

Maybourne Finance Limited
(registered number 07509281)

Report of the directors and financial statements
For the year ended 31 December 2012

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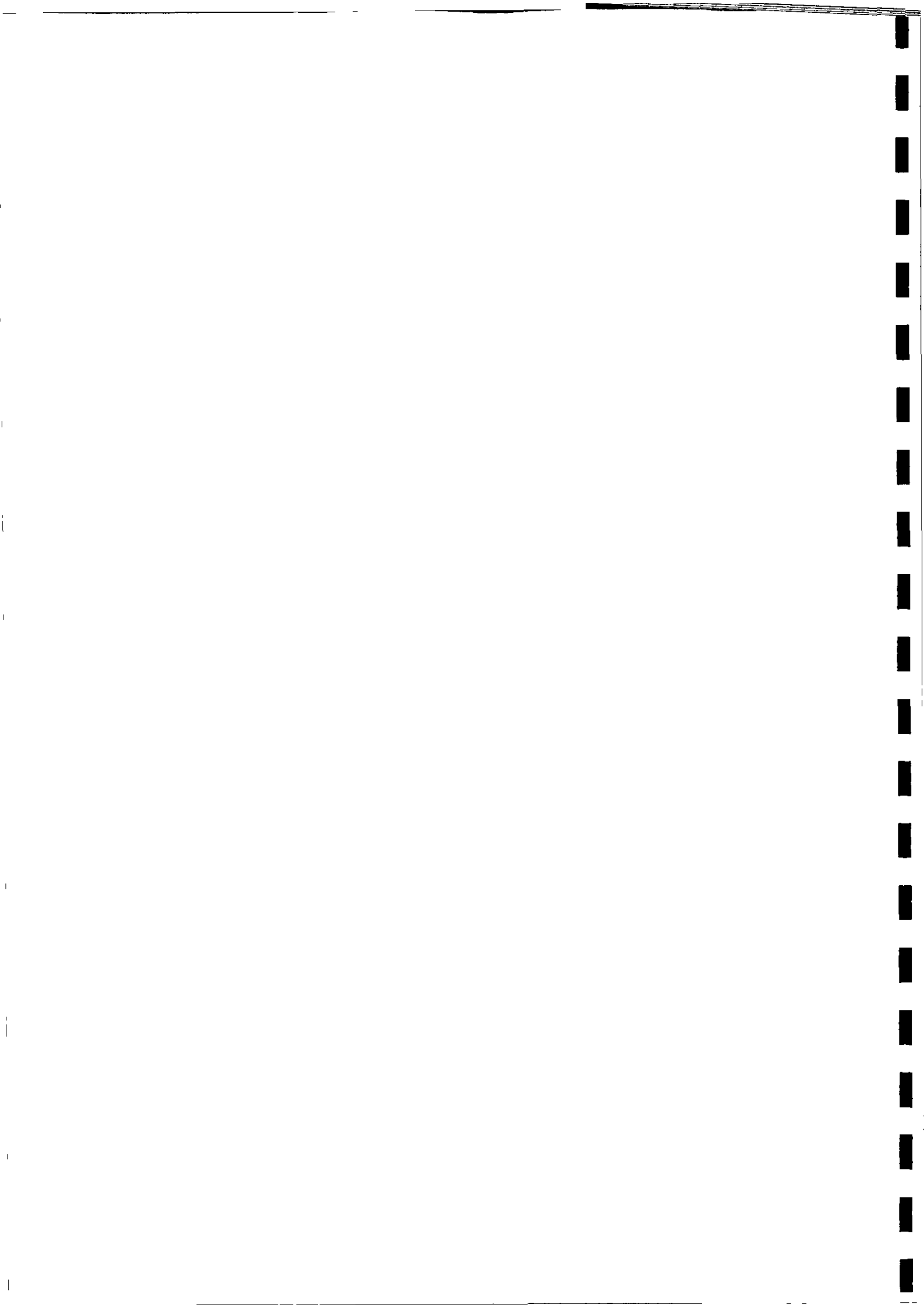
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Maybourne Finance Limited

Report of the directors for the year ended 31 December 2012 (registered number 07509281)

The directors present their report and the audited financial statements for the year ended 31 December 2012

Principal activities and business review

The company's principal activity is that of making, establishing and investing in loans, securities and other financial assets

The £660 million senior debt facility owed by Coroin Limited was fully repaid on 28 December 2012

The results for the company for the period are set out in the Profit and Loss Account on page 7

Future developments

The directors will continue to develop and promote the company's lending activities

