

# **EXPECTRUM LIMITED**

**Directors' Report and Financial Statements  
for the year ended 31 March 2015**

**Company Registration No. 06475825**

THURSDAY



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## **Company Information**

Directors	C Giles R Leeming F van den Bosch Charterhouse Corporate Directors Limited
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Registered Office	7 <sup>th</sup> Floor Warwick Court Paternoster Square London EC4M 7DX
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Company Registration Number	06475825
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## **Directors' Report**

The directors present their report, together with the financial statements of Expectrum Limited (the "Company") for the year ended 31 March 2015 ("2014" refers, throughout the financial statements, to the period from 1 September 2013 to 31 March 2014).

### **Principal activities**

The principal activity of the Company was to act as an investment holding company.

### **Review of the business**

During the year the Company performed in line with its directors' expectations.

The Company's loss for the year ending 31 March 2015 was £377,000 (2014 £2,843,000 loss) which has been transferred to reserves. At 31 March 2015 the Company had a net shareholders' deficit of £2,790,000 (2014 £2,413,000). The results of the Company are set out on pages 5 to 7.

On 14 November 2013 DMWSL 586 Limited, a wholly owned subsidiary of the Company, sold its entire shareholding in Rio 587 Limited (formerly DMWSL 587 Limited), to Arthur J Gallagher & Co. Subsequent to this event DMWSL 586 Limited was placed into creditors' voluntary liquidation and Paul Appleton of David Ruben & Partners LLP was appointed as the liquidator (the "Liquidator"). As at 31 March 2015, the process of liquidating DMWSL 586 Limited was not yet complete.

### **Going concern**

The directors expect to put the Company into liquidation once the liquidation of DMWSL 586 Limited is complete. As such, these financial statements have not been prepared on a going concern basis.

### **Directors and directors' interest**

The directors of the Company who held office during the year and up to the date of signing the financial statements are set out below;

C Giles

R Leeming

F van den Bosch

Charterhouse Corporate Directors Limited

### **Dividends**

The directors do not propose to pay a dividend for the year to equity shareholders (2014 £nil).

### **Statement of directors' responsibilities**

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

## **Directors' Report** (continued)

### **Statement of directors' responsibilities** (continued)

Company law requires the directors to prepare financial statements for each financial period. 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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in 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.

### **Directors' indemnity**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### **Small companies' regime**

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. The directors have taken the small companies exemption not to prepare a strategic report for the financial year ending 31 March 2015.

ON BEHALF OF THE BOARD:



**Paul N Burrow**  
Director

.....  
Charterhouse Corporate Directors Limited – Director

Date: 31 DECEMBER 2015

## **Profit and Loss Account**

for the year from 1 April 2014 to 31 March 2015

	NOTES	2015 £'000	2014 £'000
Other income		-	26
Administrative expenses	2	(18)	(206)
<b>Operating loss</b>		<b>(18)</b>	<b>(180)</b>
Provisions		-	(2,363)
Interest receivable and similar income		-	1
Interest payable and other charges		(359)	(301)
<b>Loss on ordinary activities before taxation</b>		<b>(377)</b>	<b>(2,843)</b>
Taxation on loss on ordinary activities	4	-	-
<b>Loss for the financial year/period</b>	10	<b>(377)</b>	<b>(2,843)</b>

There is no difference between the loss for the year/period and its historical cost equivalents.

The notes on pages 8 to 12 form part of these financial statements.

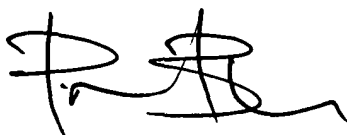
**Balance Sheet**  
as at 31 March 2015

	NOTES	2015 £'000	2014 £'000
<b>Fixed Assets</b>			
Investment in subsidiary undertakings	6	-	-
		-	-
<b>Current Assets</b>			
Debtors	7	262	1,293
Cash at bank and in hand		239	202
		501	1,495
<b>Creditors: Amounts falling due within one year</b>	8	<b>(3,291)</b>	<b>(3,908)</b>
<b>Net Current Liabilities</b>		<b>(2,790)</b>	<b>(2,413)</b>
<b>Net Liabilities</b>		<b>(2,790)</b>	<b>(2,413)</b>
<b>Capital and Reserves</b>			
Called-up share capital	9	558	558
Profit and loss account	10	(3,348)	(2,971)
<b>Total Shareholders' Deficit</b>	11	<b>(2,790)</b>	<b>(2,413)</b>

The notes on pages 8 to 12 form part of these financial statements.

For the year ending 31 March 2015, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 (the "Act") relating to small companies. 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 financial statements. These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 31 December 2015 and were signed on behalf by:



Paul N Burrow  
Director

.....  
Charterhouse Corporate Directors Limited – Director

## **Cash Flow Statement**

for the year from 1 April 2014 to 31 March 2015

	NOTES	2015 £'000	2014 £'000
<b>Net cash inflow from operating activities</b>	12	<b>396</b>	<b>491</b>
<b>Return on investments and servicing of finance</b>			
Interest received		-	1
Interest paid		(359)	(301)
		<b>(359)</b>	<b>(300)</b>
<b>Increase in net cash</b>		<b>37</b>	<b>191</b>
<b>Reconciliation to net cash</b>			
Net cash at 1 April		202	11
Increase in net cash		37	191
<b>Net cash at 31 March</b>		<b>239</b>	<b>202</b>

The notes on pages 8 to 12 form part of these financial statements.



## **Notes to the Financial Statements**

for the year from 1 April 2014 to 31 March 2015

### **1. Accounting policies**

The principal accounting policies are summarised below. They have been applied consistently throughout the year and prior period.

#### **Basis of preparation**

The financial statements for the year and prior period have been prepared, under the historical cost convention and in accordance with applicable UK accounting standards and the Companies Act 2006, on a break up basis.

