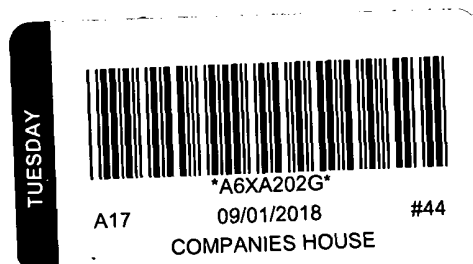


Windmill Bidco Limited

Report and Financial Statements

31 July 2017



Directors

R A George

I Dew

Registered Office

Fleming Way

Crawley

West Sussex

RH10 9YX

Strategic report

The directors of Windmill Bidco Limited ('the Company') present their strategic report for the year ended 31 July 2017.

Principal activity and review of the business

Windmill Bidco Limited is an intermediate parent undertaking that, prior to a group re-organisation which was completed during 2015, directly and indirectly held investments in a number of subsidiaries. As a result of the re-organisation the company no longer holds any investments.

Principal risks and uncertainties

The directors do not consider there to be any principal risks or uncertainties facing this Company at 31 July 2017.

On behalf of the Board



Ian Dew
Director
8 January 2018

Directors' report

The directors of Windmill Bidco Limited ('the Company') present their report and financial statements for the year ended 31 July 2017.

Directors

The directors who served the Company during the year and subsequent to the year-end are set-out on page 1.

Results and dividends

The Company was not active during the year therefore generated nil profit or loss (2016: profit £180,000). The directors do not recommend the payment of a final dividend (2016: £nil).

Directors' liabilities

The enlarged Group of which the Company is a member has granted an indemnity to certain directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force at the date of approving the directors' report.

Going concern

The directors confirm that after making appropriate enquiries, they have a reasonable expectation that the Company has adequate support from its ultimate parent company, Volusion Group plc, to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. The directors' responsibilities are set out on page 4 and should be read in conjunction with this statement.

On behalf of the Board



Ian Dew
Director
8 January 2018

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 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.

Statement of comprehensive income

For the year ended 31 July 2017

	Notes	2017 £000	2016 £000
Turnover	3	-	-
Administrative expenses		-	-
Operating loss	4	-	-
Interest receivable and similar income	5	-	225
Interest payable and other similar expenses	5	-	-
Loss on ordinary activities before tax		-	-
Income tax	7	-	(45)
Loss for the year		-	180
Other comprehensive income		-	-
Total comprehensive expense		-	180

Results of the current and prior years arise solely from continuing operations.

Statement of financial position

At 31 July 2017

	Notes	2017 £000	2016 £000
Fixed assets			
Investments		-	-
Current assets			
Deferred tax asset	7	-	-
Cash at bank and in hand		-	-
		-	-
Creditors: amounts falling due within one year			
Other creditors		-	-
Net current liabilities		-	-
Total assets less current liabilities		-	-
		-	-
Net liabilities		-	-
Capital and reserves			
Share capital	8	-	-
Share premium		-	-
Profit and loss account		-	-
Total equity		-	-

For the year ending 31 July 2017, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 ('the Act').

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 accounts.

The financial statements of Windmill Bidco Limited (registered number 07890207) were approved by the Board of Directors and authorised for issue on 8 January 2018.

On behalf of the board



Ian Dew
Director

Statement of changes in equity

For the year ended 31 July 2017

	Share capital £000	Share premium £000	Profit and loss account £000	Total £000
At 31 July 2015	-	-	(180)	(180)
Profit for the year	-	-	180	180
At 31 July 2016	-	-	-	-
Result for the year	-	-	-	-
At 31 July 2017	-	-	-	-

Notes to the financial statements

at 31 July 2017

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements present the results and financial position of Windmill Bidco Limited ("the Company") for the year ended 31 July 2017. The Company is a private limited company and is incorporated and domiciled in England and Wales. The address of the Company's registered office is Fleming Way, Crawley, West Sussex RH10 9YX.

The financial statements were authorised for issue by the board of directors on 8 January 2018 and the balance sheet was signed on the board's behalf by Ian Dew.

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. In the application of the Company's accounting policies, management is 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 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.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment'
- The requirements of IFRS 7 'Financial Instruments: Disclosures'
- The requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements
- The requirements of IAS 7 Statement of Cash Flows
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.

Notes to the financial statements (continued)

at 31 July 2017

2. Accounting policies (continued)

Going concern

The directors confirm that after making appropriate enquiries, they have a reasonable expectation that the Company has adequate support from its ultimate parent company Volusion Group plc to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Turnover recognition

Management fee turnover

Turnover represents amounts invoiced to fellow group companies for management services and is measured at the fair value of services rendered.

Interest receivable and similar income

Turnover is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are initially recognised at net proceeds. After initial recognition, debt is increased by the interest payable and similar expenses and reduced by repayments made in the period. Interest payable and similar expenses of debt are allocated over the term of the debt at a constant rate on the carrying amount.

Financial assets

Initial recognition and measurement

Financial assets within the scope are classified as financial assets at fair value through profit or loss, loans and receivables or available-for-sale financial assets.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. The Company's financial assets include cash and short-term deposits, trade and other receivables, loan notes and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through the profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current investments.

Loans and receivables

Loans and debtors are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as Fixed assets. The company's loans and debtors comprise debtors and cash in the balance sheet.

