

Company Registration No. 2518921

**JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

## **COMPANY INFORMATION**

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**Directors**

J C McGrath ACMA

**Secretary**

J N Curtis FCA

**Company Number**

2518921

**Registered Office**

Unit H  
Bedford Business Centre  
Mile Road  
Bedford  
MK42 9TW

**Auditor**

KPMG LLP, Statutory Auditor  
Chartered Accountants  
Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE

**Bank**

Lloyds Bank  
25 Gresham Street  
London  
EC2V 7HN

# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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### **Principal activities and review of the business**

The principal activity of the Company continued to be that of the provision of management services, which it re-charges to other group companies. The Company's director considers the Company's financial position and the business performance to be satisfactory. The Company has kept close control over costs and the director will continue to monitor cost levels to ensure an adequate return is achieved in the current economic climate.

### **Business review**

Turnover increased by 5% to £3.4 million (2013: £3.2 million) reflecting increasing business.

Operating profits remain consistent at £0.3 million (2013 £0.3 million profit)

### **Objectives of the Company**

The Company's main objectives are to provide support and direction to group companies.

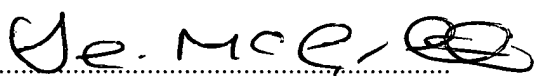
### **Internal cost monitoring**

The Company has a clear focus on efficient cost management and has a long-term efficiency program in place to effectively manage cost. Where appropriate the Company has improved sourcing and made internal cost savings to reduce costs.

### **Risk and uncertainties**

The director does not consider the Company to have any significant business risks or uncertainties.

On behalf of the board

  
.....  
J McGrath ACMA  
Director

6/1/15

# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

## **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

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The director presents the report and financial statements for the year ended 31 December 2014.  
The Company registration number is 2518921.

### **Results and dividends**

The results for the year are set out on page 6. The directors do not recommend the payment of an ordinary dividend (2013: *£nil*).

### **Directors**

The following directors has held office since 1 January 2014:

J C McGrath ACMA

### **Director's interests**

The director did not have any interest in the share capital of the Company at any time during the current or prior year.

### **Political and charitable donations**

During the year the Company made no donations to UK charities (2013: *£nil*). The Company made no political donations during the current or prior year.

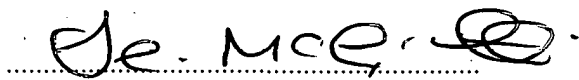
### **Statement of disclosure to auditor**

The director who held office at the date of approval of this director's report confirm that, so far as he 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 to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



J McGrath ACMA  
Director

6/7 / 2015

## **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTOR'S REPORT AND THE FINANCIAL STATEMENTS**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the director 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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We have audited the financial statements of Julius A Meller Management Services Limited for the year ended 31 December 2014 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 director and auditor**

As explained more fully in the Director's Responsibilities Statement set out on page 3, the director is 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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 the Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIUS A MELLER  
MANAGEMENT SERVICES LIMITED (CONTINUED)**

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



**David Neale (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE

9 July 2015



# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

## **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014**

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	Notes	2014 £	2013 £
<b>Turnover</b>	2	<b>3,400,867</b>	3,227,213
Administrative expenses		<u>(3,059,138)</u>	<u>(2,906,399)</u>
<b>Operating profit</b>	3	<b>341,729</b>	320,814
Interest receivable	4	<b>7,195</b>	10,736
Interest payable and similar charges	5	<u>(8,834)</u>	<u>(9,942)</u>
<b>Profit on ordinary activities before taxation</b>		<b>340,090</b>	321,608
Tax on profit on ordinary activities	6	<u>(77,618)</u>	<u>(72,852)</u>
<b>Profit on ordinary activities after taxation</b>	13	<u><b>262,472</b></u>	<u>248,756</u>

A Statement of Total Recognised Gains and Losses has not been prepared as the Company has no recognised gains or losses other than those reported above.