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks

The key business risks affecting the company are set out below

Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible effects on the company

Economic and financial risk

The company's business is exposed to the risk of negative developments in the global and regional economies and financial markets. These developments can result in recession, inflation, deflation, currency fluctuations, and restrictions in the availability of credit, business failures or increases in finance costs

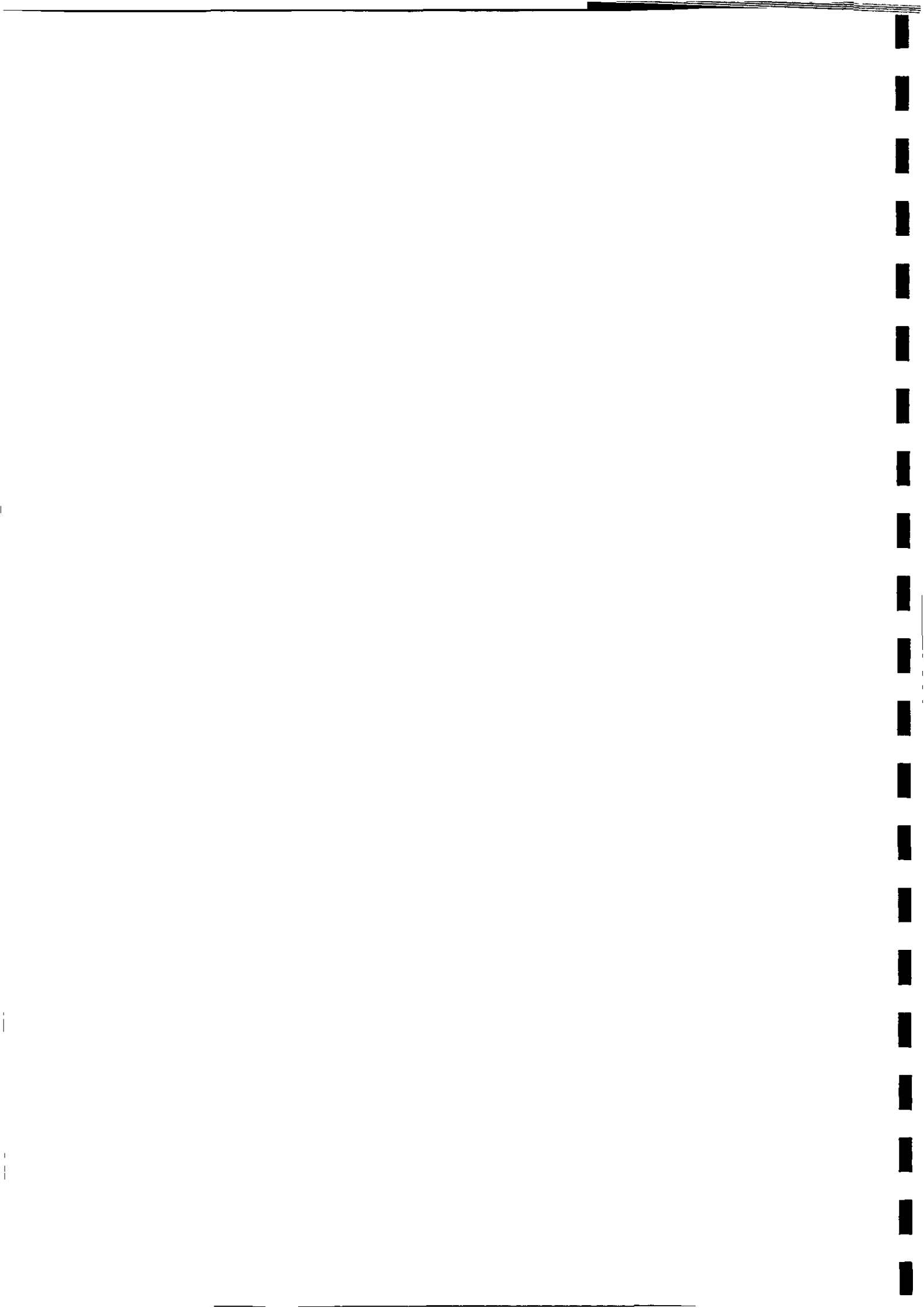
Commercial and market risk

Risks are an integral part of normal commercial practices, and where practicable steps are taken to mitigate such risks

Directors

The directors of the company during the year ended 31 December 2012 and up to the date of signing the financial statements were

A S Barclay
H M Barclay
P L Peters
N J Hopper



Maybourne Finance Limited

Report of the directors for the year ended 31 December 2012 (continued) **(registered number 07509281)**

Results and dividend

The retained profit of £3,781,000 (2011 profit £46,000) has been transferred to reserves. The directors recommended and approved payment of a dividend for the year ended 31 December 2012 of £2,900,000 (2011 Nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the directors 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 prepared 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

- a) select suitable accounting policies and then apply them consistently,
- b) make judgements and accounting estimates that are reasonable and prudent,
- c) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d) 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.