Notes to the financial statements (continued)

at 31 July 2017

2. Accounting policies (continued)

Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial investments include equity securities. Equity investments classified as available-for-sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income in the unrealised gains and losses reserve. When the investment is derecognised, the cumulative gain or loss is recognised in other operating income, or determined to be impaired, at which time the cumulative loss is recognised in the income statement in other operating expenses and removed from the unrealised gains and losses reserve.

The Company evaluates its available-for-sale financial assets and whether the ability and intent to sell them in the near term is still appropriate. When the Company is unable to trade these financial assets due to inactive markets and management's intent significantly changes to do so in the foreseeable future, the Company may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial asset meets the definition of loans and receivables and when the Company has the intent and ability to hold these assets for the foreseeable future or until maturity.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in interest receivable and similar income and interest payable and similar expenses.

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Notes to the financial statements (continued)

at 31 July 2017

2. Accounting policies (continued)

Derivative financial instruments and hedging

The Company uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its risks associated with foreign currency and interest rate fluctuations. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

The company has not applied hedge accounting and all derivatives are measured at fair value through profit and loss.

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from, or payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements with the following exceptions:

- Where the temporary differences arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with Investments where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised only to the extent that the directors consider it is probable that there will be taxable profits from which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates enacted or substantively enacted by the reporting date.

The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities.

Deferred income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, deferred tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity.

Other debtors

Other debtors are recognised when it is probable that a future economic benefit will flow to the Company. Other debtors are carried at original invoice or contract amount less any provisions for discounts and doubtful debts. Provisions are made where there is evidence of a risk of non-payment taking into account ageing, previous experience and general economic conditions.

Cash and cash equivalents

Cash and short-term deposits comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

Investments

Investments are held at cost less accumulated impairment losses.

Dividends

Dividends are recognised when they meet the criteria for recognition as a liability. In relation to final dividends, this is when the dividend is approved by the directors in the general meeting, and in relation to interim dividends, when paid.

Notes to the financial statements (continued)

at 31 July 2017

2. Accounting policies (continued)

New standards and interpretations

The following standards and interpretations have an effective date after the date of these financial statements. The Company plans to adopt them from the effective dates adopted by EU and although limited impact assessment work has been completed, the Company does not foresee any material impact.

Standard or interpretation	Title	Effective for accounting periods beginning on or after
IAS 1	Disclosure initiative – Amendments to IAS 1	1 January 2017
IAS 7	Disclosure Initiative - Amendments to IAS 7	1 January 2017
IFRS 15	Revenue from Contracts with Customers	1 January 2018
IFRS 9	Financial Instruments: Classification and Measurement	1 January 2018
IFRS 16	Leases	1 January 2019

3. Turnover

Turnover comprised management fee income and represents the net amount invoiced to group companies excluding value added tax. All management fee income was derived in the UK.

4. Operating loss

The prior year audit fees were borne by a fellow group undertaking.

5. Interest receivable

	2017 £000	2016 £000
<i>Interest receivable and similar income:</i>		
Fair value of derivatives	-	225
<i>Total interest receivable and similar income</i>	-	225

6. Directors' remuneration

No remuneration was paid or is payable to the directors in their capacity as directors of the Company (2016: £nil). The directors receive remuneration from a fellow group undertaking, Volution Group plc in respect of services to the group of which the Company is a member. Total remuneration paid by the enlarged group to directors of the Company (including pension scheme contributions) was £1,962,000 (2016: £1,095,000). It is not possible to identify the proportion of this remuneration that relates to services to this Company.

Notes to the financial statements (continued)

at 31 July 2017

7. Income taxes

(a) Income tax recognised in loss for the year:

	2017 £000	2016 £000
Current income tax:		
Current income tax credit	-	-
Total current tax credit	-	-
Deferred tax:		
Origination and reversal of temporary differences	-	14
Adjustments in respect of prior years	-	31
Impact of change in rates	-	-
Total deferred tax	-	45
Net tax charge/(credit)	-	45

(b) Reconciliation of total tax

The tax charge for the year differs from the standard rate of UK corporation tax for the year of 19.67% (2016: 20.00%). The differences are reconciled below:

	2017 £000	2016 £000
Loss before tax	-	225
Loss before tax multiplied by the standard rate of corporation tax in the UK of 19.67% (2016: 20.00%)	-	45
Adjustments in respect of prior years	-	31
Impact of change in rates	-	-
Group relief claimed for nil payment	-	(31)
Net tax credit reported in the consolidated statement of comprehensive income	-	45

(c) Deferred tax balances

Deferred tax assets arise from the following:

	1 August 2016 £000	Charged to income £000	31 July 2017 £000
Temporary differences:			
Fair value movements of derivative financial instruments	-	-	-

8. Share capital

	No.	2017 £000	No.	2016 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £0.000001 each	1,945,510	-	1,945,510	-

Notes to the financial statements (continued)

at 31 July 2017

9. Related party transactions

The Company has taken advantage of the exemption available under FRS 101 from the requirements in IAS 24 Related Party Disclosures not to disclose transactions with other wholly owned members of the Volution Group plc group ('the Group'), as 100% of the Company's voting rights are controlled within the Group and Group financial statements in which the Company is included are publicly available.

10. Controlling parties

The Company's immediate parent undertaking is Windmill Cleanco Limited.

The parent undertaking of the largest and smallest group for which consolidated financial statements were drawn up and include the results of the Company for the year ended 31 July 2017 is Volution Group plc, a public company incorporated in England and Wales. Copies of the group financial statements of Volution Group plc are available from Fleming Way, Crawley, West Sussex RH10 9YX.

The directors consider the ultimate parent and controlling party of the Company to be Volution Group plc.