All results arise from continuing operations.

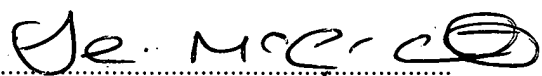
The notes on pages 8 to 15 form part of these financial statements.

# JULIUS A MELLER MANAGEMENT SERVICES LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	7		-		-
<b>Current assets</b>					
Debtors	8	4,032,853		1,896,426	
Cash at bank and in hand		880,801		2,067,189	
		<u>4,913,654</u>		<u>3,963,615</u>	
<b>Creditors: amounts falling due within one year</b>	9	(4,338,678)		(3,211,111)	
<b>Net current assets</b>			574,976		752,504
<b>Total assets less current liabilities</b>			<u>574,976</u>		<u>752,504</u>
<b>Creditors: amounts falling due after more than one year</b>	10		(59,462)		(499,462)
<b>Net assets</b>			<u>515,514</u>		<u>253,042</u>
<b>Capital and reserves</b>					
Called up share capital	11		1,000		1,000
Profit and loss account	12		514,514		252,042
<b>Shareholders' funds</b>	13		<u>515,514</u>		<u>253,042</u>

The financial statements were approved by the Board on 6/7/ 2015

  
J McGrath ACMA  
Director

Company registration number: 2518921

The notes on pages 8 to 15 form part of these financial statements.

# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

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### **1. Accounting policies**

#### **1.1. Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Meller Group Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Meller Group Limited, within which this Company is included, can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The financial statements have been prepared on the going concern basis of accounting which the director believes to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue to trade as a going concern.

#### **1.2. Turnover**

Turnover represents the invoiced value of services provided net of VAT.

#### **1.3. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33% per annum straight line basis
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#### **1.4. Pensions**

The company operates a defined contribution pension scheme covering the majority of its permanent employees. Pension costs charged against profit represent the amount payable to the scheme in respect of the period.

# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014**

### **1 Accounting policies (continued)**

#### **1.5. Deferred taxation**

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 company's taxable profit and its results as stated in the financial statements.

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

### **2. Turnover**

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

### **3. Operating profit**

	2014 £	2013 £
Operating profit is stated after charging:		
Auditor's remuneration:		
Audit of these financial statements	3,060	3,000
Taxation	1,635	1,460
	<u>          </u>	<u>          </u>

### **4. Interest receivable**

	2014 £	2013 £
Interest receivable:		
Other interest	7,195	10,736
	<u>          </u>	<u>          </u>

### **5. Interest payable**

	2014 £	2013 £
Loan interest	8,834	8,832
Interest on late corporation tax	-	1,110
	<u>8,834</u>	<u>9,942</u>

# JULIUS A MELLER MANAGEMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

### 6. Taxation

	2014 £	2013 £
<b>UK corporation tax</b>		
Current tax on income for the period	66,178	77,351
Adjustment in respect of previous periods	3,251	(4,995)
Group relief paid for	8,249	813
Total current tax	77,678	73,169
<b>Deferred tax</b>		
Origination/reversal of timing difference	(60)	(317)
Tax on profit on ordinary activities	77,618	72,852
<b>Current tax reconciliation</b>		
Profit on ordinary activities before taxation	340,090	321,608
Theoretical tax at UK corporation tax rate 21.5% (2013: 23.25%)	73,102	74,763
Effects of:		
Non deductible expenses	1,495	2,220
Difference between depreciation & capital allowances	-	317
Impact of marginal tax rate	(248)	-
Adjustment to tax charge in respect of prior periods	3,251	(4,182)
Impact of rate difference between deferred and current tax	78	51
Current tax charge	77,678	73,169

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013.

