

ABS-CBN Europe Remittance Limited

Directors' report and financial statements

for the year ended 31 December 2013



ABS-CBN Europe Remittance Limited

Company Information

Directors	R L Lopez E B Garcia L C Barluan
Company secretary	E B Garcia
Company number	7381764
Registered office	117 Earl's Court Road London SW5 9RL
Auditors	Ernst & Young LLP Barony House Stoneyfield Business Park Inverness IV2 7PA

ABS-CBN Europe Remittance Limited

Contents

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 10

ABS-CBN Europe Remittance Limited

**Directors' report
for the year ended 31 December 2013**

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

Principal activities

The principal activity of the Company is the remittance of money from the United Kingdom to the Philippines

Directors

The directors who served during the period were

R L Lopez
E B Garcia
L C Baruan
O C Calma (resigned 26 October 2013)

Provision of information to auditors

Each of the persons who are directors 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 auditors are 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 auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

The directors have taken advantage of the small companies exemption provided by Section 414B of the Companies Act 2006 not to provide a Strategic Report

This report was approved by the board on 25 September 2014 and signed on its behalf



E B Garcia
Director

**Directors' responsibilities statement
for the year ended 31 December 2013**

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 judgments 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.

Independent auditors' report to the shareholders of ABS-CBN Europe Remittance Limited

We have audited the financial statements of ABS-CBN Europe Remittance Limited for the year ended 31 December 2013, which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Directors' responsibilities statement, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 applicable to Smaller Entities, 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the shareholders of ABS-CBN Europe Remittance Limited (continued)

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report

Eunice McAdam

Eunice McAdam (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP
Statutory Auditor
Inverness

Date *26 September 2014*

ABS-CBN Europe Remittance Limited
Registered number: 7381764

Profit and loss account
for the year ended 31 December 2013

	Note	2013 £	2012 £
TURNOVER	1, 2	253,901	94,448
Cost of sales		(141,391)	(58,194)
GROSS PROFIT		112,510	36,254
Administrative expenses		(206,600)	(157,299)
Other operating income (loss)		(1,492)	278
OPERATING LOSS		(95,582)	(120,767)
Interest receivable and similar income		17	88
Interest payable and similar charges		(1,259)	(1,896)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(96,824)	(122,575)
Tax on loss on ordinary activities		–	–
LOSS FOR THE FINANCIAL YEAR	8	(96,824)	(122,575)

The notes on pages 7 to 10 form part of these financial statements

ABS-CBN Europe Remittance Limited
Registered number: 7381764

Balance sheet
as at 31 December 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	4	6,382	8,238
		6,382	8,238
CURRENT ASSETS			
Debtors	5	128,888	130,499
Cash at bank		179,489	152,065
		308,377	282,564
TOTAL ASSETS		314,759	290,802
CREDITORS			
Amounts falling due within one year	6	(191,929)	(284,148)
NET CURRENT ASSETS (LIABILITIES)		116,448	(1,584)
TOTAL ASSETS LESS CURRENT LIABILITIES		122,830	6,654
CAPITAL AND RESERVES			
Called up share capital	7	413,000	200,000
Profit and loss account	8	(290,170)	(193,346)
SHAREHOLDERS FUNDS		122,830	6,654

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 September 2014.


E. B. Garcia
Director

The notes on pages 7 to 10 form part of these financial statements

**Notes to the financial statements
for the year ended 31 December 2013**

1. Accounting policies**1.1 Fundamental accounting concept**

The accounts have been prepared on the going concern concept on the basis that ABS-CBN Global Limited has agreed to provide financial support to the Company to enable it to continue operating and to meet its liabilities as they fall due. The financial statements do not include any adjustments that would result should continuing finance cease to be made available.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.3 Revenue Recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the consideration received, excluding discounts and value added tax (VAT).

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Asset Type	2013	2012
Fixtures & fittings	33% straight line	33% straight line
Computer equipment	20% straight line	33% straight line

2. Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied during the period. None of the Company's turnover is attributable to geographical markets outside the United Kingdom.

3. Loss

The loss is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the Company	2,856	1,369
Auditors' remuneration	7,000	3,300

During the year, no director received any emoluments.

Notes to the financial statements
for the year ended 31 December 2013

4. Tangible fixed assets

	Fixtures & fittings	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2013	4,865	4,949	9,814
Additions	–	1,000	1,000
At 31 December 2013	4,865	5,949	10,814
Depreciation			
At 1 January 2013	820	756	1,576
Charge for the year	1,622	1,234	2,856
At 31 December 2013	2,442	1,990	4,432
Net book value			
At 31 December 2013	2,423	3,959	6,382
At 31 December 2012	4,045	4,193	8,238

5. Debtors

	2013	2012
	£	£
Amounts owed by group undertakings	127,438	105,790
Other debtors	1,400	2,211
Prepayments	50	498
Deposits	–	22,000
	128,888	130,499

ABS-CBN Europe Remittance Limited

**Notes to the financial statements
for the year ended 31 December 2013**

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

	2013 £	2012 £
Amounts owed to group undertakings	166,656	261,148
Other creditors	25,273	23,000
	191,929	284,148

7. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
At beginning of year (200,000 - Ordinary shares of £1 each)	200,000	34,000
Issuance	213,000	166,000
	413,000	200,000

On 31 December 2013, 213,000 ordinary shares with a nominal value of £1 were issued at par

8. Reserves

	2013 £	2012 £
Balance at beginning of year	(193,346)	(70,771)
Loss for the year	(96,824)	(122,575)
Balance at end of year	(290,170)	(193,346)

9. Related party transactions

As a wholly owned subsidiary of ABS-CBN Corporation, the Company has availed itself of the exemption in the Financial Reporting Standard for Smaller Entities (effective April 2008) from disclosing related party transactions with other wholly owned group undertakings

During the period, the Company entered into transactions with other non wholly owned subsidiaries of the ABS-CBN Corporation Group as follows

Recharges amounting to £5,521 were received from ABS-CBN International North America Limited. At the year end, £5,521 was payable to ABS-CBN International North America Limited. ABS-CBN International North America Limited is a 98% subsidiary of ABS-CBN Global Limited, which in turn is a 100% subsidiary of ABS-CBN Corporation

10. Ultimate parent undertaking and controlling party

The Company's ultimate parent undertaking is Lopez Inc., a company registered in the Philippines

The smallest and largest group of undertakings for which group accounts are drawn up is that headed by Lopez Inc, a company registered in the Philippines. Copies of the accounts of Lopez Inc are publicly available and can be obtained from their official company website *[http //lopez-holdings ph/](http://lopez-holdings.ph/)*