

Sharks Holdings Limited

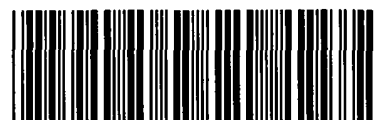
(formerly FF Newco 7 Limited)

Annual report and financial statements

for the period ended 31 December 2016

Registered number: 10149796

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Sharks Holdings Limited

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Sharks Holdings Limited

Officers and professional advisers

DIRECTOR

J Dorsett	(appointed 22/06/2016)
G Mason	(appointed 14/07/2016)
S Orange	(appointed 27/04/2016)
S Scott	(appointed 27/04/2016 and resigned 22/06/2016)

REGISTERED OFFICE

Suite 1.3
20 Market Street
Altrincham
Cheshire
WA14 1PF

AUDITOR

Deloitte LLP
Statutory Auditor
Manchester
United Kingdom

Sharks Holdings Limited

Strategic report

The directors present their strategic report, together with the directors' report, audited financial statements and auditor's report, for the period ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as an intermediate holding company. The Company was incorporated on 27 April 2016. During the period the accounting date was changed to 31 December 2016.

BUSINESS REVIEW

The Company was incorporated on 27 April 2016 as FF Newco 7 Limited. The accounting reference date was changed to 31 December to bring the Company into line with the rest of the CorpAcq Group.

The Company is 51% owned by CorpAcq Limited. The Company holds 100% of the share capital of Manchester Sale Rugby Club Limited. The cost of this investment is disclosed in note 8 to the financial statements.

The Company's results and financial position are set out in the profit and loss account and balance sheet pages on 8 and 9. The profit after tax for the period was £429.

FINANCIAL REVIEW

The Company's financial position is set out in the balance sheet on page 8.

KEY PERFORMANCE INDICATORS

The directors consider the Company's key performance indicator to be the financial performance of its subsidiaries. The performance of these subsidiaries is monitored monthly by the directors by way of comprehensive management reports and as these companies are, and are expected to continue to be, profitable the directors consider the key performance indicator outcome to be satisfactory.

PRINCIPAL RISKS AND UNCERTAINTIES

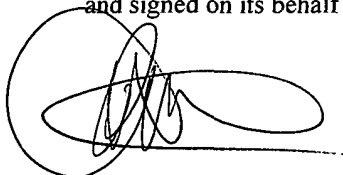
The Company considers its principal risk to be the financial performance of its subsidiary companies, which support the carrying value of the Company's investments and which provide support to this Company to meet its liabilities as they fall due. The risk is managed through regular review by the board.

Details regarding the adoption of the going concern basis of accounting in preparing the financial statements can be found in note 1 to the financial statements.

FUTURE DEVELOPMENTS

The directors expect the Company to continue to act as an intermediate holding Company for the foreseeable future.

Approved on behalf of the Board of Directors on 11 September 2017
and signed on its behalf by:



J Dorsett
Director

Sharks Holdings Limited

Directors' report

The directors present their annual report on the affairs of the Company, together with the audited financial statements and auditor's report, for the period ended 31 December 2016.

DIRECTORS

The directors who held office during the period and to the date of this report, unless otherwise stated, are as noted on page 1.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Cash flow risk

The Company's cash flow risk is relatively low due to low levels of finance within the business.

Credit risk

The Company's principal financial assets are investments and has no significant concentration of credit risk.

Liquidity risk

Liquidity risk at the Company is insignificant as the majority of its financial liabilities are all with other companies within the CorpAcq Group.

DIVIDENDS

The directors do not propose the payment of a dividend.

Sharks Holdings Limited

Directors' report (continued)

AUDITOR

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Annual General Meeting will be held at the registered office Sharks Holdings Limited.

