

# **Rolls House Holdings Limited**

## **Annual Reports and Financial Statements**

3 July 2020

*Registered number 01985589*

# Rolls House Holdings Limited

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Registered No. 01985589

## **Directors**

L G Cameron

L S Rattigan

L J Abel

(Appointed: 7 October 2019)

## **Registered Office**

1 More London Place

London SE1 2AF

## Strategic report

The directors present their strategic report for the period from 29 June 2019 to 3 July 2020 (the comparative period being from 30 June 2018 to 28 June 2019).

### Principal activity and review of the business

The company's principal activity during the period was that of an investment holding company. Dividends of £50,460k (2019: £53,485k) were received from subsidiaries during the period. As a result, the company declared and paid dividends of £50,460k (2019: £53,485k) to its shareholder during the period.

The company has no other key performance indicators.

### Future developments

The results for the period are in line with expectations. The directors do not expect significant changes to the present nature of the business in the near future.

### Principal risks and uncertainties

The principal risk facing the company relates to the timely settlement of balances with its subsidiary undertaking. The directors review and agree policies for managing this risk as set out in note 10.

### Section 172 statement

The company's parent is Ernst & Young LLP ("EY LLP"). Given the company's principal activity stated above, and the fact that the company has no commercial business, the general stakeholder and other considerations relevant to operating or commercial trading companies do not generally apply to any such decisions of the company's directors.

During the period, the company's directors acted in a way that they considered, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, have had regard to the matters set out in section 172(1)(a)-(f) of the Companies Act 2006 when and if making decisions. In addition, the company's directors also had regard to other factors and matters that they consider relevant to any such decisions made. When and if required, the company's directors hold board meetings to make key decisions relating to the company, where such above matters and factors are considered, as relevant.

### Employee engagement statement

The company has no employees and so it does not carry out any employee engagement.

On behalf of the Board



L S Rattigan

Director

Date: 21 June 2021

## Directors' report

The directors present their reports and financial statements for the period from 29 June 2019 to 3 July 2020 (the comparative period being from 30 June 2018 to 28 June 2019).

### Results and dividends

The company's profit for the period amounted to £50,460k (2019: £53,485k).

Dividends totalling £50,460k were paid in relation to the period (2019: £53,485k).

The company's business activities, together with its future expected business developments and risk exposures are described in the strategic report.

### Financial instruments

The directors are responsible for setting objectives and policies in relation to financial instruments, details of which can be found in note 10.

### Directors

The directors who held office during the period ended 3 July 2020 and the period up until approval of the financial statements are listed on page 1.

### Going concern

The directors have considered the impact of COVID-19 on the company. Given the nature of the company's business, a holding company with no commitments, COVID-19 has not had any material impact on its operations, nor is it expected to impact the going concern status of the company for the foreseeable future. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least a year from the date of approval of these financial statements.

For and on behalf of the Board



L S Rattigan

Director

Date 21 June 2021

## Statement of directors' responsibilities

The directors are responsible for preparing the annual reports and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the company financial statements in accordance with International Financial Reporting Standards in conformity with the Companies Act 2006 ("IFRS"). 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 and loss of the company for that period. In preparing these financial statements, the directors are required to:

- present fairly the financial position, financial performance and cash flows of the company;
- select suitable accounting policies in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance;
- state whether the company financial statements have been prepared in accordance with IFRS, 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 company 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.

## Statement of comprehensive income

for the period ended 3 July 2020

	<i>Notes</i>	<i>53 weeks to 2020 £k</i>	<i>52 weeks to 2019 £k</i>
<b>Other income</b>			
Income from investments		50,460	53,485
<b>Profit before taxation</b>		<u>50,460</u>	<u>53,485</u>
Tax charge	4	–	–
<b>Profit and total comprehensive income for the period</b>		<u><u>50,460</u></u>	<u><u>53,485</u></u>

## Statement of changes in equity

for the period ended 3 July 2020

	<i>Notes</i>	<i>Share capital £k</i>	<i>Retained earnings £k</i>	<i>Total £k</i>
At 29 June 2018		50	280	330
Profit and total comprehensive income for the period		–	53,485	53,485
Dividend paid during the period	8	–	(53,485)	(53,485)
At 28 June 2019		<u>50</u>	<u>280</u>	<u>330</u>
Profit and total comprehensive income for the period		–	50,460	–
Dividend paid during the period	8	–	(50,460)	–
At 3 July 2020		<u><u>50</u></u>	<u><u>280</u></u>	<u><u>330</u></u>

The notes on pages 7 to 11 form part of these financial statements.

