

**Company Registration No. 04558176**

**ENIC Limited**

**Report and Financial Statements**

**31 December 2014**

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COMPANIES HOUSE

# **ENIC Limited**

## **Report and financial statements 2014**

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# **ENIC Limited**

## **Report and financial statements 2014**

### **Officers and professional advisers**

#### **Directors**

D P Levy  
M J Collecott

#### **Secretary**

M J Collecott

#### **Registered Office**

748 High Road  
London  
N17 0AP

#### **Bankers**

HSBC Bank plc  
70 Pall Mall  
London  
SW1Y 5EZ

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London  
United Kingdom

# ENIC Limited

## Strategic report

The Directors present their strategic report of ENIC Limited and its subsidiaries ('the Group') for the year ended 31 December 2014

### Principal activities and performance of the business during the period

During the year the Group continued the policy of rationalising the ENIC Group's portfolio of assets.

The Entertainment division retains the deferred income from a lease assignment in the Venetian hotel in Las Vegas.

The Group continued to operate Raz Air Limited, which owns an Embraer Legacy 600 executive jet. The jet is operated through a chartering company, running a commercial executive airline business.

The Group's year end position resulted in net assets of £24m (31 December 2013: £21m)

The key performance indicators for the board relate to building long term investment growth through its investment portfolio.

The board are significantly involved in the operating activities of the Group's key investments and believe that the current portfolio of assets meets the board's expectations. Investment opportunities are frequently reviewed by the board and assessed as to their viability and fit within the Group's current structure. Where appropriate the Group will continue to invest where it sees potential for long term growth.

### Principal risks and uncertainties

Each sector of the business retains its own commercial risks which include property valuation within the property division and economic conditions affecting the amount of hours the executive jet is chartered. The Group has no specific reliance on any division and continues to focus on consolidating its cash holdings. The commercial risks are deemed to be mitigated by the group maintaining a diverse portfolio.

### Going concern

The Group meets its day to day working capital requirements through operating profits and revenue streams from throughout the Group. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its facilities. The Group renewed, reduced and refinanced its banking facilities until September 2017. The Group has held discussions with its bankers about its future borrowing needs and no matters have been drawn to its attention to suggest that future renewals will not be forthcoming on acceptable terms. The Group is in compliance with all of its covenants and has sufficient headroom for the foreseeable future.

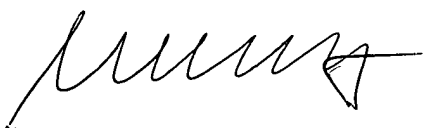
After making enquires and taking into consideration the Group balance sheet position and forecasted trading performance, the directors have formed the judgement that there is a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

### Results and dividends

The Group broke even for the year, after taxation (31 December 2013 net profit: £146,000).

No dividend was paid in the period to 31 December 2014 (31 December 2013: £nil).

Approved by the Board of Directors  
and signed on behalf of the Board



M J Collecott  
Director

17 November 2015

# ENIC Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

### Directors

The directors who served throughout the period were as follows:

D P Levy  
M J Collecott

### Amendment

It should be noted that on 19th October 2015, the ENIC Limited statutory accounts were filed in error with Companies House incorrectly incorporating the results of a dormant subsidiary (of a similar name). This was an administrative error and these accounts herein are the correct consolidated accounts of ENIC Limited for the year ended 31 December 2014.

### Supplier payment policy

It is the Group's payment policy to obtain the best possible terms for all its businesses and therefore there is no single policy as to the terms used. In general, the Group agrees with its suppliers the terms on which business will take place and it is the Group's policy to abide by these terms. At 31 December 2014 the Group had trade creditors of £0.1m (31 December 2013: £0.1m). The company's subsidiaries are free to settle their liabilities in accordance with local trading practices.