This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

# **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014**

### **7. Tangible fixed assets**

	<b>Fixtures, fittings &amp; equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 January 2014 and 31 December 2014	3,903	3,903
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 January 2014 and 31 December 2014	3,903	3,903
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2014 and 31 December 2013	-	-
	<hr/>	<hr/>

### **8. Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Amounts owed by parent and fellow subsidiary undertakings	3,909,691	1,714,679
Deferred tax	395	335
Other debtors	40	3,581
Other tax and social security	122,727	177,831
	<hr/>	<hr/>
	<b>4,032,853</b>	<b>1,896,426</b>

Amounts falling due after more than one year and included in the debtors above are:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Deferred tax asset:		
Short term timing differences	395	335
	<hr/>	<hr/>

# JULIUS A MELLER MANAGEMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

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

	2014 £	2013 £
Amounts owed to group undertakings	736,608	111,962
Corporation tax	112,568	84,100
Other taxes and social security	101,270	-
Accruals and deferred income	2,948,232	3,015,049
Other loans	440,000	-
	<u>4,338,678</u>	<u>3,211,111</u>

### 10. Creditors: amounts falling due after more than one year

	2014 £	2013 £
Other loans	<u>59,462</u>	<u>499,462</u>
<b>Analysis of loans</b>		
Wholly repayable within 5 years	59,462	499,462
Included in current liabilities	-	-
	<u>59,462</u>	<u>499,462</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	-	-
In more than two years but not more than five years	<u>59,462</u>	<u>499,462</u>

Other loans represent a loan from former directors of the Company. Interest is payable at 2% above base rate, and in the year ended 31 December 2014 amounted to £8,834 (2013: £8,832)

### 11. Share capital

	2014 £	2013 £
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

## **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014**

#### **12. Profit and loss account**

	2014 £	2013 £
At 1 January 2014	252,042	3,286
Profit for the year	262,472	248,756
At 31 December 2014	<u>514,514</u>	<u>252,042</u>

#### **13. Reconciliation of movements in shareholders' funds**

	2014 £	2013 £
Opening shareholders' funds	253,042	4,286
Profit for the financial year	262,472	248,756
Closing shareholders' funds	<u>515,514</u>	<u>253,042</u>

#### **14. Contingent liabilities**

The Company has guaranteed the borrowing of its parent company and fellow subsidiaries as part of group banking arrangements. The borrowings are secured by a fixed and floating charge over the assets of the companies involved. At 31 December 2014 the contingent liability in respect of this guarantee was £2,473,212 (2013: £2,366,450).

The Company is included in a group registration for VAT purposes with its parent company and fellow subsidiaries. All members of the VAT group are jointly and severally liable for the total amount of VAT due, and at 31 December 2014 the contingent liability in respect of this registration was £1,519,995 (2013: £1,627,066).



# JULIUS A MELLER MANAGEMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

### 15. Directors' emoluments

	2014 £	2013 £
Emoluments for qualifying services	194,640	1,809,518
Company pension contributions to money purchase schemes	13,655	12,096
	<u>208,295</u>	<u>1,821,614</u>

No directors are accruing retirement benefits under money purchase pension schemes (2013: nil).

Emoluments disclosed above include the following amounts paid to the highest paid director:

	2014 £	2013 £
Emoluments for qualifying services	<u>194,640</u>	<u>617,374</u>

### 17. Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Management	4	5
<b>Employment costs</b>	<b>2014 £</b>	<b>2013 £</b>
Wages and salaries	2,421,105	2,290,002
Social security costs	289,882	300,055
Other pension costs	13,993	14,754
	<u>2,724,980</u>	<u>2,604,811</u>

### 18. Control

The Company's parent undertaking is Meller Group Limited, incorporated in England, which heads the smallest and largest group in which the results of the Company are consolidated. Copies of the group financial statements of Meller Group Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. As of 1 September 2013, the Company's ultimate parent undertaking and controlling party is CS Holdings Limited, a Company incorporated in Jersey.

## **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014**

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#### **19. Related party transactions**

The Company has taken advantage of the exemption in Financial Reporting Standard No 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by Meller Group Limited.