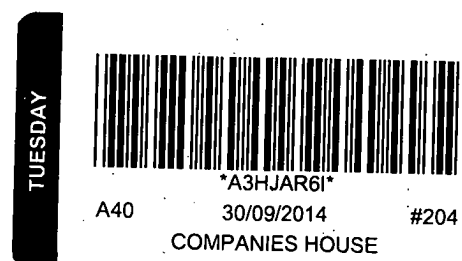


Rock Services Limited

Report & Financial Statements

For the year ended 31 December 2013



Company Registration No. 05960676

ROCK SERVICES LIMITED

Financial Statements

For the year ended 31 December 2013

COMPANY INFORMATION

Company Registration Number:	05960676
Registered Office:	Lysander House (2 nd Floor) Catbrain Lane, Cribbs Causeway Bristol BS10 7TQ
Directors:	A Banks E Bilney
Company Secretary:	P Walters
Bankers:	Clydesdale Bank 3 Sheldon Square Paddington London W2 6HY
Solicitors:	Lyons Davison 51 Victoria Street Bristol BS1 6AD
Auditor:	BDO LLP Registered Auditors & Chartered Accountants 55 Baker Street London United Kingdom

ROCK SERVICES LIMITED

Financial Statements

For the year ended 31 December 2013

Contents

Strategic Report.....	1
Report of the Directors	2
Independent auditor's report.....	4
Profit and loss account	6
Balance sheet.....	7
Notes to the financial statements	8

ROCK SERVICES LIMITED

Strategic Report

For the year ended 31 December 2013

Strategic Report

Principal activity and review of the business

Rock Services Limited ("the Company") is a limited company incorporated in the United Kingdom in October 2006.

The Company's principal business activity is that of performing a recharge function for services for the Rock Holdings Group ("the Group") and other related parties.

In 2013 the Company made a profit after tax of £28,000 (2012: £4,000). This profit is generated from a 5% service charge (2012: 5%) that is added to costs and salaries relating to one of its related parties.

Other than profit after tax, there are no key performance indicators for Rock Services Limited as it is a recharge company.

Financial risk management objectives and policies

The parent company of the Group, Rock Holdings Limited, uses financial instruments such as cash, loans, debtors and creditors in order to raise finance for the Company's operations. The existence of these instruments exposes the Company to financial risks which are detailed below.

Liquidity Risk / Cash flow Risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet its foreseeable needs and to invest cash assets safely and profitably. The Group as a whole monitors cash flow using sophisticated forecasting techniques to ensure that all liabilities are met when due.

Interest Risk

The Group monitors its banking facilities and compliance with related covenants as required. Group monies are also monitored to minimise interest charges on overdrafts and to ensure cash balances are used to offset overdrafts.

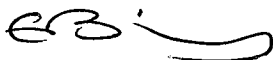
Credit Risk

The principal credit risk for the Group arises from its trade debtors in relation to money lent across the Group. In order to manage credit risk the Directors have incorporated a range of credit control procedures to monitor debt levels and to ensure that any debts are collected as soon as reasonably possible.

Future developments

Going forward the Company is looking to maintain the service it is currently providing.

This report was approved by the Board and signed on its behalf by:



E Bilney

Director

Date: 30/09/14

ROCK SERVICES LIMITED

Report of the Directors

For the year ended 31 December 2013

Report of the Directors

The Directors present their report and the financial statements for the year ended 31 December 2013.

The Strategic Report above sets out a review of the business including the Company's principal activity; the performance of the business during the year; the principal risks and uncertainties facing the business; and future developments.

Results and Dividends

The profit for the year after taxation amounted to £28,000 (2012: £4,000). No dividends have been paid on 2013 performance (2012: £nil).

Directors

The Directors who served during the year were:

A Banks
P S Chase-Gardener (resigned 19 February 2013)
E Bilney (appointed 23 April 2013)

ROCK SERVICES LIMITED

Report of the Directors

For the year ended 31 December 2013

Statement of 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 (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;
- 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.

Provision of Information to Auditor

Each of the persons who is a Director at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

Auditor

The auditor is BDO LLP, who are eligible for re-appointment.

This report was approved by the Board and signed on its behalf by:



E Bilney

Director

Date: 30/09/14

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCK SERVICES LIMITED

Independent auditor's report

We have audited the financial statements of Rock Services 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, 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.

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 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCK SERVICES LIMITED

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.