Financial risks

The company's activities expose it to liquidity and interest rate risk. The company's overall financial risk management objective is to minimise its potential adverse effects on the financial performance of the company.

(a) Liquidity risk

The company practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient funding requirements for working capital.

(b) Interest rate risk

The company has interest bearing assets which consist of cash balances.



Maybourne Finance Limited

Report of the directors for the year ended 31 December 2012 (continued) (registered number 07509281)

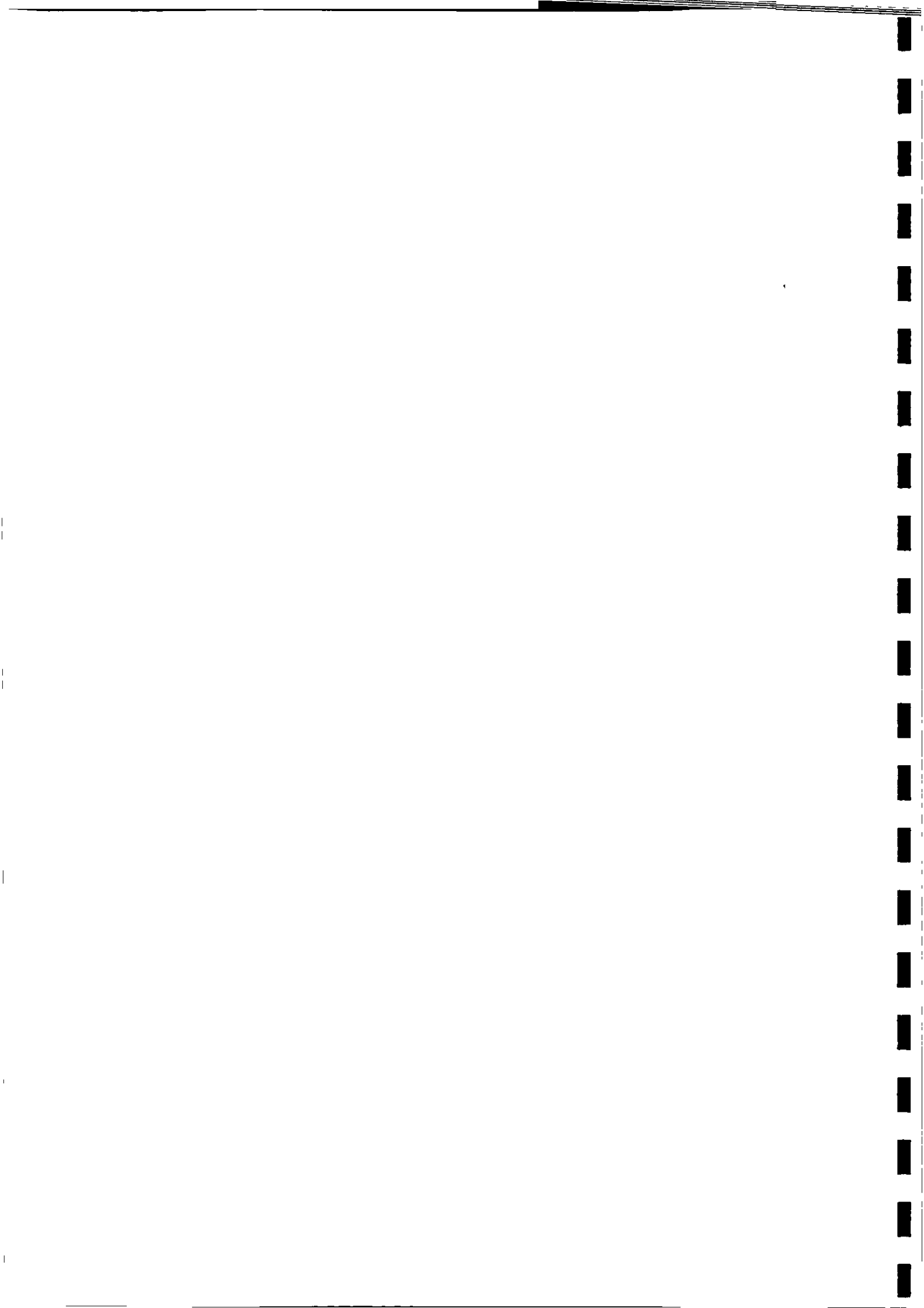
Disclosure of information to auditors

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

Approved by the Board and
signed on its behalf by



P L Peters
Director
22nd April 2013



Maybourne Finance Limited

Independent auditors' Report to the members of Maybourne Finance Limited

We have audited the financial statements of Maybourne Finance Limited for the year ended 31 December 2012 which comprises the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities on page 3, 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 to 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 of the financial and non-financial information in the Report of the directors' and financial statements to identify material inconsistencies with the audited financial statements. 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 2012 and of its profit and cash flows for the period 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

