

Registered number: 04111848

CHANNEL COMMERCIALS HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 27 November 2015

SATURDAY



A57XE661

A12

28/05/2016

#56

COMPANIES HOUSE

CHANNEL COMMERCIALS HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

R J Ades
C Ayears
P Taylor
P R Elliott
M R Macintyre
J A Stupple

COMPANY SECRETARY

M R Macintyre

REGISTERED NUMBER

04111848

REGISTERED OFFICE

Cobbswood Industrial Estate
Brunswick Road
Ashford
Kent
TN23 1EH

INDEPENDENT AUDITOR

Crowe Clark Whitehill LLP
10 Palace Avenue
Maidstone
Kent
ME15 6NF

CHANNEL COMMERCIALS HOLDINGS LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 12

CHANNEL COMMERCIALS HOLDINGS LIMITED

STRATEGIC REPORT for the year ended 27 November 2015

INTRODUCTION

Channel Commercial Holdings Limited is the parent company of a company which sells and services commercial vehicles and hire vehicles on maintenance contracts.

BUSINESS REVIEW

Details of the company's performance are given in the profit and loss on page 6 and the notes thereto. The position of the company at the end of the year is set out in the balance sheet on page 7 and the notes thereto. The directors are satisfied with the results for the year.

The directors consider the Key Performance Indicators of the company to consist of Operating Profit Percentage and Return on Shareholders' Funds.

Operating Profit Percentage - is calculated by comparing operating profit with turnover. It is an indication of how profitable the company is at its most fundamental level.

Return on Shareholders' Funds - is calculated as the profit before taxation divided by shareholders' funds. The purpose of this ratio is to measure the returns that the company is realising from the investment of its Shareholders' funds.

	2015	2014
Operating Profit Percentage	96.9%	31.2%
Return on Shareholders' Funds	16.9%	4.3%

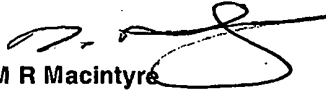
PRINCIPAL RISKS AND UNCERTAINTIES

Any business faces a number of risks and these are reviewed thoroughly and regularly by the Board as part of its ongoing corporate governance procedures. The review considers only the principal risks and uncertainties.

FUTURE DEVELOPMENTS

The directors expect that the company will continue to operate profitably.

This report was approved by the board on 23rd May 2016 and signed on its behalf.


M R Macintyre
Director

CHANNEL COMMERCIALS HOLDINGS LIMITED

DIRECTORS' REPORT for the year ended 27 November 2015

The directors present their report and the audited financial statements for the year ended 27 November 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

DIVIDENDS

A dividend of £674,000 was paid during the year (2014 - £213,000).

DIRECTORS

The directors who served during the year were:

R J Ades
C Ayears
P Taylor
P R Elliott
M R Macintyre
J A Stupple

CHANNEL COMMERCIALS HOLDINGS LIMITED

DIRECTORS' REPORT for the year ended 27 November 2015

GOING CONCERN

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The directors consider that the going concern basis is appropriate as the company has adequate resources to continue in operational existence for the foreseeable future.

In considering the future trading of the company and group the directors have, in the normal course of business, prepared detailed budgets and plans and reviewed the period up to the end of the next financial year, which is 25 November 2016. This period is less than 12 months from the date that these financial statements have been approved but the directors do not consider that any detailed consideration of trading to May 2017 is significant to their opinion about going concern.

The bank has set a facility review date of 7 September 2016.

MATTERS COVERED IN THE STRATEGIC REPORT

Items previously disclosed in the Directors' report have now been included within the Strategic report on page 1.

DISCLOSURE OF INFORMATION TO AUDITOR


Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

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

AUDITOR

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M R Macintyre
Director

Date: 23/5/2016

CHANNEL COMMERCIALS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHANNEL COMMERCIALS HOLDINGS LIMITED

We have audited the financial statements of Channel Commercials Holdings Limited for the year ended 27 November 2015, which comprise the profit and loss account, the balance sheet and the related notes. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the statement of directors' responsibilities, 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 strategic report and the directors' 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 company's affairs as at 27 November 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.

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.

CHANNEL COMMERCIALS HOLDINGS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHANNEL COMMERCIALS
HOLDINGS LIMITED**

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.

Mark Anderson (senior statutory auditor)

for and on behalf of
Crowe Clark Whitehill LLP

Statutory Auditors

10 Palace Avenue
Maidstone
Kent
ME15 6NF

Date: 27/5/2016

CHANNEL COMMERCIALS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 27 November 2015

	Note	2015 £	2014 £
TURNOVER	1,2	281,504	281,504
Administrative expenses		<u>(8,625)</u>	<u>(193,625)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		272,879	87,879
Tax on profit on ordinary activities	5	<u>(57,053)</u>	<u>(19,301)</u>
PROFIT FOR THE FINANCIAL PERIOD	11	<u>215,826</u>	<u>68,578</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

