

Registered number: 11200153

ROMAG HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2019

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ROMAG HOLDINGS LIMITED

ROMAG HOLDINGS LIMITED INFORMATION

Directors

Dr H Moore (appointed 15 March 2019)
P Gruddace (appointed 12 February 2018, resigned 31 December 2018)
LT Dobson (appointed 11 December 2018, resigned 28 January 2019)
MA Jones (appointed 12 February 2018, resigned 31 December 2018)
S Joyce (appointed 11 December 2018, resigned 28 January 2019)

Registered number

11200153

Registered office

39 Sloane Street
London
SW1X 9LP

Independent auditors

Nexia Smith & Williamson
Chartered Accountants & Statutory Auditors
Portwall Place
Portwall Lane
Bristol
BS1 6NA

ROMAG HOLDINGS LIMITED

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ROMAG HOLDINGS LIMITED

**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 MARCH 2019**

Introduction

The company was incorporated on 12 February 2018 and on 5 March 2018 acquired 100% of the share capital of Romag Limited and Romag PPM Limited.

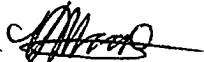
Business review

The company is non-trading and acts as an intermediate holding company. The loss reported for the year of £3,832,567 reflects the impairment of the company's investment in Romag Limited, the provision against monies due from Romag Limited and interest payable on the loan due to FCFM Group Limited.

Principal risks and uncertainties

With the continued support of FCFM Group it is anticipated that the company will continue to help support the business operations undertaken in its subsidiary companies.

This report was approved by the board and signed on its behalf.



Dr H Moore
Director

Date: 31 January 2020

ROMAG HOLDINGS LIMITED

DIRECTOR'S REPORT FOR THE PERIOD ENDED 31 MARCH 2019

The director presents his report and the financial statements for the period ended 31 March 2019.

Director's responsibilities statement

The director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Romag Holdings Limited and of the profit or loss of the Romag Holdings Limited for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Romag Holdings Limited's financial statements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Romag Holdings Limited will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Romag Holdings Limited's transactions and disclose with reasonable accuracy at any time the financial position of the Romag Holdings Limited and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Romag Holdings Limited and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the period, after taxation, amounted to £3,832,567.

There are no dividends paid or proposed.

Directors

The directors who served during the period were:

Dr H Moore (appointed 15 March 2019)
P Gruddace (appointed 12 February 2018, resigned 31 December 2018)
LT Dobson (appointed 11 December 2018, resigned 28 January 2019)
MA Jones (appointed 12 February 2018, resigned 31 December 2018)
S Joyce (appointed 11 December 2018, resigned 28 January 2019)

Future developments

The company will continue to act as a holding company, providing support and funding for the subsidiary companies.

ROMAG HOLDINGS LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2019**

Disclosure of information to auditors

The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Romag Holdings Limited's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Romag Holdings Limited's auditors are aware of that information.

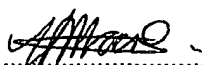
Post balance sheet events

There have been no significant events affecting the Romag Holdings Limited since the year end.

Auditors

The auditors, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


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Dr H Moore
Director

Date: 31 January 2020

ROMAG HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ROMAG HOLDINGS LIMITED

Opinion

We have audited the financial statements of Romag Holdings Limited (the 'company') for the period ended 31 March 2019 which comprise the Profit and loss account, Statement of other comprehensive income, Balance sheet, Statement of changes in equity, Statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ROMAG HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ROMAG HOLDINGS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters 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.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or the directors' report.

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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

ROMAG HOLDINGS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ROMAG HOLDINGS LIMITED
(CONTINUED)**

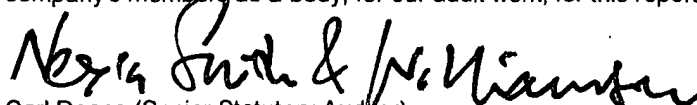
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.


Carl Deane (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Chartered Accountants & Statutory Auditors

Portwall Place

Portwall Lane

Bristol

BS1 6NA

Date:

5 February 2020

ROMAG HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2019**

	Note	Period ended 31 March 2019 £
Administrative expenses	4	(2,092,703)
Operating loss		<u>(2,092,703)</u>
Amounts written off investments	8	(1,329,692)
Interest payable and expenses	6	(410,172)
Loss before tax		<u>(3,832,567)</u>
Loss for the financial period		<u>(3,832,567)</u>
Other comprehensive expense for the period		
Total comprehensive expense for the period		<u><u>(3,832,567)</u></u>

The notes on pages 10 to 15 form part of these financial statements.