### Information to auditor

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

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

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

### Auditor

A resolution to re-appoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



M J Collecott  
Director

17 November 2015

# **ENIC Limited**

## **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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.

## **Independent auditor's report to the members of ENIC Limited**

We have audited the financial statements of ENIC Limited for the year ended 31 December 2014 which comprise the consolidated profit and loss account, the consolidated balance sheet, the company balance sheet and the consolidated cash flow statement and the related notes 1 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent company's affairs as at 31 December 2014 and of the group's result 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and 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 ENIC 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Nigel Mercer (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom  
17 November 2015



# ENIC Limited

## Consolidated profit and loss account Year ended 31 December 2014

	Notes	2014 £'000	2013 £'000
<b>Turnover</b>	2	1,555	1,348
Cost of sales		(596)	(558)
<b>Gross profit</b>		959	790
Operating expenses		(1,755)	(1,371)
<b>Operating loss</b>	3	(796)	(581)
Other income		12	53
<b>Loss on ordinary activities before finance charges</b>		(784)	(528)
Net interest receivable/(payable)	4	784	(179)
<b>(Loss) on ordinary activities before taxation</b>		-	(707)
Tax credit on loss on ordinary activities	6	-	853
<b>Profit on ordinary activities after taxation</b>	19	-	146

The accompanying accounting policies and notes form an integral part of these financial statements.

All amounts derive from continuing operations.

No other gains or losses were recognised in the current or prior year and therefore no separate statement of total recognised gains and losses is presented.

# ENIC Limited


## Consolidated balance sheet 31 December 2014

	Notes	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Tangible assets	9	6,564	6,884
Investment property	11	6,443	3,095
Goodwill	12	-	102
		<u>13,007</u>	<u>10,081</u>
<b>Current assets</b>			
Stock	13	11,517	11,501
Debtors	14	21,380	37,061
Cash at bank and in hand		524	650
		<u>33,421</u>	<u>49,212</u>
<b>Creditors: amounts falling due within one year</b>	15	(9,320)	(38,002)
<b>Net current assets</b>		<u>24,101</u>	<u>11,210</u>
<b>Total assets less current liabilities</b>		37,108	21,291
<b>Creditors: amounts falling due in more than one year</b>	16	(12,915)	-
<b>Net assets</b>		<u>24,193</u>	<u>21,291</u>
<b>Capital and reserves</b>			
Called up share capital	18	1	1
Revaluation reserve		2,805	(97)
Profit and loss account	19	21,387	21,387
<b>Shareholders' funds</b>	23	<u>24,193</u>	<u>21,291</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

The financial statements of the company, registered number, 4558176, were approved by the Board of Directors on 17 November 2015.

Signed on behalf of the Board of Directors



M J Collecott  
Director

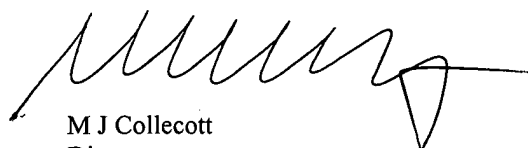
# ENIC Limited

## Company balance sheet 31 December 2014

	Notes	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Investments	10	43,173	40,683
Investment Property		-	2,045
		<u>43,173</u>	<u>42,728</u>
<b>Current assets</b>			
Debtors	14	10,984	785
Cash at bank and in hand		318	-
		<u>11,302</u>	<u>785</u>
<b>Creditors : amounts falling due within one year</b>	15	<u>(2,105)</u>	<u>-</u>
<b>Net current assets</b>		9,197	785
<b>Total assets less current liabilities</b>		52,370	43,513
<b>Creditors: amounts falling due after more than one year</b>	16	<u>(10,000)</u>	<u>(3,391)</u>
<b>Net assets</b>		<u>42,370</u>	<u>40,122</u>
<b>Capital and reserves</b>			
Called up share capital	18	1	1
Profit and loss account	19	42,369	40,121
<b>Shareholders' funds</b>		<u>42,370</u>	<u>40,122</u>

The financial statements of the company, registered number, 4558176, were approved by the Board of Directors on 17 November 2015.