David Roberts (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London, United Kingdom

Date *30 September 2014*

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

ROCK SERVICES LIMITED

Profit and Loss Account

For the year ended 31 December 2013

Profit and loss account

	NOTES	2013 £'000	2012 £'000
Turnover	1,2	42,748	28,137
Cost of sales		(12,343)	(8,392)
Gross Profit		30,405	19,745
Administrative expenses		(30,318)	(19,698)
Operating Profit	3	87	47
Net interest payable and similar items	4	(57)	(31)
Profit on ordinary activities before taxation		30	16
Tax on profit on ordinary activities	5	(2)	(12)
Profit for the financial year	10	28	4

The notes on pages 8 to 13 are an integral part of these financial statements.

All amounts relate to continuing operations and are stated on a historical cost basis.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

ROCK SERVICES LIMITED

Balance Sheet

As at 31 December 2013

Balance sheet

	NOTES	2013		2012	
		£'000	£'000	£'000	£'000
Current assets					
Debtors	7	6,240		5,003	
Cash at bank		<u>1,146</u>		<u>48</u>	
			7,386		5,051
Creditors:					
Amounts falling due within one year	8		(7,282)		(4,975)
Net current assets			<u>104</u>		<u>76</u>
Net assets			<u>104</u>		<u>76</u>
Capital and reserves					
Ordinary share capital	9,10		-		-
Profit and loss account	10		<u>104</u>		<u>76</u>
Shareholders funds	10		<u>104</u>		<u>76</u>

The notes on pages 8 to 13 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors and were authorised for issue on its behalf by:



E Bilney

Director

Date: 30/09/14

ROCK SERVICES LIMITED

Notes to the Financial Statements

For the year ended 31 December 2013

Notes to the financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice).

1.2 Going concern basis

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services recharged, exclusive of Value Added Tax and trade discounts.

1.4 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

1.4 Taxation and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the balance sheet date.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

2. Turnover

The whole of the turnover is attributable to recharges to companies within the Group and other related parties.

3. Operating profit

Operating profit is stated after charging:

	2013 £'000	2012 £'000
Operating Lease - Building	180	30
Auditor's Remuneration - Audit Services	<u>14</u>	<u>5</u>

ROCK SERVICES LIMITED

Notes to the Financial Statements

For the year ended 31 December 2013

4. Interest and similar items

	2013 £'000	2012 £'000
Interest receivable	(4)	(2)
Interest payable	61	13
Arrangement fees	-	20
	<u>57</u>	<u>31</u>

5. Taxation

	2013 £'000	2012 £'000
Current tax:		
- UK corporation tax on profits for the year	1	10
- Adjustment in respect of previous years	1	1
	<u>2</u>	<u>11</u>
Deferred tax (note 6):		
- Origination and reversal of timing differences	-	1
	<u>-</u>	<u>1</u>
Tax on profit on ordinary activities	<u>2</u>	<u>11</u>

The tax assessed for the year is lower (2012: higher) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2013 of 20% (2012: 24%). The differences are explained below:

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	<u>30</u>	<u>16</u>
Profit on ordinary activities multiplied by standard rate in the UK 20% (2012: 24%)	6	4
Effects of:		
- Expenses not deductible for tax purposes	1	8
- Group relief claimed	(6)	-
- Adjustment in respect of previous years	1	1
- Marginal relief	-	(1)
- Capital allowances in excess of depreciation	-	(1)
Current tax charge for the year	<u>2</u>	<u>11</u>

ROCK SERVICES LIMITED

Notes to the Financial Statements

For the year ended 31 December 2013

6. Deferred tax asset

	2013 £'000	2012 £'000
At beginning of year	2	3
Deferred tax charged to profit and loss	-	(1)
At end of year	2	2

The deferred tax balance is made up as follows:

	2013 £'000	2012 £'000
Accelerated capital allowances	2	2

7. Debtors

	2013 £'000	2012 £'000
Due within one year		
Trade debtors	279	291
Amounts owed by related parties (note 12)	5,752	3,013
Other debtors	23	18
Prepayments and accrued income	184	1,679
Corporation tax	-	-
Deferred tax assets (note 6)	2	2
	6,240	5,003

8. Creditors: Amounts falling due within one year

	2013 £'000	2012 £'000
Trade creditors	451	335
Amounts owed to related parties (note 12)	6,175	1,281
Corporation tax	-	14
Social security and other taxes	372	349
Other creditors	17	65
Accruals and deferred income	267	2,931
	7,282	4,975

The balance included for social security and other taxes relates wholly to payroll costs of other related companies for which the Company acts as the recharge company.

