

Capital Hygiene Services Limited

Annual report for the period ended 31 March 2012

Registered number 04368041



Capital Hygiene Services Limited

Annual report for the period ended 31 March 2012

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Capital Hygiene Services Limited

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Directors and advisors

Directors

S A Woods	(appointed 7 December 2012)
P J Cohen	(appointed 27 September 2011 and resigned 19 June 2012)
J F Skidmore	(appointed 27 September 2011 and resigned 7 December 2012)
S A Pope	(resigned 27 September 2011)
S Waite	(resigned 27 September 2011)

Registered office

PHS Group plc
Western Industrial Estate
Caerphilly
CF83 1XH

Independent auditors

PricewaterhouseCoopers LLP
One Kingsway
CARDIFF
CF10 3PW

Solicitors

Morgan Cole
Bradley Court
Park Place
CARDIFF
CF1 3DP

Directors' report for the period ended 31 March 2012

The Directors present their report and the audited financial statements for the period ended 31 March 2012

Principal activity and review of business

On 27 September 2011, the Company became a wholly owned subsidiary of Personnel Hygiene Services Limited. On the following day, the new parent company acquired the trade and net assets of the Company. Consequently at this time, the Company became dormant.

The Directors anticipate that the Company will remain dormant for the foreseeable future.

Results and dividends

The profit after taxation for the period was £12,857,877 (Period 1 April 2011 to 26 September 2011 £332,434)

The Board does not recommend the payment of a final dividend (Period 1 April 2011 to 26 September 2011 £nil). An interim dividend of £139,645.68 (Period 1 April 2011 to 26 September 2011 £3,770) per ordinary share was paid at a total cost of £13,964,568 (Period 1 April 2011 to 26 September 2011 £377,000).

Directors

All Directors of the Company who served at any time during the period are listed on page 1.

Statement of Directors' responsibilities

The Directors are responsible for preparing the 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 period. 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 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 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.

**Directors' report
for the period ended 31 March 2012 (continued)**

Statement of disclosure of information to auditors

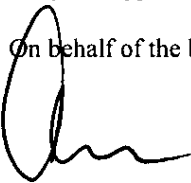
Each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware

Independent auditors

The Company has appointed PricewaterhouseCoopers LLP to fill a casual vacancy and will propose a resolution to ratify this appointment at the next Annual General Meeting

On behalf of the board

A handwritten signature in black ink, appearing to be 'S A Woods', written over the text 'On behalf of the board'.

**S A Woods
Director**

19 December 2012

Independent auditors' report to the members of Capital Hygiene Services Limited

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We have audited the financial statements of Capital Hygiene Limited for the period ended 31 March 2012 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).

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement, 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. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the profit for the period.

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.

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 Directors Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for disclaimer of opinion on the profit for the period

The audit evidence available to us was limited as we were not appointed as auditors of the Company until 26th July 2012 and the financial statements for the year ended 26 September 2011 were unaudited because the company took advantage of the exemption available to it from having an audit. Any adjustments that might have been found to be necessary to the opening balances as at 27 September 2011 would impact on the Company's profit for the period and the comparative figures in the balance sheet for the year ended 26 September 2011.

Basis for qualified opinion on the financial statements

The notes to the financial statements do not disclose tax on profit on ordinary activities as management has not been able to obtain this information as is required by the Companies Act 2006.

Disclaimer of opinion on the profit for the period

Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the profit for the period paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Company's profit for the period ended 31 March 2012. Accordingly we do not express an opinion on the Company's profit for the period ended 31 March 2012.