Signed on behalf of the Board of Directors

  
 M J Collecott  
 Director

# ENIC Limited

## Consolidated cash flow statement Year ended 31 December 2014

	Notes	2014 £'000	2013 £'000
<b>Net cash (outflow)/inflow from operating activities</b>	20	(1,858)	4,572
<b>Returns on investments and servicing of finance</b>			
Interest received		-	-
Interest paid		(1,026)	(1,269)
<b>Net cash (outflow)/inflow from return on investments and servicing of finance</b>		(1,026)	(1,269)
<b>Taxation</b>		-	853
<b>Capital expenditure and financial investments</b>			
Purchase of tangible fixed assets		(582)	(2,045)
<b>Net cash (outflow) from capital expenditure and financial investments</b>		(582)	(2,045)
<b>Financing</b>			
Bank loan repayment		(30,500)	-
Bank loan advances		14,915	-
Repayment of third party loans		(1,265)	(1,806)
New Group loans		20,190	-
<b>Net cash inflow/(outflow) from financing</b>		3,340	(1,806)
<b>(Decrease)/increase in cash and cash equivalents</b>	21	(126)	305

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### 1. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current year and preceding year.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom accounting standards.

#### **Going concern**

The accounts have been prepared on a going concern basis as discussed in the Strategic Report on page two.

#### **Basis of consolidation**

The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiary undertakings acquired or sold during the period are consolidated to or from the date on which control passed. Acquisitions are accounted for under the acquisition method.

#### **Turnover**

Turnover is recognised on the accruals basis and represents invoiced services net of related sales taxes.

Executive jet charter income arises wholly in the UK, and is recognised on an accruals basis, based on when the charter takes place.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost net of depreciation and any provisions for impairment.

#### **Depreciation**

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The periods generally applicable are:

Aircraft engines	5,000 flying hours
Aircraft frames	20 years
Fixtures, fittings, tools and equipment	4 to 10 years

#### **Goodwill**

Goodwill arising on the acquisition of subsidiary and associate undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life (20 years). Provision is made for any impairment.

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### 1. Accounting policies (continued)

#### Investment property

Investment properties are revalued annually to open market value. Surpluses or deficits on individual properties are transferred to the investment revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or reversal of such a deficit, is charged (or credited) to the profit and loss account. Depreciation is not provided in respect of freehold investment properties, or in respect of leasehold investment properties where the unexpired term of the lease is more than 20 years. The members consider that this accounting policy, which represents a departure from statutory accounting rules, is necessary to provide a true and fair view as required under SSAP 19 Accounting for investment properties. The financial effect of the departure from the statutory accounting rules cannot be reasonably quantified.

#### Stock

Stock is valued at the lower of cost and net realisable value.

#### Foreign currencies

Transactions in foreign currencies are translated at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at that date. The results of foreign subsidiaries are translated at the closing rates for the balance sheet date and the average exchange rate for the period for the profit and loss account. The exchange differences arising from the re-translation of the opening net assets of subsidiaries are reported in the statement of total recognised gains and losses. All other exchange differences are included in the profit and loss account.

#### Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries and associates only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary or associate.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### 1. Accounting policies (continued)

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### Contribution to pension funds

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs is the contribution payable in the period. Differences between contributions payable in the period and those actually paid are accounted for in the balance sheet.

## 2. Segmental information and geographical analysis

### (a) Segmental information

	2014 £'000	2013 £'000
<b>Turnover by division</b>		
ENIC Entertainment	320	315
Property and Group management	227	132
Executive airline	1,008	901
	<u>1,555</u>	<u>1,348</u>
<b>Profit/(loss) on ordinary activities after taxation</b>		
ENIC Entertainment	291	(9)
Property and Group management	274	222
Executive airline	(565)	(67)
	<u>-</u>	<u>146</u>
<b>Net assets</b>		
ENIC Entertainment	596	598
Property and Group management	16,895	13,588
Executive airline	6,702	7,105
	<u>24,193</u>	<u>21,291</u>

### (b) Geographical analysis

	2014 £'000	2013 £'000
<b>Turnover by origin and destination</b>		
UK	1,235	1,033
Other	320	315
	<u>1,555</u>	<u>1,348</u>
<b>Profit/(loss) on ordinary activities after taxation</b>		
UK	(1,759)	(79)
Other	1,759	225
	<u>-</u>	<u>146</u>

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### 2. Segmental information and geographical analysis (continued)

	2014 £'000	2013 £'000
Net assets		
UK	23,597	20,693
Other	596	598
	<u>24,193</u>	<u>21,291</u>