CHANNEL COMMERCIALS HOLDINGS LIMITED
Registered number: 04111848

BALANCE SHEET
as at 27 November 2015

	Note	27 November 2015 £	28 November 2014 £
FIXED ASSETS			
Tangible assets	6	813,100	821,725
Investments	7	60,668	60,668
		<u>873,768</u>	<u>882,393</u>
CURRENT ASSETS			
Debtors	8	2,391,348	2,129,145
CREDITORS: amounts falling due within one year	9	<u>(1,658,053)</u>	<u>(946,301)</u>
NET CURRENT ASSETS		<u>733,295</u>	<u>1,182,844</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,607,063</u>	<u>2,065,237</u>
CAPITAL AND RESERVES			
Called up share capital	10	60,668	60,668
Profit and loss account	11	1,546,395	2,004,569
SHAREHOLDERS' FUNDS	12	<u>1,607,063</u>	<u>2,065,237</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23rd May 2016



M R Macintyre
Director

The notes on pages 8 to 12 form part of these financial statements.

CHANNEL COMMERCIALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 27 November 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 not to prepare group accounts. Accordingly the financial statements present information about it as an individual and not about the group.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 CASH FLOW

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 FRS 1.

1.3 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2.5% straight line
Land	- Not depreciated

1.5 INVESTMENTS

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

1.6 GOING CONCERN

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The directors consider that the going concern basis is appropriate as the company has adequate resources to continue in operational existence for the foreseeable future.

In considering the future trading of the company and group the directors have, in the normal course of business, prepared detailed budgets and plans and reviewed the period up to the end of the next financial year, which is 25 November 2016. This period is less than 12 months from the date that these financial statements have been approved but the directors do not consider that any detailed consideration of trading to May 2017 is significant to their opinion about going concern.

The bank has set a facility review date of 7 September 2016.

CHANNEL COMMERCIALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 27 November 2015

2. TURNOVER

The whole of the turnover is attributable to the property operating lease rental income paid by the trading subsidiary.

All turnover arose within the United Kingdom.

3. PROFIT

The profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the company	8,625	8,625

4. STAFF COSTS

The company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

5. TAXATION

	2015 £	2014 £
UK corporation tax charge on profit for the year	57,053	19,301

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2014 - *lower than*) the standard rate of corporation tax in the UK of 20.33% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	272,879	87,879
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2014 - 20%)	55,480	17,576
EFFECTS OF:		
Depreciation on assets not qualifying for capital allowances	1,754	1,725
Marginal relief	(181)	-
CURRENT TAX CHARGE FOR THE YEAR (see note above)	57,053	19,301

CHANNEL COMMERCIALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 27 November 2015

6. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 29 November 2014 and 27 November 2015	1,010,037
DEPRECIATION	
At 29 November 2014	188,312
Charge for the year	8,625
At 27 November 2015	196,937
NET BOOK VALUE	
At 27 November 2015	813,100
At 28 November 2014	821,725

7. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST OR VALUATION	
At 29 November 2014 and 27 November 2015	60,668
NET BOOK VALUE	
At 27 November 2015	60,668
At 28 November 2014	60,668

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Country of registration	Holding
Channel Commercials plc	England and Wales	100%

The aggregate of the share capital and reserves as at 27 November 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Channel Commercials plc	3,634,265	647,971

CHANNEL COMMERCIALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 27 November 2015

8. DEBTORS

	27 November 2015 £	28 November 2014 £
Amounts owed by group undertakings	<u>2,391,348</u>	<u>2,129,145</u>

**9. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	27 November 2015 £	28 November 2014 £
Amounts owed to group undertakings	1,601,000	927,000
Corporation tax	57,053	19,301
	<u>1,658,053</u>	<u>946,301</u>

There is an unlimited inter-company guarantee between Channel Commercials Holdings Limited, Channel Commercials Kent Limited and Channel Commercials PLC.

10. SHARE CAPITAL

	27 November 2015 £	28 November 2014 £
ALLOTTED, CALLED UP AND FULLY PAID		
60,668 Ordinary shares of £1 each	<u>60,668</u>	<u>60,668</u>

11. RESERVES

	Profit and loss account £
At 29 November 2014	2,004,569
Profit for the year	215,826
Dividends: Equity capital	(674,000)
At 27 November 2015	<u>1,546,395</u>

CHANNEL COMMERCIALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 27 November 2015

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	27 November 2015 £	28 November 2014 £
Opening shareholders' funds	2,065,237	2,209,659
Profit for the financial year	215,826	68,578
Dividends (Note 13)	(674,000)	(213,000)
Closing shareholders' funds	<u>1,607,063</u>	<u>2,065,237</u>

13. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital	<u>674,000</u>	<u>213,000</u>

14. RELATED PARTY TRANSACTIONS

Under the exemption permitted by Financial Reporting Standard No. 8 'Related Party Disclosures', transactions with other group companies have not been disclosed in these financial statements.

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate and ultimate parent undertaking is Channel Commercials Kent Limited, a company incorporated in England and Wales.

The directors, by virtue of their shareholdings, are of the opinion that there is no ultimate controlling party.

Copies of the group financial statements of Channel Commercials Kent Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.