

# Letts Filofax Group Limited

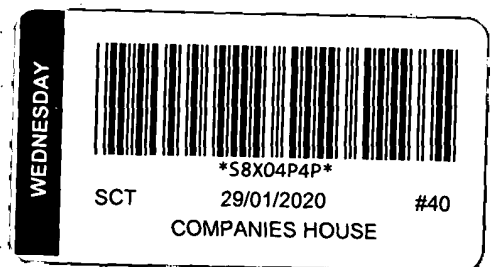
## Report and Financial Statements

30 April 2019

**COMPANIES HOUSE  
EDINBURGH**

**29 JAN 2020**

**FRONT DESK**



## Letts Filofax Group Limited

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### **Directors**

H Savoy  
R Lepine

### **Secretary**

MacRoberts Corporate Services Limited  
Capella Building (10th Floor)  
60 York Street  
Glasgow G2 8JX

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

### **Bankers**

Santander UK  
Bridle Road  
Bootle  
Merseyside L30 4UA

### **Solicitors**

MacRoberts LLP  
30 Semple Street  
Edinburgh EH3 8BL

### **Registered Office**

Excel House (4th Floor)  
30 Semple Street  
Edinburgh EH3 8BL

## Strategic Report

The directors present their strategic report for the year ended 30 April 2019.

### Principal activity and strategy

The principal activity of the company during the year was that of investment holding.

### Review of the business

The company did not trade during the current or preceding year. The only transactions were to write down investments and write off certain creditor balances, resulting in a loss of £37,000 (2018: £nil). The company had shareholder's funds of £354,000 at 30 April 2019 (2018: £391,000)

### Future developments

The company is unlikely to begin trading in the foreseeable future and it is the directors' intention that the company will continue as an investment holding company.

### Principal risks and uncertainties

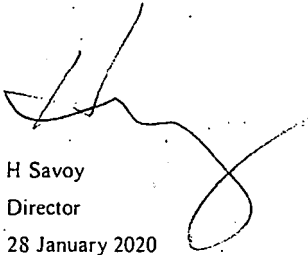
The company is part of a group whose ultimate parent is HSGP Investments Ltd. The company is reliant upon the continued operation of the group to ensure it can continue to operate as a going concern.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future.

As a non trading intermediate holding company the only other significant risk is the value of its investment and the potential decline in the underlying assets.

The directors do not consider interest rate, foreign currency and liquidity risks to be applicable.

Approved by the board and signed on behalf of the board by:



H Savoy  
Director  
28 January 2020

## Letts Filofax Group Limited

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Registered No. SC206359

### Directors' report

The directors present their report and audited financial statements for the year ended 30 April 2019.

#### Results and dividends

The result for the financial year ended 30 April 2019 after taxation amounted to a loss £37,000 (2018 – £nil). The directors do not recommend a final dividend (2018 – £nil).

#### Future developments

The company is unlikely to begin trading in the foreseeable future and it is the directors' intention that the company will continue as an investment holding company. Principal risks and uncertainties are discussed in the Strategic Report on page 2.

#### Going concern

The company is in a net current liabilities position. However, the directors have received confirmation from intercompany creditors that repayment of amounts due totalling £4,753,000 will not be demanded within twelve months of the date of signing of these financial statements unless sufficient funds are available.

The company is part of a group whose ultimate parent is HSGP Investments Ltd. The company is reliant upon the continued operation of the group to ensure it can continue to operate as a going concern.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

#### Directors

The directors who served the company throughout the year and up to the date of this report were as follows:

H Savoy  
R Lepine

#### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware. Having made enquiries of fellow directors and the company's auditors, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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The financial statements on pages 7 to 14 were approved by the Board of Directors on 28 January 2020 and signed on its behalf by:

  
H Savoy  
Director  
28 January 2020

## ***Statement of directors' responsibilities in respect of the financial statements***

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

## ***Independent auditors' report to the members of Letts Filofax Group Limited***

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Letts Filofax Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 April 2019; the statement of income and retained earnings for the year ended 30 April 2019; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

**Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 April 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

**Responsibilities for the financial statements and the audit**

**Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

**Auditors' 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 auditors' 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

  
Mark Hoskyns-Abraham (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh  
28 January 2020

## Statement of income and retained earnings

for the year ended 30 April 2019

	<i>2019</i>	<i>2018</i>
	<i>£000</i>	<i>£000</i>
Write down of investments	(37)	–
Tax	–	–
<b>Result for the financial year</b>	<b>(37)</b>	<b>–</b>
<b>Accumulated deficit at the beginning of the year</b>	<b>(402)</b>	<b>(402)</b>
<b>Accumulated deficit at the end of the year</b>	<b>(439)</b>	<b>(402)</b>