### 3. Group operating loss

The loss on ordinary activities is stated after charging:

	2014 £'000	2013 £'000
Fees payable to the company's auditor		
-for the audit of the company's annual accounts	10	10
-for the audit of the company's subsidiary accounts	20	20
Depreciation of tangible fixed assets	902	885
Amortisation of goodwill	-	11
Impairment of goodwill	102	-
	<u>102</u>	<u>-</u>

### 4. Net interest

	2014 £'000	2013 £'000
Interest receivable on Group loans	969	1,090
Bank interest payable	(580)	(1,269)
Other interest receivable	395	-
	<u>784</u>	<u>(179)</u>

### 5. Directors and employees

Total emoluments of directors and the emoluments of the highest paid director of the Group during the year were as follows:

	2014 £'000	2013 £'000
Fees	-	-

Total cost of employees, including directors, during the year was as follows:

	2014 £'000	2013 £'000
Wages and salaries	-	-
Social security costs	-	-
Pension and other costs	-	-
	<u>-</u>	<u>-</u>



# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

No payments were made in respect of directors' pension schemes. (2013: £nil)

### 5. Directors and employees (continued)

#### Average number of employees

The average number of employees, including directors during the year was as follows:

	2014 £'000	2013 £'000
Administrative and central support	2	3

The number of employees at the year end was 2 (2013: 3). No employees drew any emoluments from the Group.

### 6. Tax on profit/(loss) on ordinary activities

Analysis of tax credit for the current year

	2014 £'000	2013 £'000
Adjustments in respect of prior years	-	(853)
Total current tax credit	-	(853)

The tax credit which is reconciled as follows:

	2014 £'000	2013 £'000
(Loss) on ordinary activities before tax	-	(707)
Profit/(loss) on ordinary activities at standard rate of corporation tax in the UK 21.5% (2013: 23.25%)	-	164
Effects of:		
Expenditure not tax deductible	(60)	(17)
Depreciation in (excess)/arrear of capital allowances	(194)	3
Non-taxable income	63	70
Carry forward of tax losses	(138)	(341)
Utilisation of tax losses brought forward	325	121
Adjustments in respect of prior years	-	(853)
Current tax credit	-	(853)

There are no provided deferred tax liabilities in the current year or prior year. The tax charge in future periods may be affected by losses carried forward which are not recognised by the Group. A deferred tax asset for tax losses and other timing differences has not been recognised because in the opinion of the directors there is unlikely to be sufficient taxable income available in the foreseeable future. The total potential deferred tax asset that has not been recognised in respect of tax losses and other timing differences at a tax rate of 20% (2013: 20%) is £2,284,000 (2013: £2,358,000).

# **ENIC Limited**

## **Notes to the accounts Year ended 31 December 2014**

### **6. Tax on loss on ordinary activities (continued)**

#### **Factors that may affect future tax charges**

The standard rate of UK Corporation Tax reduced from 21% to 20% on 1 April 2015. The Finance Act 2015, which received Royal Assent on 26 March 2015, states that this rate will not change for financial year 2016. Deferred tax has been calculated accordingly in these financial statements.

In his budget of 8 July 2015, the Chancellor of the Exchequer announced tax rate changes, which, if enacted in the proposed manner, will have an effect on the company's future tax position. These additional changes will reduce the standard rate of UK corporation tax from 20% to 19% from 1 April 2017, and 18% from 1 April 2020. These proposed changes had not been substantively enacted at the balance sheet date and consequently their effects are not included in these financial statements. The effect of these announced reductions is not likely to be material.

The above changes to the rate of corporation tax will impact the amount of future cash tax payments to be made by the company.

### **7. Result for the financial year**

The parent company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Group results for the year include a loss of £654,000 (2013: loss of £561k) which is dealt with in the financial statements of the company.

### **8. Dividends**

No dividend was declared or paid during the year (2013: £nil).

