Registered number
5084921

Braemar Group Limited

Report and Financial Statements

30 June 2015

TUESDAY

A4IVNQW4
A22 27/10/2015 #301
COMPANIES HOUSE

Braemar Group Limited
Report and Financial Statements
Contents

	Page
Company information	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities	4
Independent auditors' report to the members of Braemar Group Limited	5
Profit and loss account for the year ended 30 June 2015	7
Balance sheet as at 30 June 2015	8
Notes to the financial statements for the year ended 30 June 2015	9

Braemar Group Limited
Company Information

Directors
WM Robinson
CAJ Macdonald
SJ Jackson
JD Agar
SP Wombwell
TRK Thompson

Secretary
WM Robinson

Independent Auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Bankers
The Royal Bank of Scotland Plc
Southern Corporate Office
PO Box 391
40 Islington High Street
London
N1 8JX

Registered office
Richmond House
Heath Road
Hale
Cheshire
WA14 2XP

Registered number
5084921

Braemar Group Limited
Registered number: 5084921
Strategic Report

The directors present their Strategic report on the company for the year ended 30 June 2015.

Review of the business
The company acts as a holding company incurring costs on behalf of its subsidiary undertakings which are then recharged. The investment in the subsidiary, UK Farming Ltd was fully written down in 2014 so no further write-down was necessary in the current year.

Position and performance
During the financial year, the company made a profit of £475,144 (2014 : £599,079). The net assets of the company at the year end were £3,922,861 (2014 : £3,447,717).

Investment Strategy
The company intends to continue to act as a holding company for its subsidiary undertakings.

Key Performance indicators
The directors monitor the performance of the business primarily on the basis of its net profitability.

Principal risks and uncertainties
The company acts as a holding company and as such, is exposed to various risks through the activities of its subsidiaries. The risks are reduced by the policies and procedures in place in the subsidiary companies.

Financial Risk Management

Credit risk
The company is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

Financial Risk
The company does not actively use financial instruments as part of its financial risk management. There is limited currency risk as the company trades mainly in sterling.

Liquidity risk
The company maintains sufficient cash balances to enable it to meet its liabilities as they fall due.

Operational risks
Due to the nature of the company being an intermediary holding company within a group of companies, it is not subject to a significant amount of operational risk.

Business strategy
Strategic issues including risks and opportunities are managed at group level and discussed at every board meeting. In addition, time is dedicated to strategic reviews at various executive board meetings across the group. Performance is regularly reviewed against the strategic targets.

Employee retention
The group of companies to which the company belongs, is proactive in reviewing its remuneration and benefits packages to maximise the opportunity to attract and retain the best employees.

This report was approved by the board on 16 October 2015 and signed on its behalf by:

William Martin Robinson
Director
16 October 2015

Braemar Group Limited
Registered number: 5084921
Directors' Report

The directors present their report and financial statements for the year ended 30 June 2015.

Principal activities and results
The company's principal activity continued to be the provision of management services to its subsidiary undertakings and generates its revenue from the recharge of costs that have been incurred on behalf of its subsidiary undertakings. The profit for the financial year was £475,144 (2014 : £599,079).

Future developments
The directors will continue to operate the company as a holding company, providing management services to its subsidiary undertakings.

Financial risk management
Information about the company's policies and exposure to risk can be found in the strategic report on page 2.

Dividends
The directors do not recommend payment of a dividend (2014 : £nil).

Directors
The following persons served as directors during the year:

WM Robinson
CAJ Macdonald
SJ Jackson
JD Agar
SP Wombwell
TRK Thompson

Political and charitable donations
During the year, the company made no political and charitable donations (2014 : none).

Directors' indemnities
The ultimate parent company, Brooks Macdonald Group plc has made qualifying third party indemnity provisions for the benefit of the directors within the group during the year and these remain in force at the date of the report. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Independent Auditors
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting of the ultimate parent company.

Disclosure of information to auditors
Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 Section 418 of the Companies Act 2006.

This report was approved by the board on 16 October 2015 and signed on its behalf by:

William Martin Robinson
Director
16 October 2015

Braemar Group Limited
Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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 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;
- 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.



William Martin Robinson
Director
16 October 2015

Braemar Group Limited
Independent auditors' report
to the members of Braemar Group Limited

Report on the financial statements

Our opinion

In our opinion, Braemar Group Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit 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.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:
- Balance Sheet as at 30 June 2015;
- Profit and Loss Account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.