ROCK SERVICES LIMITED

Notes to the Financial Statements

For the year ended 31 December 2013

9. Share capital

	2013 £'000	2012 £'000
Authorised, allotted, called up and fully paid:		
100 Ordinary share of £1 each	-	-

10. Reconciliation of shareholders' equity and movement in reserves

	Share capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2012	-	72	72
Issue of share capital	-	-	-
Profit for the year	-	4	4
Balance at 31 December 2012	-	76	76
Balance at 1 January 2013	-	76	76
Profit for the year	-	28	28
Balance at 31 December 2013	-	104	104

11. Other financial commitments

The Company is committed to the payment of rent for 2nd floor, Lysander House, Bristol.

	2013 £'000	2012 £'000
Annual commitment under non-cancellable operating leases expiring:		
Less than 1 year	-	-
2-5 years	180	180
More than 5 years	-	-
Total	180	180

ROCK SERVICES LIMITED

Notes to the Financial Statements

For the year ended 31 December 2013

12. Related party transactions

The following transactions were carried out with related parties during the year:

	2013	2013	2013	2012
Recharge of goods and services to/from group entities	Income £'000	Expense £'000	Net £'000	Net £'000
Southern Rock Insurance Company Limited	11,059	-	11,059	14,867
Southern Rock Management Services Limited	-	-	-	289
	11,059	-	11,059	15,156

	2013	2013	2013	2012
Recharge of goods and services to/from entities controlled by key management	Income £'000	Expense £'000	Net £'000	Net £'000
eDevelopment Limited	-	-	-	(44)
E-Systems Limited	-	-	-	1,951
Eldon Insurance Services Limited	11,358	-	11,358	6,237
Group Direct Marketing Ltd t/a eMarketing Complete Ltd	-	-	-	(2,166)
ICS Risk Services Limited	2,262	-	2,262	-
Injury QED Limited	-	-	-	(34)
New Law Limited	-	(65)	(65)	1,107
Old Down Country Park	44	(42)	2	15
Panacea UK Limited	-	-	-	(106)
Precision Risk Services Limited	591	-	591	5
Star 150 Limited	25	-	25	5
	14,280	(107)	14,173	6,970

	2013			2012
Year end balances arising from transactions with group undertakings	Due from £'000	Due to £'000	Net £'000	Net £'000
Panacea Limited	-	(42)	(42)	-
Rock Holdings Limited	-	(544)	(544)	657
Southern Rock Insurance Company Limited	-	(5,540)	(5,540)	(297)
Southern Rock Management Services Limited	83	-	83	-
	83	(6,126)	(6,043)	360

ROCK SERVICES LIMITED

Notes to the Financial Statements

For the year ended 31 December 2013

12. Related party transactions (continued)

Year end balances arising from transactions with entities controlled by key management	2013			2012
	Due from £'000	Due to £'000	Net £'000	Net £'000
Brightside Group plc	-	-	-	(8)
Duly Holdings Limited	77	-	77	-
Eldon Insurance Services Limited	4,732	-	4,732	837
E-Systems Limited	-	-	-	169
Group Direct Marketing Ltd t/a eMarketing Complete Ltd	-	-	-	62
ICS Risk Services Limited	24	-	24	-
Molten Rock Limited	3	-	3	-
New Law Legal Limited	-	(49)	(49)	-
Old Down Country Park Limited	10	-	10	4
Precision Risk & Intelligence Limited	279	-	279	-
Precision Risk Services Limited	514	-	514	5
Star 150 Limited	30	-	30	5
	<u>5,669</u>	<u>(49)</u>	<u>5,620</u>	<u>1,075</u>

13. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is Rock Holdings Limited, a company registered in the Isle of Man. The registered address of Rock Holdings Limited is 2nd Floor, Murdoch Chambers, South Quay, Douglas, Isle of Man, IM1 5AS.

The results of the Company are included in the unaudited consolidated financial statements of Rock Holdings Limited, which are publicly available from 2nd Floor, Lysander House, Catbrain Lane, Cribbs Causeway, Bristol BS10 7TQ.

The ultimate controlling party of Rock Holdings Limited is Arron Banks, by virtue of his majority shareholding in the company.