

HLD Corporation Holdings Limited

**Director's report and financial
statements**

Registered number 08775473

For the year ended 31 March 2016



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Director's report

Dividends

The Directors have not declared or paid an ordinary dividend (2015: £nil).

Principal activities

The principal activity of the business is that of a holding company.

Director

The directors who held office during the year and to the date of approval were as follows:

Demis Armen Ohandjanian
Rob Hassell (Appointed 18 April 2016, resigned 6 January 2017)

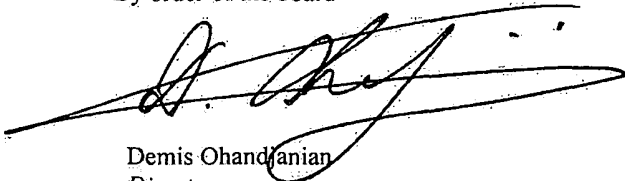
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Demis Ohandjanian
Director

Mill Lane Industrial Estate
Glenfield
Leicester
LE3 8DX

28th September 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 judgements and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
United Kingdom

Independent auditor's report to the members of HLD Corporation Holdings Limited

We have audited the financial statements of HLD Corporation Holdings Limited for the year ended 31 March 2016 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 2, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

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 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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 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 auditor's report to the members of HLD Corporation 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Ian Beaumont (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Date 9/10/2017

Profit and loss account and Other Comprehensive Income
for the year ended 31 March 2016

	<i>Note</i>	2016 £	2015 £
Administrative expenses		(714,556)	(341,153)
Operating loss		(714,556)	(341,153)
Interest payable and similar charges		(299)	(2,257)
Loss on Sale of Investment		(1)	-
Loss on ordinary activities before taxation	2-3	(714,856)	(343,410)
Tax on loss on ordinary activities	4	-	-
Loss for the financial year		(714,856)	(343,410)

The loss for the year is derived from continuing operations. There were no recognised gains or losses in the current or previous year other than the loss for the period.

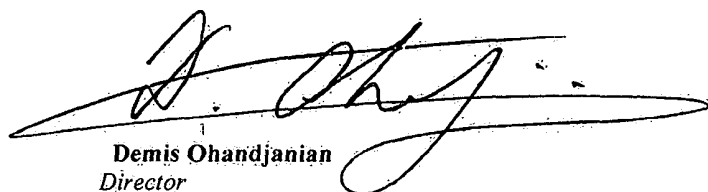
The notes on pages 8 to 14 form part of the financial statements.

Balance sheet

at 31 March 2016

	Note	2016	2015
		£	£
Fixed assets			
Tangible assets		34,644	84,128
Investments	7	91	92
		<u>34,735</u>	<u>84,220</u>
Current assets			
Debtors	8	624,227	570,455
Cash at bank and in hand		208	-
		<u>624,435</u>	<u>570,455</u>
Creditors: amounts falling due within one year	9	<u>(1,697,843)</u>	<u>(925,601)</u>
Net current liabilities		(1,073,408)	(355,146)
Total assets less current liabilities		(1,038,673)	(270,926)
Creditors: amounts falling due after more than one year	10	<u>(25,935)</u>	<u>(78,826)</u>
Net liabilities		(1,064,608)	(349,752)
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	(1,064,609)	(349,753)
Shareholders' deficit		(1,064,608)	(349,752)

These financial statements were approved by the Director on 28th September 2017 and were signed by:



Demis Ohandjanian
 Director

Company Number: 08775473

Statement of Changes in Equity

	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 March 2014	1	(6,343)	(6,342)
Shares issued in the period	-	-	-
Total comprehensive loss for the period	-	(343,410)	(343,410)
Balance at 31 March 2015	<u>1</u>	<u>(349,753)</u>	<u>(349,752)</u>
Total comprehensive loss for the period	-	(714,856)	(714,856)
Balance at 31 March 2016	<u>1</u>	<u>(1,064,609)</u>	<u>(1,064,608)</u>

Notes

(forming part of the financial statements)

1 Accounting policies

HLD Corporation Holdings Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The Company's ultimate parent undertaking, The HLD Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of The HLD Group Limited are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from The HLD Group Limited, 114 The Strand, Gzira GZR 1027, Malta. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 *Measurement convention*

The financial statements are prepared on the historical cost basis.

1.2 *Going concern*

These accounts have been prepared on a going concern basis having considered the outlook for the company based on the budget and cash flow forecasts for the next 12 months from the date of signing. Given that the business has net current liabilities at the period end, it has sought and received assurance from its Group as to its intention to continue to fund the requirements on the business on an ongoing basis.

1.3 *Classification of financial instruments issued by the Company*

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 *Basic financial instruments*

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond

Notes *(continued)*

normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts are presented in creditors to the extent that no right of offset against cash balances exists with the lender.

1.5 Investments

Investments held as fixed assets are shown as cost less provision for impairment.

1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Expenses and auditors remuneration

	2016 £	2015 £
<i>Included in profit/loss are the following:</i>		
Auditors remuneration	13,100	2,700
Depreciation of tangible assets	26,543	15,085
	<u> </u>	<u> </u>

Notes (continued)

3 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number	
	2016	2015
Administration	5	2
	<u>5</u>	<u>2</u>

The aggregate payroll costs of these persons were as follows:

	2016 £	2015 £
Wages and salaries	149,941	45,307
Social security costs	93,971	3,302
Other pension costs (note 16)	7,922	-
	<u>251,834</u>	<u>48,609</u>

Remuneration for directors are borne in full by other Group companies.