## ENIC Limited

### Notes to the accounts Year ended 31 December 2014

#### 9. Tangible fixed assets

<b>Group</b>	<b>Embraer Legacy 600 Aircraft £'000</b>
<b>Cost</b>	
At 1 January 2014	12,563
Additions	582
	<hr/>
At 31 December 2014	13,145
	<hr/>
<b>Depreciation</b>	
At 1 January 2014	5,679
Charge for the year	902
	<hr/>
At 31 December 2014	6,581
	<hr/>
<b>Net book value</b>	
At 31 December 2014	6,564
	<hr/>
At 31 December 2013	6,884
	<hr/>

There were no fixed assets held by ENIC Limited at the year end (2013: £nil). There are no assets held under finance leases in both the Group and the company in the current or prior year.

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### 10. Investments

#### Subsidiary undertakings

Interests in subsidiary undertakings held by the Company are as follows:

Undertaking	Country of registration	Nature of business	Effective holding
<b>ENIC</b>			
ENIC Group	England and Wales	Holding company	100%
*Raz Air Limited	England and Wales	Executive airline	100%
<b>ENIC Entertainment</b>			
*ENIC Entertainment Limited	England and Wales	Holding company	100%
*ENIC Entertainment (Restaurants) Limited	England and Wales	Holding company	100%
*WB/ENIC Soundstage Restaurants L.P.	USA	Property company	100%
<b>ENIC Property</b>			
*Transglobal Estates Limited	England and Wales	Property company	100%
*Brook Road Limited	England and Wales	Property company	100%
*Upper Street Investments LLP	England and Wales	Property company	95%

Investments marked with an asterisk (\*) are investments of the company which are held indirectly.

The Company's investment at 31 December 2014 was £43,173,000 (2013: £40,683,000) which represents the cost and net book value of the investment made by ENIC Limited to acquire the entire share capital of ENIC Group. During the year the investment properties were transferred to investments as described in Note 11.

### 11. Investment property

	Property Investments £'000
<b>Group</b>	
Cost at 1 January 2014	3,095
Revaluation	2,902
Transfer from debtors	446
At 31 December 2014	<u>6,443</u>
<b>Company</b>	
Cost at 1 January 2014	2,045
Additions	3
Revaluation	2,902
Disposal to Upper Street Investments LLP	(4,950)
Cost at 31 December 2014	<u>-</u>

During the year the investment properties that ENIC Limited had formerly held in 159-168 Upper Street LLP were distributed to ENIC Limited as a return of capital. The properties were subsequently revalued and transferred to Upper Street Investments LLP in return for the 95% holding in the LLP.

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### 12. Goodwill - Group

	<b>Total £'000</b>
<b>Cost</b>	
Cost on acquisition, and at year end	226
<b>Amortisation</b>	
Amortisation at 1 January 2014	124
Charge for year	-
Impairment	102
Amortisation at 31 December 2014	226
Net book value at 31 December 2014	-
Net book value at 31 December 2013	102

### 13. Stock - Group

	<b>2014 £'000</b>	<b>2013 £'000</b>
Finished goods and goods for resale	11,517	11,501

Stock represents a property development which is ready for resale. Current valuations indicate all amounts are recoverable in full.

### 14. Debtors

	<b>Group</b>		<b>Company</b>	
	<b>2014 £'000</b>	<b>2013 £'000</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
Amounts due from Group companies	8,740	28,277	6,370	-
Trade debtors	231	125	-	-
Other debtors	12,409	8,659	4,614	785
	<u>21,380</u>	<u>37,061</u>	<u>10,984</u>	<u>785</u>

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

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

	Group		Company	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Trade creditors	90	136	-	-
Other creditors	7,105	7,010	105	-
Accruals and deferred income	125	356	-	-
Bank loan	2,000	30,500	2,000	-
	<u>9,320</u>	<u>38,002</u>	<u>2,105</u>	<u>-</u>

### 16. Creditors: amounts falling due after more than one year - Group

	2014	2013
	£'000	£'000
Bank loans	<u>12,915</u>	<u>-</u>

A new facility of £12m was put in place during the year. The loan is due to mature in June 2017 (£2m payable in June 2015 and therefore shown within creditors due in one year), bearing interest at Libor +3%. The facility refinanced the previous loan with the Bank of Scotland of £30.5m.