**Balance sheet**

at 3 July 2020

Registered No. 01985589

	<i>Notes</i>	<i>3 July 2020 £k</i>	<i>28 June 2019 £k</i>
<b>Assets</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	5	–	–
<b>Current assets</b>			
Other receivables	6	330	330
<b>Total assets</b>		<u>330</u>	<u>330</u>
<b>Equity</b>			
Share capital	7	50	50
Retained earnings		280	280
<b>Total equity</b>		<u>330</u>	<u>330</u>
<b>Total equity and liabilities</b>		<u>330</u>	<u>330</u>

For the period ending 3 July 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. No member has required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements of Rolls House Holdings Limited for the period ended 3 July 2020 were authorised for issue by the board of directors and signed on their behalf by:



L S Rattigan

Director

Date 21 June 2021

The notes on pages 7 to 11 form part of these financial statements.

## Notes to the financial statements

at 3 July 2020

### 1. Corporate information

Rolls House Holdings Limited, 'the company', is a private company limited by shares and incorporated, domiciled and registered in England and Wales (registered number 01985589). The company's registered office address is 1 More London Place, London, SE1 2AF.

### 2. Accounting policies

The principal accounting policies are summarised below and have been applied consistently throughout the period and the preceding period, unless otherwise stated.

#### **Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards in conformity with the Companies Act 2006 ("IFRS").

The financial statements have been prepared on the accrual basis of accounting using a number of measurement bases, as set out in the accounting policies below. The financial statements have been prepared on a going concern basis. The company is a holding company with no commitments. The directors have considered the impact of COVID-19; which given the nature of the company's business, is not expected to adversely impact the going concern status of the company. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements and therefore they continue to prepare the financial statements on a going concern basis.

The company is exempt from audit for the current and preceding period as the parent has given a guarantee under s479A-479C of the Companies Act 2006.

The functional currency of the company is pounds sterling. The financial statements are presented in sterling and, unless otherwise indicated, are rounded to the nearest thousand pounds (£k).

The company is exempt from the obligation to prepare group accounts under section 400 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking and its parent undertaking, Ernst & Young LLP, prepares group accounts (see note 12).

The financial statements have been drawn up for the 53 week period from 29 June 2019 to 3 July 2020 (the comparative period being the 52 week period from 30 June 2018 to 28 June 2019).

The company had no cash transactions during the period or the preceding financial period (see note 9). No cash flow statement has therefore been prepared.

#### **Investments**

Investments in subsidiaries are carried at cost less provision for impairment.

#### **Financial instruments**

Financial instruments are recognised when the company becomes party to the contracts that give rise to them and they are derecognised on settlement. They are measured initially at fair value, normally being the transaction price. The subsequent accounting treatment depends on the classification of an instrument as set out below.

#### **Other receivables**

Other receivables are generally carried at original transaction amount, less an allowance for all expected credit losses (ECLs). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and the cash flows that the company expects to receive.



## Notes to the financial statements

at 3 July 2020

### 2. Accounting policies *(continued)*

#### Dividends

Income is recognised when the company's right to receive dividends is established, which is generally when shareholders approve the dividend.

A liability is recognised to pay dividends to the shareholders when the dividend is appropriately authorised and no longer at the discretion of the company.

Dividends proposed or declared after the balance sheet date but before the financial statements are authorised, are not recognised but disclosed in the notes to the financial statements.

#### Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted by the balance sheet date. Interest levied on unpaid tax is classified as a finance cost.

#### New and amended accounting standards and interpretations and other changes to the financial statements

Several amendments and interpretations apply for the first time in the current period, but do not have an impact on the financial statements of the company.

#### *Standards that are not yet effective*

A number of standards and other pronouncements are in issue that are not yet effective and have not been adopted, none of which are expected to have a material impact on the company.

### 3. Directors' remuneration

The directors of Rolls House Holdings Limited receive no remuneration for their services as directors or their services in connection with the management of the company or its subsidiaries.

### 4. Tax

There is no income tax payable by the company since the only income received is dividends from a subsidiary which is not subject to corporation tax. The company has no deferred tax.

### 5. Investments in subsidiaries

	<i>3 July</i>	<i>28 June</i>
	<i>2020</i>	<i>2019</i>
	<i>£k</i>	<i>£k</i>
Subsidiary undertakings held at cost	–	–
	=====	=====

Details of the subsidiary undertakings are as follows:

<i>Subsidiary undertaking</i>	<i>Holding</i>	<i>Proportion of voting rights and shares</i>	<i>Nature of business</i>
Ernst & Young Services Limited	Ordinary shares of £2	100%	Staff and resource provider
EY Securities Limited	Ordinary shares of £1	100%	Trustee for partner annuity
EY Professional Services Limited*	Ordinary shares	100%	Consulting service provider
AgilityWorks India Private Limited*	Ordinary shares	100%	Consulting service provider
EY Incentives Limited*	Ordinary shares	100%	Consulting tax service provider

\*Interest held indirectly

All subsidiaries are incorporated and operate in the United Kingdom and are registered at 1 More London Place, London, SE1 2AF.