Letts Filofax Group Limited

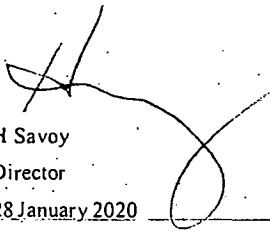
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**Balance sheet**

as at 30 April 2019

	<i>Notes</i>	2019 £000	2018 £000
<b>Fixed assets</b>			
Investments	7	4,883	9,615
<b>Current assets</b>			
Debtors	8	269	269
<b>Creditors: amounts falling due within one year</b>	9	(4,798)	(9,493)
<b>Net current liabilities</b>		(4,529)	(9,224)
<b>Total assets less current liabilities</b>		354	391
<b>Net assets</b>		354	391
<b>Capital and reserves</b>			
Called up share capital	10	8	8
Share premium account		785	785
Profit and loss account		(439)	(402)
<b>Total shareholder's funds</b>		354	391

The financial statements on pages 7 to 14 were approved by the Board of Directors on 28 January 2020 and signed on its behalf by:

  
H Savoy  
Director  
28 January 2020

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## Notes to the financial statements

for the year ended 30 April 2019

### 1. General information

The company is a private company limited by shares and is registered and incorporated in Scotland. The address of the registered office is Excel House (4th Floor), 30 Sempole Street, Edinburgh EH3 8BL. The principal activity of the company during the year was that of investment holding.

### 2. Statement of compliance

The individual financial statements of Letts Filofax Group Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### 3. Summary of significant 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 all the years presented, unless otherwise stated.

#### *(a) Basis of preparation*

These financial statements have been prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Due to the straightforward nature of the entity, the director considers that there are no areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements. As such, no critical accounting estimates and assumptions note has been prepared.

#### *(b) Going concern*

These financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future and be able to meet its liabilities as they fall due. The company is in a net current liabilities position. However, the directors have received confirmation from intercompany creditors that repayment of amounts due totalling £4,753,000 will not be demanded within twelve months of the date of the signing of these financial statements unless sufficient funds are available.

The company is part of a group whose ultimate parent is HSGP Investments Ltd. The company is reliant upon the continued operation of the group to ensure it can continue to operate as a going concern.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

#### *(c) Exemptions for qualifying entities under FRS 102*

The company has taken advantage of the exemptions under FRS 102 paragraph 1.12(b) from preparing a statement of cash flows and under FRS 102 paragraph 1.12(c) from the financial instrument disclosure requirements on the basis that it is a qualifying entity and its ultimate parent company, HSGP Investments Ltd, meets the financial instrument disclosure requirements and includes the company's cash flows in its own consolidated financial statements.

#### *(d) Functional and presentational currency*

The company's functional and presentation currency is pounds sterling.

## Notes to the financial statements

for the year ended 30 April 2019

### 3. Summary of significant accounting policies (continued)

#### *(e) Consolidated financial statements*

The financial statements contain information about Letts Filofax Group Limited as an individual company and do not contain group financial information as the parent of a company. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare group financial statements.

#### *(f) Dividends*

Revenue is recognised when the company's right to receive payment is established.

#### *(g) Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences 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.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### *(h) Investments*

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

#### *(i) Related party transactions*

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned per FRS102 section 33.1A.

### 4. Auditors' remuneration

The auditors' remuneration is included in the financial statements of the company's fellow subsidiary, FLB Group Limited, from which the audit fee will be payable.

### 5. Directors' remuneration and staff costs

The only employees of the company were the directors who did not receive any remuneration from the company (2018 – £nil). In the current year and prior year the directors received remuneration from the company's fellow subsidiary, FLB Group Limited and the amounts attributable to the company for services rendered are not separately identifiable.

## Notes to the financial statements

for the year ended 30 April 2019

### 6. Tax

The amounts of deferred tax provided and unprovided are as follows:

	<i>Provided</i>		<i>Not provided</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Deferred tax	–	–	40	40

The unprovided deferred tax asset principally arises from trade losses carried forward which should be available to be recovered against any taxable trading profits in future years. The deferred tax asset has not been recognised as the reversal of these amounts is not certain.