A further bank loan of £2.9m was also put in place during the year. The loan is due to mature 5 years from drawdown, bearing interest at Libor + 2.5%. The facility is secured on the properties held by Upper Street Investments LLP.

The company only balance sheet shows the £10m from the new facility. The £2.9m relates to another group company.

### 17. Deferred taxation

	Group		Company	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Deferred taxation assets not recognised are as follows:				
Losses	2,012	2,445	254	143
Accelerated capital allowances	272	(87)	-	-
	<u>2,284</u>	<u>2,358</u>	<u>254</u>	<u>143</u>

No deferred tax asset has been recognised in relation to losses since they arise in companies where there are presently limited taxable profits against which they may be offset. Tax relief in relation to other short term timing differences will be available only if there are taxable profits in other Group companies.

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### 18. Called up Share capital

Group and Company	Group		Company	
	2014 No.	2014 £'000	2014 No.	2014 £'000
Allotted, called up and fully paid Ordinary shares of 1p	100,000	1	100,000	1

### 19. Reserves

Group	Profit and loss account 2014 £'000	Profit and loss account 2013 £'000
At 1 January	21,290	21,144
Retained profit for the year	-	146
Revaluation revenue	2,902	-
At 31 December	24,193	21,290
Company	Profit and loss account 2014 £'000	Profit and loss account 2013 £'000
At 1 January	40,121	40,682
Retained loss for the year	(654)	(561)
Revaluation revenue	2,902	-
At 31 December	42,370	40,121

### 20. Net cash inflow/(outflow) from operating activities

	2014 £'000	2013 £'000
Loss on ordinary activities before interest	(784)	(528)
Depreciation of tangible fixed assets	902	885
Amortisation of goodwill	-	11
Impairment of goodwill	102	-
Increase in stock	(5)	(21)
(Increase)/decrease in debtors	(2,086)	5,127
Increase/(decrease) in creditors	13	(902)
Net cash (outflow)/inflow from operating activities	(1,858)	4,572

# ENIC Limited

## Notes to the accounts Year ended 31 December 2014

### 21. Reconciliation of net cash flow to movement in net debt

	2014 £'000	2013 £'000
(Decrease)/increase in cash	(126)	305
Net debt at the beginning of the year	(29,850)	(30,155)
Net repayment of facilities	15,585	-
Net debt at 31 December	<u>(14,391)</u>	<u>(29,850)</u>

### 22. Analysis of changes in net debt

	1 January 2014 £'000	Cash flow £'000	31 December 2014 £'000
Cash in hand and at bank	650	(126)	524
Debt due within one year	(30,500)	28,500	(2,000)
Debt due in more than one year	-	(12,915)	(12,915)
	<u>(29,850)</u>	<u>15,459</u>	<u>(14,391)</u>

### 23. Reconciliation of movements in shareholders' funds

	2014 £'000	2013 £'000
Opening shareholders' funds	21,291	21,145
Result for the year	-	146
Revaluation revenue	2,902	-
Closing shareholders' funds	<u>24,193</u>	<u>21,291</u>

### 24. Capital commitments and contingent liabilities

The company has no contracted commitments at 31 December 2014 (2013: £nil).

The company has one residual lease for which it indemnifies Time Warner Entertainment Limited. The lease was acquired with Warner Bros. Studio Stores Limited ("WBSS"). The contingent liability under the indemnities provided by ENIC Group in respect of the lease at the end of the year was £5.9m (2013: £7.5m) over the full term of such leases. The lease is on a store in Regent Street, London, and has been assigned to Esprit. WBSS has been liquidated.

Whilst a contingent liability has been noted, the view of the Directors is that should the lease revert it is unlikely to be a liability.



## **ENIC Limited**

### **Notes to the accounts Year ended 31 December 2014**

#### **25. Pensions**

The Group operates defined contribution schemes for the benefit of employees. There was no pension cost charged for the year (2013: £nil).

#### **26. Ultimate parent undertaking**

The directors consider ENIC International Limited, a company incorporated in the Bahamas, as the ultimate and immediate parent undertaking and the ultimate controlling party. ENIC Limited is both the largest and smallest group that these accounts are consolidated into.