Maybourne Finance Limited

Independent auditors' report to the members of Maybourne Finance Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the directors' for the financial year for which the financial statements are prepared is consistent with the financial statements,

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



Simon O'Brien (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

22nd April 2013

Maybourne Finance Limited

Profit and loss account for the year ended 31 December 2012

	NOTE	2012 £'000	2011 £'000
Interest receivable and similar income	4	55,622	13,591
Interest payable and similar charges	4	<u>(46,892)</u>	<u>(12,490)</u>
Net trading income		8,730	1,101
Other operating expenses		<u>(3,722)</u>	<u>(1,038)</u>
Operating profit	2	5,008	63
Tax on profit on ordinary activities	5	<u>(1,227)</u>	<u>(17)</u>
Retained profit for the year	9	<u>3,781</u>	<u>46</u>

All activities are classified as continuing

The company has no recognised gains or losses other than the profit for the financial period, and accordingly a statement of total recognised gains and losses has not been prepared

There is no difference between the profit for the financial period and its historical cost equivalent

Maybourne Finance Limited

Balance sheet at 31 December 2012

(registered number 07509281)

		2012		2011	
	NOTE	£'000	£'000	£'000	£'000
Current assets					
Debtors	6	4		667,438	
Cash at bank and in hand		<u>3,203</u>		<u>9,750</u>	
			3,207		677,188
Creditors amounts falling due within one year	7		<u>(2,280)</u>		<u>(677,142)</u>
Net assets			<u>927</u>		<u>46</u>
Capital and reserves					
Called up share capital	8		-		-
Profit and loss account	9		<u>927</u>		<u>46</u>
Total shareholders' funds	9		<u>927</u>		<u>46</u>

The financial statements on pages 7 to 14 were approved by the board of directors on 22nd April 2013 and signed on its behalf by



P L Peters
Director



N J Hopper
Director

Maybourne Finance Limited

Cash flow statement for the year ended 31 December 2012

	2012		2011	
	£'000	£'000	£'000	£'000
Net cash inflow/(outflow) from operating activities		16,470		(10,350)
Returns on investment and Servicing of finance				
Repayment/(acquisition) of Coroin Limited senior debt		660,000		(660,000)
Net cash inflow/(outflow) before use of liquid resources and financing		676,470		(670,350)
Taxation		(17)		-
Equity dividends		(2,900)		-
Financing				
(Decrease)/increase in bank borrowings	(660,000)		660,000	
(Decrease)/increase in borrowings from parent undertaking	(20,100)		20,100	
		(680,100)		680,100
(Decrease)/increase in cash		(6,547)		9,750

Maybourne Finance Limited

Cash flow statement for the year ended 31 December 2012 (continued)

Reconciliation of operating profit to operating cash flows

	2012 £'000	2011 £'000
Operating profit	5,008	63
Decrease/(increase) in debtors	21,467	(21,471)
(Decrease)/Increase in creditors	(10,005)	11,058
Net cash inflow/(outflow) from operating activities	<u>16,470</u>	<u>(10,350)</u>

Reconciliation of net cash flow to movement in net debt

	2012 £'000	2011 £'000
(Decrease)/increase in cash for the period	(6,547)	9,750
(Decrease)/increase in debt	<u>(680,100)</u>	<u>680,100</u>
	<u>(686,647)</u>	<u>689,850</u>
Net debt at start of year	<u>689,850</u>	<u>-</u>
Net cash/debt at end of year	<u>3,203</u>	<u>689,850</u>

Analysis of changes in net debt

	1 January 2012 £'000	Cash flows £'000	31 December 2012 £'000
Cash at bank and in hand	9,750	(6,547)	3,203
Bank loan	660,000	(660,000)	-
Holding company loan	20,100	(20,100)	-
	<u>689,850</u>	<u>(686,647)</u>	<u>3,203</u>

Maybourne Finance Limited

Notes to the financial statements for the year ended 31 December 2012

1 Principal accounting policies

Basis of preparation

The financial statements are prepared in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards on the going concern basis under the historical cost convention. The more important accounting policies of the company which have been applied consistently are set out below.