### 7. Investments

	<i>Subsidiary undertakings £000</i>
Cost:	
At 30 April 2018	24,229
Disposal	<u>(13,334)</u>
At 30 April 2019	<u>10,895</u>
Provision for impairment:	
At 30 April 2018	14,614
Disposal	<u>(8,602)</u>
At 30 April 2019	<u>6,012</u>
Net book value:	
At 30 April 2018	9,615
Disposal	<u>(4,732)</u>
At 30 April 2019	<u>4,883</u>

In the year the company disposed of its investments in Barnard and Jackson (Holdings) Limited and DRBG (UK) Ltd following their liquidation.

The directors consider the carrying value of the investments to be supported by their underlying assets.

The following are the subsidiary undertakings of the company as at 30 April 2019. The holdings represent 100% of the issued ordinary share capital of each company:

Companies incorporated in Scotland:

<b>Company</b>	<b>Principal activity</b>
Charles Letts Group Limited	Investment Holding
FLB Group Limited*	Publication of diaries, distribution of time management products and the manufacture and sale of stationery products

Registered Office Address: Excel House (4<sup>th</sup> Floor) 30 Seiple Street, Edinburgh, EH3 8BL

## Notes to the financial statements

for the year ended 30 April 2019

### 7. Investments (continued)

Companies incorporated in England:

Company	Principal activity
Charles Letts (Holdings) Limited*	Investment Holding
Charles Letts (Canada) Limited *	Dormant
Charles Letts Employee Benefit Trust Limited*	Dormant
Charles Letts Properties Limited*	Dormant
Filofax Group Limited	Investment Holding
Filofax Limited**	Investment Holding
Filofax France Limited**	Dormant
Filofax Pension Trustee Limited**	Trustee of Pension Plan

Registered Office address: 21 Perrymount Road, Haywards Heath, West Sussex, RH16 3TP

Other subsidiaries:

Company	Country of Incorporation	Registered address	Principal activity
Filofax GmbH****	Hamburg	Ain Kronberger Hang 3, 65824 Schwalbach, Germany	Distributor of organisers and stationery products
Filofax Italia SRL****	Italy	Via del Rondinino 4/B, 50132 Florence, Italy	In Liquidation
FLB Group Asia Limited****	Hong Kong	16 <sup>th</sup> Floor Win On Centre 111 Connaught Road Central, Hong Kong	Sourcing of organisers and stationery products
Filofax, Inc			Dormant
Filofax Retail Inc***			Dormant
Filofax Via Mail Inc***	USA		Dormant

\* held indirectly through Charles Letts Group Limited

\*\* held indirectly through Filofax Group Limited

\*\*\* held indirectly through Filofax, Inc

## Notes to the financial statements

for the year ended 30 April 2019

### 8. Debtors

	2019	2018
	£000	£000
Amounts owed by group undertakings:	<u>269</u>	<u>269</u>

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 9. Creditors: amounts falling due within one year

	2019	2018
	£000	£000
Amounts owed to group undertakings	4,753	9,448
Accruals and deferred income	45	45
	<u>4,798</u>	<u>9,493</u>

The amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 10. Called up share capital

<i>Allotted, called up and fully paid</i>	No.	2019		2018	
		£	No.	£	No.
Ordinary shares of £0.01 each	217,040	2,170	217,040	2,170	2,170
A Ordinary shares of £0.01 each	621,211	6,212	621,211	6,212	6,212
		<u>8,382</u>		<u>8,382</u>	

In each financial year the company's distributable profits are distributed first to the holders of the A ordinary shares by way of an A dividend. The rates applying to the A dividend are noted in the company's Articles of Association.

On a return of capital the holders of the A ordinary shares are entitled to any arrears on the A dividend and then to the subscription price paid for their shares. The holders of the ordinary shares are then entitled to receive the subscription price paid for their shares. Any remaining surplus is distributed to the holders of the ordinary and A ordinary shares on a pro rata basis.

Each holder of ordinary and A ordinary shares is entitled to one vote per share held, subject to certain provisions for default periods and restrictions defined in the company's Articles of Association.

### 11. Contingent liabilities

As at 30 April 2019 guarantees have been given by the company for an inter company loan of £15,832,000 (2018 - £16,079,000) due to the ultimate parent company.

## Notes to the financial statements

for the year ended 30 April 2019

### 12. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is FLB Holdings Limited, a company registered in Scotland.

The company's ultimate parent undertaking is HSGP Investments Ltd, a private company registered in Scotland. The smallest and the largest group to consolidate these results is HSGP Investments Ltd. Copies of the group financial statements are available from 30 Semple Street Edinburgh EH3 8BL.

The ultimate controlling party is Mr H Savoy.