## Notes to the financial statements

at 3 July 2020

### 6. Other receivables

	<i>3 July</i> 2020 £k	<i>28 June</i> 2019 £k
Amounts due from subsidiary undertaking	330	330
	<u>330</u>	<u>330</u>

The carrying amounts of other receivables represent their fair values. There was no impairment in respect of other receivables.

### 7. Share capital

	<i>3 July</i> 2020 £k	<i>28 June</i> 2019 £k		
<i>Authorised</i>				
Ordinary shares of £1 each	100	100		
	<u>100</u>	<u>100</u>		
	<i>3 July</i> 2020 No.	<i>3 July</i> 2020 £k	<i>28 June</i> 2019 No.	<i>28 June</i> 2019 £k
<i>Issued and fully paid</i>				
Ordinary shares of £1 each	50,100	50	50,100	50
	<u>50,100</u>	<u>50</u>	<u>50,100</u>	<u>50</u>

Each share carries one vote and has the right to receive dividends.

The company's objective when managing capital is to safeguard its ability to continue as a going concern. Capital is monitored by the directors to ensure this objective is met. No long term financing is required by the company.

### 8. Dividends paid and proposed

	<i>3 July</i> 2020 £k	<i>28 June</i> 2019 £k
<i>Dividends on ordinary shares declared and paid during the period</i>		
Dividend: £1,007.19 per share	50,460	–
Dividend: £1,067.57 per share	–	53,485
	<u>50,460</u>	<u>53,485</u>

## Notes to the financial statements

at 3 July 2020

### 9. Non-cash transactions

The company entered into an arrangement with Ernst & Young LLP and Ernst & Young Services Limited to settle the dividends receivable from Ernst & Young Services Limited of £50,460k (2019: £53,485k) and the dividends payable to Ernst & Young LLP of £50,460k (2019: £53,485k) via a three-way netting arrangement.

### 10. Financial instruments

Financial instruments give rise to liquidity and credit risks. The directors are responsible for setting objectives and maintaining policies to manage these risks. Financial instruments are not used for speculative activity and complex financial instruments are avoided. Information about how these risks are managed is set out below:

#### *Liquidity risk*

Liquidity risk arises from the company's transactions with entities within the group. The company's objective is to maintain a balance between continuity of funding and flexibility through the balance with its parent undertaking.

#### *Credit risk*

The company's only balance due is from its subsidiary, Ernst & Young Services Limited. Receivable balances are monitored on an ongoing basis and as a result exposure to bad debts is not significant.

### 11. Related parties

The key management personnel comprise the directors of the company and designated members of Ernst & Young LLP, its parent undertaking. The key management personnel receive no compensation for services to the company.

The following table provides the total amount of transactions entered into with related parties during the period, and balances as at the period end.

	<i>Dividend from/(to) related parties £k</i>	<i>Amounts owed by related parties £k</i>
<i>2020</i>		
Ernst & Young Services Limited	50,460	330
Ernst & Young LLP	(50,460)	-
	=====	=====
<i>2019</i>	£	£
Ernst & Young Services Limited	53,485	330
Ernst & Young LLP	(53,485)	-
	=====	=====

All balances with related parties are non-interest bearing.

Except as disclosed above and elsewhere in the financial statements, there are no other related party transactions.

### 12. Ultimate controlling party

The company's parent undertaking and ultimate controlling party is Ernst & Young LLP, a limited liability partnership registered in England and Wales. Ernst & Young LLP is the parent undertaking of the smallest and largest group that consolidates these financial statements, copies of which are available from its registered office, 1 More London Place, London, SE1 2AF.

## Notes to the financial statements

at 3 July 2020

### 13. Post balance sheet events

On 30 April 2021, Ernst & Young Services Limited, which is a 100% subsidiary of Rolls House Holdings Limited, acquired 100% of Frank Hirth (UK) Limited for consideration of up to £18m. Frank Hirth (UK) Limited provides tax consulting services.

On 7 May 2021, EY Professional Services Limited, an indirect subsidiary of the company, issued additional share capital to its sole shareholder, Ernst & Young Services Limited for a subscription price of £29.5m. In turn, on 7 May 2021, EY Professional Services Limited acquired 100% of Pythagoras Communications Limited for consideration of £29.5m. Pythagoras Communications Limited provides IT consulting services.