Investment in senior secured loan receivable

The carrying amount for investment in senior debt is the lower of cost and fair value. In respect of investments for which an active market exists, market value generally provides the best evidence of fair value. The senior secured loan receivable was repaid on 28 December 2012.

Borrowings

Borrowings are initially recognised at the fair value of the proceeds, net of related transaction costs. These transaction costs, and any discount or premium on issue, are subsequently amortised under the effective yield method through the profit and loss account as interest over the life of the loan, and added to the liability disclosed in the balance sheet.

Borrowings, which are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least one year after the balance sheet date, were repaid on 27 December 2012.

Taxation

Corporation tax is provided on taxable profits at the standard rate of corporation tax in the United Kingdom of 24.5% (2011: 26.5%).

Deferred tax is accounted for on an undiscounted basis at tax rates enacted or substantially enacted at the balance sheet date on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

Maybourne Finance Limited

Notes to the financial statements for the year ended 31 December 2012 (continued)

2 Operating profit

	2012 £'000	2011 £'000
Operating profit is stated after charging		
Auditors' remuneration for - audit services	14	7
- non audit services	144	-

3 Directors and employees

The average monthly number of persons employed by the company, including directors, during the year is analysed below

	2012	2011
Administration	5	-

Staff costs (including part time staff and directors) during the year

	2012 £'000	2011 £'000
Wages and salaries	1,250	-
Social security costs	172	-
	1,422	-

Directors' remuneration.

	2012 £'000	2011 £'000
Aggregate emoluments	1,000	-
Social security costs	138	-
	1,138	-

Highest paid director.

	2012 £'000	2011 £'000
Aggregate emoluments	250	-
Social security costs	34	-
	284	-

Maybourne Finance Limited

Notes to the financial statements for the year ended 31 December 2012 (continued)

4 Net interest

	2012 £'000	2011 £'000
Interest receivable and similar income:		
Loan interest receivable	37,609	9,898
Bank interest receivable	5	1
Fee income	<u>18,008</u>	<u>3,692</u>
	<u>55,622</u>	<u>13,591</u>
Interest payable and similar charges:		
Interest payable	(26,253)	(7,623)
Bank loan arrangement fees	<u>(20,639)</u>	<u>(4,867)</u>
	<u>(46,892)</u>	<u>(12,490)</u>

5 Taxation on profit on ordinary activities

	2012 £'000	2011 £'000
Current tax.		
UK corporation tax charge on profit for the year	<u>1,227</u>	<u>17</u>
Tax charge on profit on ordinary activities	<u>1,227</u>	<u>17</u>
The taxation charge is different (2011 different) to the standard rate of corporation tax in the UK 24.5% (2011 26.5%) The differences are explained below		
Profit on ordinary activities before tax	<u>5,008</u>	<u>63</u>
Profit on ordinary activities multiplied by the standard rate in the UK of 24.5% (2011 26.5%)	<u>1,227</u>	<u>17</u>
Total current tax charge	<u>1,227</u>	<u>17</u>

6 Debtors

	2012 £'000	2011 £'000
Amounts falling due within one year		
Senior secured loan receivable	-	660,000
Trade debtors	<u>4</u>	<u>7,438</u>
	<u>4</u>	<u>667,438</u>

The senior secured loan receivable was repaid in full on 28 December 2012

Maybourne Finance Limited

Notes to the financial statements for the year ended 31 December 2012 (continued)

7 Creditors: amounts falling due within one year

	2012 £'000	2011 £'000
Bank loan	-	660,000
Less arrangement fees	-	(14,032)
	-	645,968
Trade creditors	153	-
Amount owed to parent undertaking	-	20,100
Other creditors	284	-
Corporation Tax	1,227	17
Accruals and deferred income	616	11,057
	<u>2,280</u>	<u>677,142</u>

8 Called up share capital

	2012 £	2011 £
Authorised, issued and fully paid up		
1 (2011 1) ordinary shares of £1 each	<u>1</u>	<u>1</u>

9 Profit and loss account and movement in shareholders' funds

	2012 £'000	2011 £'000
At 1 January	46	-
Profit for the financial year/period	<u>3,781</u>	<u>46</u>
	3,827	46
Dividend paid	<u>(2,900)</u>	<u>-</u>
At 31 December	<u>927</u>	<u>46</u>

10 Ultimate controlling party

The immediate holding company is Maybourne Holdings Limited, a company incorporated in Jersey which the directors regard as being ultimately controlled by Sir David and Sir Frederick Barclay