Independent auditors' report to the members of Capital Hygiene Services Limited

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Qualified opinion on the 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 March 2012

In our opinion, except for the matters referred to in the basis for qualified opinion paragraph, the financial statements

- 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

Notwithstanding our disclaimer of an opinion on the profit for the period, in our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

Arising from the limitation of our work referred to above

- we have not obtained all the information and explanations that we consider necessary for the purposes of our audit, and
- we were unable to determine whether adequate accounting records have been kept

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

- 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

Other matter

The financial statements for the year ended 26 September 2011, forming the corresponding figures of the financial statements for the period ended 31 March 2012, are unaudited



Jason Clarke (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

20.12.12

Capital Hygiene Services Limited

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Profit and loss account for the period ended 31 March 2012

Registered number: 04368041

	Note	Period ended 31 March 2012 £	Unaudited Period 1 April 2011 to 26 September 2011 £
Turnover		-	2,560,940
Cost of sales		-	(563,113)
Administrative expenses		-	(1,539,458)
Operating profit	3	-	458,369
Profit on sale of operations	4	12,857,877	-
Loss on disposal of investment		-	18,594
Interest receivable and similar income		-	1,562
Interest payable and similar charges	5	-	(9,695)
Profit on ordinary activities before taxation		12,857,877	431,642
Tax on profit on ordinary activities	6	-	(99,208)
Profit on ordinary activities after taxation		12,857,877	332,434

All operations were discontinued during the period

The Company had no recognised gains and losses other than the profits and losses disclosed above and therefore no separate statement of total recognised gains and losses is presented

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

Capital Hygiene Services Limited

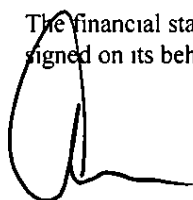
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Balance sheet as at 31 March 2012

Registered number: 04368041

	Note	31 March 2012 £	Unaudited 26 September 2011 £
Fixed assets			
Tangible assets	7	-	227,011
Current assets			
Stocks		-	228,560
Debtors	8	100	1,175,379
Cash at bank and in hand		-	2,461,016
		<u>100</u>	<u>3,864,955</u>
Creditors: amounts falling due within one year	9	<u>-</u>	<u>(1,195,195)</u>
Net current assets		100	2,669,760
Total assets less current liabilities		100	2,896,771
Creditors: amounts falling due after more than one year	9	-	(89,603)
Provision for liabilities	10	-	(197)
Accruals and deferred income	11	<u>-</u>	<u>(1,700,180)</u>
Net assets		<u>100</u>	<u>1,106,791</u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account	13	-	1,106,691
Total shareholders' funds	14	<u>100</u>	<u>1,106,791</u>

The financial statements on pages 6 to 12 were approved by the Board of Directors on 19 December 2012 and were signed on its behalf by



S A Woods
Director

Notes to the financial statements for the period ended 31 March 2012

1. Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the historical cost convention, applicable United Kingdom accounting standards and the Companies Act 2006. The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial period, are described below.

Cash flow statement and related party disclosure

The Company is a wholly owned subsidiary of Personnel Hygiene Services Limited, which is wholly owned trading subsidiary of PHS Group Holdings Limited. The results of the company are included in the consolidated financial statements of PHS Group Holdings Limited, which are publicly available.

Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1. The company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the PHS Group Holdings Limited group or investees of the PHS Group Holdings Limited group.

The comparative information, which relates to the period 1 April 2011 to 26 September 2011, is unaudited. The prior period financial statements were unaudited as the company took advantage of the exemption under section 477 of the Companies Act 2006 to not have an audit.

Turnover

Turnover represents net invoiced sales of goods, exclusive of value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to leasehold	- over the term of the lease
Office equipment	- 25% on cost
Motor vehicles	- 33% on cost and 25% on reducing balance
Computer equipment	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the term of the lease, whichever is the shorter.

Rentals paid under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Notes to the financial statements for the period ended 31 March 2012 (continued)

2. Staff costs

	31 March 2012	Unaudited Period 1 April 2011 to 26 September 2011
	£	£
Wages and salaries	-	1,174,158
Social security costs	-	137,050
	-	1,311,208

	31 March 2012	Unaudited Period 1 April 2011 to 26 September 2011
Directors	-	2
Sales	-	26
Administration	-	12
Direct labour	-	24
	-	64

