9 month period ended 31 December 2013 £
Profit on disposal of trade and assets <sup>1</sup>	1,058,467	-
	<u>1,058,467</u>	<u>-</u>

<sup>1</sup> On 30 April 2014 the trade and assets of The Debt Support Company Limited were hived-up to the parent company, Lawrence Charlton Limited. The hive-up of trade and assets was at market value giving rise to a profit on disposal as a result of the value attributed to the Company's portfolio of Debt Management Plans (DMPs).

**5. INTEREST PAYABLE**

	Year ended 31 December 2014 £	9 month period ended 31 December 2013 £
Bank and other interest	-	2,214
	<u>-</u>	<u>2,214</u>

**6. DIRECTORS' EMOLUMENTS**

The directors did not receive remuneration from the Company during the year (2013: £96,978).

**7. TAXATION ON PROFIT (LOSS) ON ORDINARY ACTIVITIES**

	Year ended 31 December 2014 £	9 month period ended 31 December 2013 £
<b>Current tax</b>		
UK corporation tax charge on profit (loss) for the year	28,772	-
Total current tax charge	<u>28,772</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Tax charge on profit (loss) on ordinary activities	<u>28,772</u>	<u>-</u>

**THE DEBT SUPPORT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**7. TAXATION ON LOSS ON ORDINARY ACTIVITIES (continued)**

**Factors affecting tax charge for period**

The differences between the total current tax charge shown above and the amount calculated by applying the standard rate of corporation tax to the profit before tax is as follows:

	Year ended 31 December 2014	9 month period ended 31 December 2013
	£	£
Profit (Loss) on ordinary activities before tax	1,192,290	(3,262)
Profit (Loss) on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 21.5% (2013: 23.25%)	256,342	(758)
<b>Effects of:</b>		
Capital allowances in deficit of depreciation	-	-
Expenses not deductible for tax purposes	-	758
Non-taxable income	227,570	-
Group Relief surrendered to other companies	-	-
<b>Current tax charge for period</b>	<b>28,772</b>	<b>-</b>

There were no significant factors that may affect future tax charges.

**8. TANGIBLE FIXED ASSETS**

	Plant and Machinery £
<b>Cost</b>	
At 1 January 2014	46,922
Transfer to Lawrence Charlton Limited	(46,922)
At 31 December 2014	-
<b>Depreciation</b>	
At 1 January 2014	36,950
Transfer to Lawrence Charlton Limited	(36,950)
At 31 December 2014	-
<b>Net book value</b>	
<b>At 31 December 2014</b>	<b>-</b>
At 31 December 2013	9,972

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**THE DEBT SUPPORT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**9. DEBTORS**

	As at 31 December 2014 £	As at 31 December 2013 £
Amounts owed by group undertakings	100	15,887
	<u>100</u>	<u>15,887</u>

**10. CREDITORS: Amounts falling due within one year**

	As at 31 December 2014 £	As at 31 December 2013 £
Bank loans and overdrafts	-	1,689
Trade creditors	-	18,050
Taxation and social security	-	8,418
Other creditors	-	73,056
	<u>-</u>	<u>101,213</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**11. SHARE CAPITAL**

	As at 31 December 2014 £	As at 31 December 2013 £
<b>Allotted, called up and fully paid</b>		
85 Ordinary shares of £1 each	85	85
15 Ordinary non-voting shares of £1 each	15	15
	<u>100</u>	<u>100</u>

**12. RESERVES**

	Profit and loss account £
As at 1 January 2014	(75,454)
Capital contribution <sup>1</sup>	73,582
Profit for the year	1,163,518
Dividend paid	(1,161,646)
As at 31 December 2014	<u>-</u>

<sup>1</sup> During the year ended 31 December 2014 Debt Free Direct Limited, a company which is also a subsidiary of Fairpoint Group Plc, agreed to waive an intercompany debtor of £73,582 which was owed by The Debt Support Company Limited.

**THE DEBT SUPPORT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2014

**13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS (DEFICIT)**

	Year ended 31 December 2014 £	9 month period ended 31 December 2013 £
Opening shareholders' deficit	(75,354)	(72,092)
Capital contribution	73,582	-
Profit (loss) for the financial year/period	1,163,518	(3,262)
Dividend paid	(1,161,646)	-
	<hr/>	<hr/>
Closing shareholders' funds (deficit)	100	(75,354)
	<hr/>	<hr/>

**14. RELATED PARTY TRANSACTIONS**

No transactions with group companies are required to be disclosed under Financial Reporting Standard 8 as the Company is a wholly owned subsidiary and is included in the consolidated accounts of the parent Fairpoint Group plc.

**15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The Company's ultimate parent company is Fairpoint Group plc which is incorporated in England.

The largest and smallest group in which the results of the Company are consolidated is that headed by Fairpoint Group plc, incorporated in England. The consolidated accounts of that company are available to the public and may be obtained from its website [www.fairpoint.co.uk](http://www.fairpoint.co.uk). No other group accounts include the results of the Company.