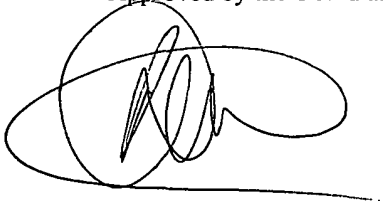
A resolution to re-appoint Deloitte LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

APPROVAL OF REDUCED DISCLOSURES

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by CorpAcq Finance Limited, as the immediate parent of the entity.

Approved by the Board and signed on its behalf by:



J Dorsett
Director

11 September 2017

Sharks Holdings Limited

Director's responsibilities statement

The directors are responsible for preparing the Annual Report and the audited 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) including FRS 102. 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 accounting 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.

Independent auditor's report to the members of Sharks Holdings Limited

We have audited the financial statements of Sharks Holdings Limited for the period ended 31 December 2016 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 13. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor

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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 2016 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Independent auditor's report to the members of Sharks Holdings 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.



Anthony J Farnworth BA (Hons) ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom
12 September 2017

Sharks Holdings Limited

Profit and loss account

For the period ended 31 December 2016

	Note	Period ended 31 December 2016 £
Finance income	5	536
Profit before taxation		536
Tax on profit	6	(107)
Profit for the financial period attributable to the equity Shareholders' of the Company		429

All results relate to continuing operations.

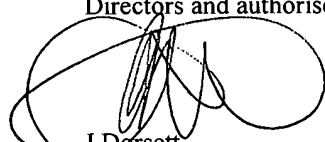
There are no recognised income and expenses other than those stated above in the current period. Accordingly, a separate statement of comprehensive income has not been presented.

Sharks Holdings Limited

Balance sheet At 31 December 2016

	Note	2016 £
Fixed assets		
Investments	7	<u>2,835,074</u>
Current assets		
Debtors - due within one year	9	1,715,472
Creditors: amounts falling due within one year	10	<u>(4,550,107)</u>
Net current liabilities		<u>(2,834,635)</u>
Net assets		<u><u>439</u></u>
Capital and reserves		
Called-up share capital	11	10
Profit and loss		<u>429</u>
Shareholders' funds		<u><u>439</u></u>

The financial statements of Sharks Holdings Limited, registered number 10149796 were approved by the Board of Directors and authorised for issue on 11 September 2017. They were signed on its behalf by:


J Dorsett
Director

Sharks Holdings Limited

Statement of changes in equity At 31 December 2016

	Called-up share capital £	Profit and loss account £	Total £
Share capital issued on incorporation	1	-	1
Issue of share capital	9	-	9
Profit for the financial period	-	429	429
At 31 December 2016	10	429	439

Sharks Holdings Limited

Notes to the financial statements For the period ended 31 December 2016

1. Accounting policies

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

a. General information and basis of accounting

Sharks Holdings Limited is a private company incorporated in the England and Wales under the Companies Act and is limited by shares. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Sharks Holdings Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Sharks Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Sharks Holdings Limited is consolidated in the financial statements of its parent, CorpAcq Ltd, which may be obtained at Suite 1.3, 20 Market Street, Altrincham, Cheshire, WA14 1PF, United Kingdom. Exemptions have been taken in these separate Company financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of CorpAcq Limited, a Company incorporated in England and Wales, and is included in the consolidated financial statements of that Company, which are publicly available.

b. Going concern

The Company is reliant on support from its affiliates such that the intercompany loans will not be requested for repayment should this prejudice the financial position of this Company.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Sharks Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2016

1. Accounting policies (continued)

c. *Financial instruments (continued)*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) *Investments*

Investments in subsidiaries and associates are measured at cost less impairment.

(iii) *Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Sharks Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2016

1. Accounting policies (continued)

d. *Impairment of assets*

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below:

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

e. *Taxation*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, 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.

Critical judgements in applying the Company's accounting policies

The directors do not consider that the amounts recognised in the financial statements have been significantly affected by any critical judgements made in the process of applying the Company's accounting policies.

3. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual accounts were £1,000 and have been borne by other group companies and have not been recharged. There were no non audit fees in the period.