3. Operating profit

	Period ended 31 March 2012	Unaudited Period 1 April 2011 to 26 September 2011
	£	£
Operating loss is stated after charging/(crediting)		
Hire of plant and machinery	-	1,600
Other operating leases	-	6,345
Depreciation – owned assets	-	6,905
Depreciation – assets on hire purchase contracts	-	46,594
Profit on disposal of fixed assets	-	(83)
Auditors' remuneration	-	4,950
	-	30,000

4. Profit on sale of operations

On 27 September 2011, Personnel Hygiene Services acquired the trade and net assets of the Company for consideration of £13,964,668

**Notes to the financial statements
for the period ended 31 March 2012 (continued)**

5. Interest payable and similar charges

	31 March 2012	Unaudited Period 1 April 2011 to 26 September 2011
	£	£
Corporation tax interest	-	222
Hire purchase interest	-	9,473
	<u>-</u>	<u>9,695</u>

6. Tax on profit/(loss) on ordinary activities

The profit arising in the current period is wholly in respect of non-taxable income

7. Tangible fixed assets

	Unaudited Improvements to leasehold £	Unaudited Office equipment £	Unaudited Motor vehicles £	Unaudited Computer equipment £	Unaudited Totals £
Cost					
At 27 September 2011	26,547	20,051	598,534	31,531	676,663
Disposals to parent company	(26,547)	(20,051)	(598,534)	(31,531)	(676,663)
At 31 March 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accumulated depreciation					
At 27 September 2011	26,547	18,797	380,293	24,015	449,652
Disposals to parent company	(26,547)	(18,797)	(380,293)	(24,015)	(449,652)
At 31 March 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value					
At 31 March 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 26 September 2011	<u>-</u>	<u>1,254</u>	<u>218,241</u>	<u>7,516</u>	<u>227,011</u>

**Notes to the financial statements
for the period ended 31 March 2012 (continued)**

8. Debtors

	31 March 2012 £	Unaudited 26 September 2011 £
Trade debtors	-	597,584
Other debtors	-	141,137
Directors' loan accounts	-	400,000
Prepayments	-	36,658
Amounts owed by group undertakings	100	-
	100	1,175,379

9. Creditors

	31 March 2012 £	Unaudited 26 September 2011 £
Amounts falling due within one year		
Net obligations under hire purchase agreements	-	89,935
Trade creditors	-	122,349
Corporation tax	-	28,248
Other taxation and social security	-	177,701
Other creditors	-	2,250
Accruals	-	774,712
	-	1,195,195
Amounts falling due after more than one year:		
Net obligations under hire purchase agreements	-	89,603

10. Provisions for liabilities

	31 March 2012 £	Unaudited 26 September 2011 £
Deferred tax – accelerated capital allowances	-	197

11. Accruals and deferred income

	31 March 2012 £	Unaudited 26 September 2011 £
Deferred income	-	1,700,180

**Notes to the financial statements
for the period ended 31 March 2012 (continued)**

12. Called up share capital

	31 March 2012 £	Unaudited 26 September 2011 £
Allotted, issued and fully paid:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

13. Reserves

	Profit and loss account £
At 27 September 2011	1,106,691
Retained loss for the period	<u>(1,106,691)</u>
At 31 March 2012	<u>-</u>

14. Reconciliation of movement in shareholders' funds

	31 March 2012 £	Unaudited 26 September 2011 £
Profit for the period	12,857,877	332,434
Dividends paid	<u>(13,964,568)</u>	<u>(377,000)</u>
	(1,106,691)	(44,566)
Opening shareholders' funds	<u>1,106,791</u>	<u>1,151,357</u>
Closing shareholders' funds	<u>100</u>	<u>1,106,791</u>

15. Ultimate parent company and controlling party

The ultimate parent company is PHS Group Holdings Limited and the immediate parent company is Personnel Hygiene Services Limited. Both companies are incorporated in the United Kingdom and registered in England and Wales.

The parent company of the smallest group at which the Company's financial statements are consolidated is PHS Group plc and of the largest group is PHS Group Holdings Limited.

Copies of the financial statements of both parent companies are available from the company's registered office at Western Industrial Estate, Caerphilly.

The ultimate controlling party of the Company is funds managed by Charterhouse General Partners (VII).