#### **Going concern**

The Company has made a loss for the current year and the directors expect to put the Company into liquidation once the liquidation of DMWSL 586 Limited is complete.

#### **Fixed assets investment**

Investments are stated at cost less provision for impairment for financial statements prepared on a going concern basis, whereas investments are stated at the lower of cost or net realisation value for financial statements prepared on a break up basis.

#### **Finance income and costs**

Interest income and costs are recognised in the Profit and Loss Account on an accruals basis.

#### **Taxation**

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date where transactions or events have occurred at the Balance Sheet date that will result in an obligation to pay more, or a right to pay less tax, in the future. Timing differences are differences between the taxable profits or losses and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Balance Sheet date.

### **2. Administrative expenses**

The Company had no employees during the financial year (2014 none).

**Notes to the Financial Statements** (continued)  
for the year from 1 April 2014 to 31 March 2015

**3. Directors' emoluments**

The directors received no remuneration for their services to the Company during the year and have not waived any remuneration (2014 £60,000).

**4. Taxation on loss on ordinary activities**

Analysis of tax charge recognised in the Profit and Loss Account:

	2015 £'000	2014 £'000
<b>Current tax</b>		
Current tax charge on loss for the year/period	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Deferred tax charge on loss for the year/period	-	-
<b>Total deferred tax</b>	-	-
<b>Total taxation charge</b>	-	-

**The factors affecting the tax charge for the year/period:**

The tax assessed differs from the standard rate of corporation tax in the UK of 20.0% (2014 23.0%). The differences are explained below:

	2015 £'000	2014 £'000
<b>Loss on ordinary activities before taxation</b>	<b>(377)</b>	<b>(2,843)</b>
Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 20.0% (2014 23.0%)	(75)	(654)
Effects of:		
- Expenses not deductible for tax purposes	75	591
- Other timing differences	-	63
<b>Current tax charge</b>	<b>-</b>	<b>-</b>

**5. Dividends**

No dividends were declared or paid during the year (2014 £nil).

**Notes to the Financial Statements** (continued)  
for the year from 1 April 2014 to 31 March 2015

**6. Investment in subsidiary undertaking**

	£'000
<b>Cost</b>	
As at 1 April 2014 and 31 March 2015	41
<b>Provisions for impairment</b>	
As at 1 April 2014 and 31 March 2015	(41)
<b>Net book value</b>	
<b>31 March 2015</b>	-
31 March 2014	-

As at 31 March 2015 the Company held the entire issued share capital of DMWSL 586 Limited, which was placed into creditors' voluntary liquidation on 4 December 2013. The directors consider that the investment value is impaired and have maintained the provision as at 31 March 2015 (2014 £41,000).

**7. Debtors**

	2015	2014
	£'000	£'000
Amounts falling due within one year		
- Amounts due from group undertakings	262	1,293
	<b>262</b>	<b>1,293</b>

The directors consider that the value of the loan notes and inter-company loan owed by DMWSL 586 Limited to the Company is impaired and have maintained the provision of £2,363,000 as at 31 March 2015 (2014 £2,363,000).

**8. Creditors: Amounts falling due within one year**

	2015	2014
	£'000	£'000
Amounts due to a related party	(3,273)	(3,908)
Accruals	(18)	-
	<b>(3,291)</b>	<b>(3,908)</b>

Amounts due to a related party relate to loan notes issued to a Company shareholder. The loan notes bear interest at 12% p.a. and the right of the loan note holder to repayment is limited to a right to be paid only out of the proceeds received by the Company in respect of the loan notes issued by DMWSL 586 Limited. No loan note holder has any right of recourse against any other asset of the Company.

**Notes to the Financial Statements** (continued)  
for the year from 1 April 2014 to 31 March 2015

**9. Called-up share capital**

	NUMBER OF SHARES  '000	NOMINAL VALUE  £	TOTAL   £'000
A Ordinary Shares	417,200	0.001	417
B Ordinary Shares	141,119	0.001	141
			<b>558</b>

**10. Profit and Loss Account**

	PROFIT AND LOSS ACCOUNT  £ '000
As at 1 April 2014	(2,971)
Loss for the year	(377)
<b>As at 31 March 2015</b>	<b>(3,348)</b>

**11. Reconciliation of movements in Shareholders' deficit**

	2015 £'000	2014 £'000
Loss for the financial year/period	(377)	(2,843)
Opening shareholders' (deficit)/funds	(2,413)	430
<b>Closing shareholders' deficit</b>	<b>(2,790)</b>	<b>(2,413)</b>

**12. Reconciliation of operating loss to net cash inflow from operating activities**

	2015 £'000	2014 £'000
Operating loss	(18)	(180)
Decrease/(increase) in debtors	1,031	(874)
(Decrease)/increase in creditors	(617)	3,908
Provision charged in the year/period	-	(2,363)
<b>Net cash inflow</b>	<b>396</b>	<b>491</b>

**13. Related party transactions**

On 4 December 2013, Chris Giles transferred 14,850,013 loan notes of £1.00 each issued by DMWSL 586 Limited to the Company in return for the issuance to him of 13,600,000 loan notes of £1.00 each in the Company. During the year, the Company repaid £948,252 of loan principal (2014 £9,838,138) and £45,828 of accrued interest (2014 £155,254). At 31 March 2015 £2,813,610 of loan principal (2014 £3,761,862) and £459,237 of accrued interest (2014 £145,940) remained outstanding.

**Notes to the Financial Statements** (continued)  
for the year from 1 April 2014 to 31 March 2015

**14. Ultimate controlling party**

The ultimate controlling party at 31 March 2015 was funds managed by Charterhouse General Partners (VIII) Limited.