

Chime Midco Limited (formerly Bell Midco Limited)

Unaudited financial statements

for the period ended 31 December 2015

Registered number: 09780258

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Chime Midco Limited

Financial statements

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Chime Mideo Limited

Financial statements

Officers and professional advisers

Directors

Roderik Schlosser (appointed 22 October 2015)

Sinisa Krnic (appointed 16 September 2015, resigned 22 October 2015)

Andrew Scott (appointed 17 September 2015, resigned 31 December 2015)

Andrew Tisdale (appointed 16 September 2015)

Company Secretary

Robert Davison (appointed 22 October 2015)

Registered Office

PO Box 70693
62 Buckingham Gate
3rd Floor
London
United Kingdom
SW1P 9ZP

Solicitors

Weil Gotshal & Manges
110 Fetter Lane
London
EC4A 1AY
United Kingdom

Chime Midco Limited

Directors' report

The directors present their annual report and the unaudited financial statements for the period ended 31 December 2015.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption, and therefore no strategic report has been prepared.

The company has not traded during the period.

Review of the business and future developments

Chime Midco Limited, "the company" was incorporated 16 September 2015 under the name Bell Midco Limited. The company name was changed to Chime Midco Limited 7 January 2016.

The company's principal activity is that of a Holding Company. The directors do not anticipate any major changes in the foreseeable future.

Results and dividends

The company had made no profit or loss, and paid no dividends during the period.

Directors and their interests

The directors who served throughout the period and to the date of this report are as shown on page 3. None of the directors held any interests in the shares of the company between 16 September 2015 and 31 December 2015.

Creditor payment terms

The company's policy on suppliers is that they will be paid in accordance with agreed terms and conditions or trade on a regular basis.

Risk management

Principal risks and uncertainties

The directors consider the principal risks and uncertainties facing the company to be consistent with those reported within the consolidated Group accounts of the parent undertaking, Chime Group Holdings Limited ("Chime"). In addition to the general economic and competitive risks affecting the business, the directors consider that the principal risk impacting the company is liquidity risk. The directors do not consider interest rate risk to be a significant concern for the company.

The policies for managing these risks are reviewed and agreed annually by Chime.

Liquidity risk

The company operates under Chime's banking facility. Chime has a committed facility of £246.9 million, comprising £93.9m until September 2021 and £153 million until September 2022. Cash flow movements are monitored to ensure that sufficient financial resources are available. The Group has seen an increase in client pressure to extend credit terms and the resulting terms are closely monitored.

Going concern

The financial statements have been prepared on the going concern basis see note 2.

Directors' indemnities

As at the date of this report, indemnities are in force under which the company has agreed to indemnify the directors, to the extent permitted by law and company's articles of association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as directors of the company. Chime has purchased and maintains directors' and officers' insurance cover against legal

Chime Midco Limited

Directors' report

liabilities and costs for claims in connection with any act or omission by its directors or officers in the execution of their duties, on behalf of this company.

Approved by the Board and signed on its behalf by:



Roderik Schlosser, Director

27.9.2016

Chime Midco Limited
Balance sheet
As at 31 December 2015

	Notes	2015 £
Non-current assets		
Investments	4	<u>264,839,667</u>
		264,839,667
 Total assets		 <u>264,839,667</u>
 Capital and reserves		
Called up share capital	5	72,558,813
Share premium	6	<u>192,280,854</u>
Total shareholders' funds		<u>264,839,667</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. For the year ended 31 December 2015 the company was entitled to exemption under s479a of the Companies Act 2006. No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements of Chime Midco Limited (registered number 09780258) were approved by the board of directors and authorised for issue ~~29/9~~ They were signed on its behalf by:



Roderik Schlosser, Director.

29/9/2016.

Chime Midco Limited
Statement of changes in equity

	Share Capital	Share Premium	Total
	£	£	£
Balance at 16 September 2015	-	-	
Issue of share capital	72,558,813	192,280,854	264,839,667
Balance at 31 December 2015	72,558,813	192,280,854	264,839,667

Chime Midco Limited
Notes to the financial statements
For the period ended 31 December 2015

1. General information

Chime Midco Limited ("the company") is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 3. The nature of the company's operations and its principal activities are set out in the directors' report on pages 4 to 5.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Chime Group Holdings Limited ("Chime").

2. Significant accounting policies

Basis of accounting

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

The financial statements have been prepared on the historical cost basis. .

The principal accounting policies adopted are set out below.

Going concern

The Directors have prepared forecasts which indicate that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors have concluded, based on the forecasts, that it is appropriate to prepare the accounts on a going concern basis.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Foreign currencies

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency). The company had no other currency transactions or balances during the period.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Investments

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under contract whose terms require the delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

Investments are classified either as available for sale, and are measured at subsequent reporting dates at fair value, or at amortised cost, where no fair value is readily determinable. Gains and losses on available for sale financial assets arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for the period.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of proceeds received, net of direct issue costs.

Chime Midco Limited
Notes to the financial statements
For the period ended 31 December 2015

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. Investments in Subsidiaries

The investments in subsidiaries are all stated at cost less provision for impairment.

	2015 £
At 16th September 2015	-
Additions	<u>264,839,667</u>
At 31st December 2015	<u>264,839,667</u>

Details of the Company's subsidiaries at 31 December 2015 are as follows:

Name	Place of incorporation and principal place of business	Proportion of ownership interest	Proportion of voting power held
		%	%
Chime Group Ltd	England and Wales	100	100

The investments in subsidiaries are all stated at cost less provision for impairment.

5. Share capital

	2015 £
Ordinary £1 shares	
Authorised, issued and fully paid at 16 September 2015	-
Issue of 72,558,813 shares at £1 each	72,558,813
Authorised, issued and fully paid at 31 December 2015	<u>72,558,813</u>

The Company has one class of ordinary shares which carry no right to fixed income.

100 shares with a premium of £365 were allotted on 16 September 2015 to Chime Group Limited.

72,558,813 shares with a premium of £265 million were allotted on 22 October 2015 to Chime Group Limited.

Chime Midco Limited
Notes to the financial statements
For the period ended 31 December 2015

6. Share Premium

	2015 £
At 16 September 2015	-
Proceeds relating to issue of shares	192,280,854
At 31 December 2015	<u>192,280,854</u>

Share premium arises from capital raised in an issue of shares, net of costs, to the extent that exceeds the nominal value of the shares.

7. Controlling party

The Company's immediate parent undertaking and its immediate controlling party is Chime Holdco Limited (formerly Bell Holdco Ltd), incorporated in the United Kingdom and registered in England and Wales.

The Company's ultimate parent company and controlling party is PM VII S.a.r.l, a company incorporated and registered in Luxembourg.

The largest and smallest group for which the group financial statements are prepared and of which the group is a member is Chime Group Holdings Limited which is incorporated in the United Kingdom and registered in England and Wales. Copies of their financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.