4. Staff numbers and director

There were no employees, other than the directors, of the Company during the current period.

The directors were remunerated via other group companies during the current period. No recharge is attributable in relation to qualifying services.

Sharks Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2016

5. Finance income

	2016 £
Interest receivable	536

6. Tax on profit

The tax charge comprises:

	2016 £
Current tax on profit	
UK corporation tax	107
Total current tax and total tax	107

The standard rate of tax applied to reported profit on ordinary activities is 20.00% per cent (2015: 20.25 per cent). The Finance Act 2016, which was substantively enacted in September 2016, included provisions to reduce the rate of corporation tax to 17% with effect from 1 April 2020, and Finance Act 2015 (No.2) included provisions to reduce the rate of corporation tax to 19% with effect from 1 April 2017.

7. Fixed asset investments

	Unlisted investments £
Cost and net book value	
On incorporation	-
Additions (see note 8)	2,835,074
At 31 December 2016	2,835,074

The Company holds an investment in the following subsidiary undertakings, registered in England and Wales:

Company	Principal activity	Shares held Class	%
Manchester Sale Rugby Club Limited*	Rugby union club	Ordinary	100

*Registered address: Sale Sharks High Performance Centre, Sale, M31 4AE.

8. Acquisitions

On 9 June 2016 the Company acquired 100% of the share capital of Manchester Sale Rugby Club Limited for consideration totalling £2,835,074.

Sharks Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2016

9. Debtors

	2016 £
Amounts owed by subsidiary undertakings (note 12)	1,715,467
Unpaid share capital	5
	<u>1,715,472</u>

10. Creditors: amounts due in less than one year

	2016 £
Amounts owed to ultimate parent undertakings (note 12)	2,730,000
Other loans (note 12)	1,820,000
Corporation tax	107
	<u>4,550,107</u>

11. Called-up share capital

	2016 £
Allotted, called-up and fully-paid	
510 ordinary 'A' shares of £0.01 each totalling £5.10	5
240 ordinary 'B' shares of £0.01 each totalling £2.40	2
200 ordinary 'C' shares of £0.01 each totalling £2.00	2
50 ordinary 'D' shares of £0.01 each totalling £0.50	1
	<u>10</u>

In July 2016, 410 ordinary 'A' shares were issued at par, 240 ordinary 'B' shares were issued at par, 200 ordinary 'C' shares were issued at par and 50 ordinary 'D' shares were issued at par.

In July 2016 the £1 ordinary share issued on incorporation was sub-divided into 100 ordinary 'A' shares.

The Company's ordinary shares carry no right to fixed income.

Sharks Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2016

12. Related party transactions

Directors transactions

During the year, the company received loans of £1,592,500 from G Mason, a company director. At the balance sheet date £1,592,500 remains outstanding included within other loans. The full amount is repayable on demand and does not attract any interest.

Other related party transactions

During the year, the company received loans of £2,730,000 from CorpAcq Limited, the ultimate parent company. At the balance sheet date £2,730,000 remains outstanding included within creditors due in less than one year. The full amount is repayable on demand and does not attract any interest.

During the year the company loaned £1,715,467 to its subsidiary undertaking, Manchester Sale Rugby Club Limited. At the balance sheet date £1,715,467 remained outstanding and is included within debtors. The full amount is repayable on demand and does not attract any interest.

13. Controlling party

The immediate parent company is CorpAcq Finance Limited. The ultimate parent Company is CorpAcq Limited (Registered office of both immediate and ultimate parent: Suite 1.3, 20 Market Street, Altrincham, Cheshire, WA14 1PF). Both are companies registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by its ultimate parent Company. The consolidated financial statements of the group are available to the public and may be obtained from CorpAcq Limited at Suite 1.3, 20 Market Street, Altrincham, Cheshire, WA14 1PF, United Kingdom.

The directors consider that, by virtue of his shareholding in the ultimate parent Company, the ultimate controlling party is Mr S Orange.