4 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2016 £	£	2015 £	£
<i>Current tax</i>				
Current tax on income for the period	-	-	-	-
Total current tax	-	-	-	-
Total deferred tax	-	-	-	-
Total tax	-	-	-	-

Reconciliation of effective tax rate

	2016 £	2015 £
(Loss) for the year	(714,856)	(343,410)
Total tax expense	-	-
(Loss) excluding taxation	<u>(714,856)</u>	<u>(343,410)</u>
Tax using the UK corporation tax rate of 20.00% (PY:20.75%)	(142,971)	(71,258)
Fixed asset differences	-	-
Non-deductible expenses	-	-
Current year losses for which no deferred tax asset was recognised	142,971	71,258
Total tax expense included in profit or loss	<u>-</u>	<u>-</u>

The Budget on 8 July 2015 announced changes in the main UK corporation tax rate. The rate (currently 20%) will reduce to 19% from 1 April 2017 and to 18% from 1 April 2020. The reduction in tax rates was included in the 2015-2016 Finance Act which was substantively enacted for the purposes of FRS 102 (i.e. having completed its Commons stages) on 26 October 2015.

Notes (continued)

5 Dividends

The aggregate amount of dividends comprises:

	2016 £	2015 £
Final dividends declared in respect of the current year	-	-

6 Tangible fixed assets

	Plant and Equipment £000	Fixtures & fittings £000	Total £000
Cost			
Balance at 31 March 2015	99,213	-	99,213
Additions	-	7,087	7,087
Disposals	(47,000)	-	(47,000)
Balance at 31 March 2016	52,213	7,087	59,300
Depreciation			
Balance at 31 March 2015	(15,085)	-	(15,085)
Disposals	16,972	-	16,972
Depreciation charge for the year	(26,543)	-	(26,543)
Balance at 31 March 2016	(24,656)	-	(24,656)
Net book value			
At 31 March 2015	84,128	-	84,128
At 31 March 2016	27,557	7,087	34,644

Notes (continued)

7 Fixed asset investments

	Investments in subsidiary companies £	Total £
<i>Cost</i>		
At beginning of year	92	92
Disposals	(1)	(1)
	<hr/>	<hr/>
At end of year	91	91
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 March 2016	91	91
	<hr/>	<hr/>
At 31 March 2015	92	92
	<hr/>	<hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of share	Aggregate share capital & reserves £	Profit/(loss) for the period £
DFLV Holdings Limited	100% Ordinary	110,691	(93,405)
Home Products Group	100% Ordinary	5,218	244

The registered office address of DFLV Holdings Ltd is Progress House, Cullet Drive, Queenborough, Kent, England, ME11 5JS. The registered office address of Home Products Group Ltd is C/O Astracast, Woodlands Roydsdale Way, Euroway Industrial Estate, Bradford, England, BD4 6SE.

8 Debtors

	2016 £	2015 £
Trade debtors	1,344	-
Amounts owed by group undertakings	297,637	196,614
Amounts owed by related parties	248,225	312,069
Other debtors	77,021	61,772
	<hr/>	<hr/>
	624,227	570,455
	<hr/>	<hr/>

9 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	512,841	46,084
Bank overdrafts	-	11,366
Net obligations under finance leases and hire purchase contracts	11,135	12,132
Amounts owed to group undertakings	1,153,106	719,183
Amounts owed to related parties	4,700	114,700
Accruals and deferred income	16,061	22,136
	<hr/>	<hr/>
	1,697,843	925,601
	<hr/>	<hr/>

Notes *(continued)*

10 Creditors: amounts falling due after one year

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	25,935	78,826
	<u>25,935</u>	<u>78,826</u>

11 Capital and Reserves

Share Capital	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary shares of £1 each	1	1
Shares classified in shareholders' funds	<u>1</u>	<u>1</u>
Profit and loss account	2016 £	2015 £
Opening balance	(349,753)	(6,343)
Loss for the financial period	(714,856)	(343,410)
Closing balance	<u>(1,064,609)</u>	<u>(349,753)</u>

12 Related Party Transactions

As the company is a 100% owned subsidiary of a group whose consolidated financial statements are publicly available, it is not required to disclose transactions with other group undertakings that would otherwise be required.

During the period the Company incurred management fees from Demlin Investments Limited, a company in which there is a common director worth £255,000. The company owed £117,564 to Demlin Investments Limited at the year end.

The company is owed £790 by Demlin Holdings Limited at the year end, a company in which there is a common director. The balance is in relation to certain uk expenses incurred by Demlin Holdings Limited.

Demis Ohandjanian has a director loan with the business to the value of £4,700 which is repayable by the Company on demand.

13 Post Balance Sheet Events

On 22 November 2016, the Company sold the entire ordinary share capital of DFLV Holdings to J R Handling Limited.

Notes *(continued)*

14 Ultimate parent undertaking

The Company is a subsidiary undertaking of The HLD Group Limited. The largest group in which the results of the Company are consolidated is that headed by The HLD Group Limited, incorporated in Malta. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from 114 The Strand, Gzira GZR 1027, Malta.