Jonathan Studholme

Jonathan Studholme (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
16 October 2015

Braemar Group Limited
Profit and Loss Account
for the year ended 30 June 2015

	Notes	2015 £	2014 £
Turnover	2	4,213,065	3,665,778
Administrative expenses		(3,737,921)	(3,061,942)
Operating profit	3	475,144	603,836
Exceptional items: Amounts written off investments		-	(5,378)
Interest receivable and similar income	6	-	621
Profit on ordinary activities before taxation		475,144	599,079
Tax on profit on ordinary activities	7	-	-
Profit for the financial year		475,144	599,079

The above results derive from continuing activities.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

There are no recognised gains and losses in either year other than those included in the results above and therefore no separate statement of recognised gains and losses has been presented.

The notes on pages 9 to 14 form part of these financial statements.

Braemar Group Limited
Balance Sheet
as at 30 June 2015

	Notes		2015 £		2014 £
Fixed assets					
Investments	8		2,450,001		2,300,000
			2,450,001		2,300,000
Current assets					
Debtors	9	2,133,906		2,884,841	
Cash at bank and in hand		92,688		94,946	
		2,226,594		2,979,787	
Creditors: amounts falling due within one year	10	(753,734)		(1,832,070)	
Net current assets			1,472,860		1,147,717
Total assets less current liabilities			3,922,861		3,447,717
Net assets			3,922,861		3,447,717
Capital and reserves					
Called up share capital	11		1,830,563		1,830,563
Share premium account	12		3,118,026		3,118,026
Profit and loss account	13		(1,025,728)		(1,500,872)
Total Shareholders' funds	14		3,922,861		3,447,717

The notes on pages 9 to 14 form part of these financial statements.

The financial statements on pages 7 to 14 were approved by the board on 16 October 2015 and signed on its behalf by:

William Martin Robinson
Director
16 October 2015

Braemar Group Limited
Registered number: 5084921

1 Accounting policies

The principal accounting policies are set out below and have been consistently applied throughout the year.

Basis of preparation
The financial statements have been prepared on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards ("UK GAAP"). The principal accounting policies which have been applied consistently throughout the year, are set out below.

Reporting the substance of transactions
In accordance with FRS 5, where the commercial substance of a transaction is different to its legal form, the transaction is accounted for in accordance with the commercial substance.

Turnover
Turnover comprises the invoiced value of goods and services supplied by the company to its subsidiary undertakings net of VAT.

Cashflow statement
The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS1.

Consolidated financial statements
The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual and not about its group (see note 17).

Deferred taxation
Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. The Company has not adopted a policy of discounting deferred tax assets and liabilities.

Operating leases
Rentals under operating leases are charged on a straight line basis over the lease term.

Pensions
The company operates a defined contribution pension scheme and the pension costs charged against profits represent the amount of contributions payable to the scheme in the year. Differences between contributions payable and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2 Turnover

All turnover arose in the United Kingdom.

3 Operating profit

	2015 £	2014 £
This is stated after charging:		
Operating lease rentals - land buildings	-	50,160
Auditors' remuneration for audit services	3,000	7,000

4 Directors' emoluments

	2015 £	2014 £
Emoluments	1,068,187	1,110,872
Company contributions to money purchase pension schemes	54,168	45,837
	1,122,355	1,156,709
Highest paid director:		
Emoluments	457,615	337,000
Company contributions to money purchase pension schemes	-	-
	457,615	337,000

Number of directors in company pension schemes:	2015 Number	2014 Number
Money purchase schemes	-	-

The charge to the profit and loss account in the year in respect of share options for directors was borne by the subsidiary entities, Brooks Macdonald Funds Limited and Braemar Estates (Residential) Limited.

The remuneration of CAJ Macdonald, S Jackson and TRK Thompson is paid by the ultimate parent company. Their services to this company and to a number of fellow subsidiaries are of a non-executive nature and their remuneration is deemed to be wholly attributable to their services to other group companies. Accordingly, the above details include no remuneration in respect of these directors.

5 Staff costs

	2015 £	2014 £
Wages and salaries	3,204,166	2,790,113
Social security costs	364,815	317,754
Other pension costs	160,344	122,042
	3,729,325	3,229,909

The above costs are inclusive of amounts recharged to other group companies.

