

Registered number: 04111848

**CHANNEL COMMERCIAL HOLDINGS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 29 November 2013**

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

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

**COMPANY SECRETARY**

Vertex Law (Co Secretarial) Limited

**REGISTERED NUMBER**

04111848

**REGISTERED OFFICE**

23 Kings Hill Avenue  
Kings Hill  
West Malling  
ME19 4UA

**INDEPENDENT AUDITOR**

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

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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## CHANNEL COMMERCIAL HOLDINGS LIMITED

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### STRATEGIC REPORT for the year ended 29 November 2013

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#### 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.

	2013	2012
Operating Profit Percentage	32.3%	32.3%
Return on Shareholders' Funds	4.1%	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 22 May 2014 and signed on its behalf



**M R Macintyre**  
Director

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## **CHANNEL COMMERCIAL HOLDINGS LIMITED**

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### **DIRECTORS' REPORT for the year ended 29 November 2013**

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The directors present their report and the audited financial statements for the year ended 29 November 2013

#### **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.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £70,942 (2012 - £70,930)

A dividend of £nil was paid during the year (2012 - £nil)

#### **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

#### **GOING CONCERN**

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The directors have taken notice of the Financial Reporting Council guidance 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009', which requires the reasons for this decision to be explained. 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,

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**DIRECTORS' REPORT**  
**for the year ended 29 November 2013**

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prepared detailed budgets and plans and reviewed the period up to the end of the next financial year, which is 28 November 2014. 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 2015 is significant to their opinion about going concern.

The bank has set a facility review date of 31 August 2014.

**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 22 May 2014

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## **CHANNEL COMMERCIAL HOLDINGS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHANNEL COMMERCIAL HOLDINGS LIMITED**

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We have audited the financial statements of Channel Commercial Holdings Limited for the year ended 29 November 2013, 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 29 November 2013 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.

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHANNEL COMMERCIAL HOLDINGS  
LIMITED**

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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

Mark Anderson (senior statutory auditor)

for and on behalf of  
**Crowe Clark Whitehill LLP**

Statutory Auditors

10 Palace Avenue  
Maidstone  
Kent  
ME15 6NF

27 May 2014



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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**PROFIT AND LOSS ACCOUNT**  
**for the year ended 29 November 2013**

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	Note	2013 £	2012 £
<b>TURNOVER</b>	1,2	<b>281,504</b>	<b>281,504</b>
Administrative expenses		<u>(190,670)</u>	<u>(190,685)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>90,834</b>	<b>90,819</b>
Tax on profit on ordinary activities	5	<u>(19,892)</u>	<u>(19,889)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	11	<u><b>70,942</b></u>	<u><b>70,930</b></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account

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

**CHANNEL COMMERCIAL HOLDINGS LIMITED**  
Registered number: 04111848

**BALANCE SHEET**  
as at 29 November 2013

		29 November 2013		30 November 2012	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		830,350		838,975
Investments	7		60,668		60,668
			<u>891,018</u>		<u>899,643</u>
<b>CURRENT ASSETS</b>					
Debtors	8	2,052,533		1,790,963	
<b>CREDITORS:</b> amounts falling due within one year	9	<u>(733,892)</u>		<u>(551,889)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,318,641</u>		<u>1,239,074</u>
<b>NET ASSETS</b>			<u><u>2,209,659</u></u>		<u><u>2,138,717</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		60,668		60,668
Profit and loss account	11		<u>2,148,991</u>		<u>2,078,049</u>
<b>SHAREHOLDERS' FUNDS</b>	12		<u><u>2,209,659</u></u>		<u><u>2,138,717</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 May 2014



**M R Macintyre**  
Director

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

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## **CHANNEL COMMERCIAL HOLDINGS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 29 November 2013**

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#### **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

##### **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
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##### **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 have taken notice of the Financial Reporting Council guidance 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009', which requires the reasons for this decision to be explained. 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 28 November 2014. 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 2015 is significant to their opinion about going concern.

The bank has set a facility review date of 31 August 2014.

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 29 November 2013

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**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

	2013 £	2012 £
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 (2012 - £NIL)

**5. TAXATION**

	2013 £	2012 £
UK corporation tax charge on profit for the year	19,892	19,889

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is higher than (2012 - *higher than*) the standard rate of corporation tax in the UK of 20.00% (2012 - 20.00%). The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	90,834	90,819
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2012 - 20.00%)	18,167	18,163
<b>EFFECTS OF:</b>		
Depreciation in excess of capital allowances	1,725	1,726
<b>CURRENT TAX CHARGE FOR THE YEAR</b> (see note above)	19,892	19,889

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 29 November 2013

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**6. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1 December 2012 and 29 November 2013	1,010,037
<b>DEPRECIATION</b>	
At 1 December 2012	171,062
Charge for the year	8,625
At 29 November 2013	179,687
<b>NET BOOK VALUE</b>	
At 29 November 2013	830,350
At 30 November 2012	838,975

**7. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 December 2012 and 29 November 2013	60,668
<b>NET BOOK VALUE</b>	
At 29 November 2013	60,668
At 30 November 2012	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 29 November 2013 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	2,488,794	204,171

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 29 November 2013

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**8. DEBTORS**

	29 November 2013 £	30 November 2012 £
Amounts owed by group undertakings	<u>2,052,533</u>	<u>1,790,963</u>

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

	29 November 2013 £	30 November 2012 £
Amounts owed to group undertakings	714,000	532,000
Corporation tax	19,892	19,889
	<u>733,892</u>	<u>551,889</u>

There is an intra-group guarantee between all group companies

**10. SHARE CAPITAL**

	29 November 2013 £	30 November 2012 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
60,668 Ordinary shares of £1 each	<u>60,668</u>	<u>60,668</u>

**11. RESERVES**

	Profit and loss account £
At 30 November 2012	2,078,049
Profit for the year	70,942
At 29 November 2013	<u>2,148,991</u>

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**CHANNEL COMMERCIAL HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 29 November 2013

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**12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>29 November 2013 £</b>	<b>30 November 2012 £</b>
Opening shareholders' funds	<b>2,138,717</b>	<b>2,067,787</b>
Profit for the financial year	<b>70,942</b>	<b>70,930</b>
Closing shareholders' funds	<b>2,209,659</b>	<b>2,138,717</b>

**13. 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

**14. 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