ROMAG HOLDINGS LIMITED
REGISTERED NUMBER: 11200163

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £
Fixed assets		
Investments	8	720,048
		<u>720,048</u>
Creditors: amounts falling due within one year	9	<u>(4,552,614)</u>
Net current liabilities		<u>(4,552,614)</u>
Total assets less current liabilities		<u>(3,832,566)</u>
Net liabilities		<u><u>(3,832,566)</u></u>
Capital and reserves		
Called up share capital	10	1
Profit and loss account	11	(3,832,567)
		<u><u>(3,832,566)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

31 January 2020



Dr H Moore
Director

The notes on pages 10 to 15 form part of these financial statements.

ROMAG HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2019**

	Called up share capital £	Profit and loss account £	Total equity £
Comprehensive income for the period			
Loss for the period	-	(3,832,567)	(3,832,567)
Other comprehensive expense for the period	-	-	-
Total comprehensive expense for the period	-	(3,832,567)	(3,832,567)
Shares issued during the period	1	-	1
Total transactions with owners	1	-	1
At 31 March 2019	1	(3,832,567)	(3,832,566)

The notes on pages 10 to 15 form part of these financial statements.

ROMAG HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

1. General information

Romag Holdings Limited is a private limited company limited by shares and is incorporated in England. The address of the registered office and principal activities have been disclosed earlier in these accounts.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company is exempt from preparing consolidated accounts under section 400 of the Companies Act. The consolidated accounts of FCFM Group Limited and IPGL (Holdings) Limited into which these accounts are included, are available from Companies House, Cardiff..

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Romag Holdings Limited's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors received confirmation of ongoing support from the parent company and on the basis of this is satisfied that the accounts should be prepared on the going concern basis.

2.3 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.6 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially

ROMAG HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.6 Financial instruments (continued)

and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

There are no significant areas of judgement or estimation used in the preparation of these accounts.

4. Auditors' remuneration

	Period ended 31 March 2019 £
Amount payable for the audit of the financial statements	5,000

ROMAG HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019**

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration.

6. Interest payable and similar expenses

	Period ended 31 March 2019 £
Other loan interest payable	410,172
	<u>410,172</u>

7. Taxation

	Period ended 31 March 2019 £
Total current tax	-
Deferred tax	
Total deferred tax	-
Taxation	-

ROMAG HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019**

7. Taxation (continued)**Factors affecting tax charge for the period**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Period ended 31 March 2019 £
Loss before tax	(3,832,567)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19%	(728,188)
Effects of:	
Non-tax deductible impairments	650,245
Unrelieved tax losses carried forward	77,943
Total tax charge for the period	-

Factors that may affect future tax charges

The company has tax losses of c£410k available to carry forward against future taxable profits. No deferred tax asset has been recognised in respect of these. The standard rate of corporation tax changes to 17% from 1 April 2020.

ROMAG HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019**

8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	2,049,740
At 31 March 2019	<u>2,049,740</u>
Impairment	
Charge for the period	1,329,692
At 31 March 2019	<u>1,329,692</u>
Net book value	
At 31 March 2019	<u><u>720,048</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the Romag Holdings Limited:

Name	Registered office	Class of shares	Holding
Romag Limited	39 Sloane Street, London	Ordinary	100%
Romag PPM Limited	39 Sloane Street, London	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2017 and the loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Loss £
Romag Limited	(3,076,579)	(3,185,834)
Romag PPM Limited	1,959,023	(1,326,827)

ROMAG HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019**

9. Creditors: Amounts falling due within one year

	2019 £
Amounts owed to group undertakings	4,552,614
	<u>4,552,614</u>

The above has been secured by fixed and floating charges over the assets of the company and its subsidiaries

10. Share capital

	2019 £
Allotted, called up and fully paid	
1 Ordinary share of £1.00	<u>1</u>

One ordinary share was issued on incorporation.

11. Reserves

Profit and loss account

The profit and loss reserve represents accumulated profits and losses less distributions to shareholders.

12. Related party transactions

The company is exempt from disclosing any related party transactions undertaken with wholly owned members of the group.

13. Controlling party

The company is a subsidiary of FCFM Group Limited with the ultimate parent undertaking being IPGL (Holdings) Limited. Both companies are incorporated in England, consolidated accounts are available from Companies House, Cardiff.

The ultimate controlling party is considered to be Mr M Spencer, by virtue of his shareholding in IPGL (Holdings) Limited.