Monthly average number of employees during the year	Number	Number
Administration	64	56

6 Interest receivable and similar income

	2015	2014
	£	£
Bank interest receivable	-	621

7 Tax on profit on ordinary activities

	2015	2014
	£	£
Analysis of charge in year		
Current tax:		
UK corporation tax on profits of the period	-	-

Factors affecting tax charge for year

The tax assessed for the year is lower (2014: lower) than the standard rate of tax in the UK of 20.75% (2014: 22.5%). The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2015	2014
	£	£
Profit on ordinary activities before taxation	475,144	599,079
Standard rate of corporation tax in the UK	20.75%	22.5%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	98,592	134,793
Effects of:		
Tax losses utilised	(30,953)	(134,793)
Group relief received free of charge	(67,639)	-
Current tax charge for period	-	-

The company has no recognised deferred tax assets or liabilities. The deferred tax asset of £29,817 in 2014 arising from trading losses was not recognised due to uncertainty over when the losses might be utilised. These losses were used in the year ended 30 June 2015 and there are no remaining unrecognised deferred tax assets.

Factors that may affect future tax charges

The main rate of corporation tax was reduced to 21% from 1 April 2014 and to 20% from 1 April 2015 as part of the Finance Bill 2013 on 2 July 2013. As the changes were substantively enacted at the balance sheet date, any deferred tax balances were recorded at 20%. Further changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020.

8 Investments

	Investments in subsidiary undertakings £
Cost and net book value	
At 1 July 2014	2,300,000
Additions	150,001
At 30 June 2015	2,450,001

The company has the following subsidiary undertakings which are all incorporated in England and Wales. All the subsidiaries are 100% owned except for UK Farming Limited which is 50% owned.

The company holds an investment of £25,000 in UK Farming Limited. This was fully impaired in prior years to reflect the company's share of net assets currently held within the company of £nil.

The addition in the year is additional share capital issued by Brooks Macdonald Funds Limited in the year ended 30 June 2015.

Company	Principal activity	Capital and reserves £	Profit (loss) for the year £
Braemar Estates (Residential) Limited	Property and investment managers	(756,751)	(674,882)
Brooks Macdonald Funds Limited	Corporate finance and fund management	1,041,736	(252,794)
Braemar Estates Mortgages and Finance Limited	Dormant	-	-
UK Farming Limited	Non-trading	-	-

The directors believe that the carrying value of the investments in Braemar Estates (Residential) Limited and Brooks Macdoanld Funds Limited is supported by the expected future performance of the business.

9 Debtors

	2015 £	2014 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,121,804	2,861,650
Other debtors	12,102	6,411
Prepayments and accrued income	-	16,780
	2,133,906	2,884,841

The amounts owed by group undertakings are interest-free, unsecured and repayable on demand.

10 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	7,142	4,738
Amounts owed to group undertakings	655,000	1,749,880
Taxes and social security	88,592	77,452
Accruals and deferred income	3,000	-
	753,734	1,832,070

The amounts owed to group undertakings are interest-free, unsecured and repayable on demand.

11 Called up share capital

	Nominal value	2015 & 2014 Number	2015 £	2014 £
Allotted, called up and fully paid:				
Ordinary shares	1p each	183,056,380	1,830,563	1,830,563

12 Share premium account

	£
At 1 July 2014 and 30 June 2015	3,118,026

13 Profit and loss account

	£
At 1 July 2014	(1,500,872)
Profit for the financial year	475,144
At 30 June 2015	(1,025,728)

14 Reconciliation of movements in shareholders' funds

	2015 £	2014 £
At 1 July	3,447,717	2,848,638
Profit for the financial year	475,144	599,079
At 30 June	3,922,861	3,447,717

15 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2015 £	Land and buildings 2014 £
Operating leases which expire:		
within one year	-	-
within two to five years	45,980	50,160
in over five years	-	-
	45,980	50,160

16 Related party transactions

In accordance with FRS8, the company is exempt from disclosing related party transactions with other group companies by virtue of it being a wholly owned subsidiary undertaking of Brooks Macdonald Group plc, a company which prepares consolidated financial statements.

17 Ultimate controlling party

The company is a wholly owned subsidiary of Brooks Macdonald Group plc and this is the ultimate parent company. The parent undertaking (and ultimate controlling party) of the smallest and largest group for which consolidated financial statements are prepared is Brooks Macdonald Group plc. Consolidated financial statements can be obtained from the registered office, 72 Welbeck Street, London, W1G 7AY.