

First Investments Limited

Directors' Report and Accounts

For the Year Ended

31 January 2015

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FIRST INVESTMENTS LIMITED

ACCOUNTS

YEAR ENDED 31 JANUARY 2015

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FIRST INVESTMENTS LIMITED

COMPANY INFORMATION

The board of directors

TD Hopkinson
TJP Knowles
CC Sharp

Company secretary

CC Sharp

Registered office

Canal Mill
Botany Brow
Chorley
Lancashire
PR6 9AF

Auditor

Moore and Smalley LLP
Chartered Accountants
& Statutory Auditor
Richard House
Winckley Square
Preston
PR1 3HP

FIRST INVESTMENTS LIMITED

STRATEGIC REPORT

YEAR ENDED 31 JANUARY 2015

The full impact of the transfer in the previous year of part of the Company's business to its fellow subsidiary, FI Real Estate Management Limited, is apparent this year. Turnover reduced by £2,057,267 from £7,997,539 to £5,939,272 in the year ended 31st January 2015. An operating loss was incurred in the year of £206,781 compared to an operating profit of £1,632,722 in the previous year. Due to a credit arising from the release of a provision needed for group balances, compared to a charge in the previous year, the Company made an after tax profit of £186,807 in the year compared to £282,870 in the previous year. The balance sheet remains strong with net assets of £1,031,049 at the year end and cash at bank of £2,652,630.

Signed by order of the directors



CC Sharp
Company Secretary

Approved by the directors on 27 October 2015

FIRST INVESTMENTS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 JANUARY 2015

The directors present their report and the accounts of the company for the year ended 31 January 2015.

Results and dividends

The profit for the year amounted to £186,807. The directors have not recommended a dividend.

Financial instruments

Details of financial instruments are provided within accounting policies in the notes to the accounts.

Directors

The directors who served the company during the year were as follows:

TD Hopkinson
TJP Knowles
CC Sharp

Directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 year.

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

Donations

During the year the company made the following contributions:

	2015 £	2014 £
Charitable	<u>28,013</u>	<u>5,165</u>

FIRST INVESTMENTS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JANUARY 2015

Strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. This includes information that would have previously been included in the business review and the principal risks and uncertainties.

Auditor

Moore and Smalley LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed by order of the directors



CC Sharp
Company Secretary

Approved by the directors on 27 October 2015

FIRST INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF FIRST INVESTMENTS LIMITED

YEAR ENDED 31 JANUARY 2015

We have audited the accounts of First Investments Limited for the year ended 31 January 2015 which comprise the Profit and Loss Account, 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 shareholder, 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 shareholder 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 shareholder 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 Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 January 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 Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

FIRST INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF FIRST INVESTMENTS LIMITED *(continued)*

YEAR ENDED 31 JANUARY 2015

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 accounts 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.



James Treadwell (Senior Statutory Auditor)
For and on behalf of
Moore and Smalley LLP
Chartered Accountants & Statutory Auditor

Richard House
Winckley Square
Preston
PR1 3HP

27 October 2015

FIRST INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 JANUARY 2015**

	Note	2015 £	2014 £
Turnover	2	5,939,272	7,997,539
Cost of sales		(3,945,059)	(3,949,094)
Gross profit		1,994,213	4,048,445
Administrative expenses		(2,200,994)	(2,415,723)
Operating (loss)/profit	3	(206,781)	1,632,722
Exceptional items	6	416,578	(1,332,959)
		209,797	299,763
Interest receivable		20,479	2,154
Interest payable and similar charges	7	(43,469)	(19,047)
Profit on ordinary activities before taxation		186,807	282,870
Tax on profit on ordinary activities	8	—	623,712
Profit for the financial year		186,807	906,582

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

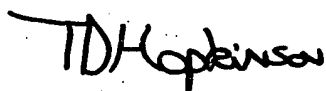
FIRST INVESTMENTS LIMITED

BALANCE SHEET

31 JANUARY 2015

	Note	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	10		99,340		117,047
Current assets					
Debtors	11	2,856,344		4,058,993	
Cash at bank		2,652,630		1,798,863	
		5,508,974		5,857,856	
Creditors: amounts falling due within one year	12	4,577,265		5,130,661	
Net current assets			931,709		727,195
Total assets less current liabilities			1,031,049		844,242
Capital and reserves					
Called-up equity share capital	15		1		1
Profit and loss account	16		1,031,048		844,241
Shareholder's funds	17		1,031,049		844,242

These accounts were approved by the directors and authorised for issue on 27 October 2015, and are signed on their behalf by:



TD Hopkinson

Company Registration Number: 05642212

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the accounts on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts, to the extent that the company has a right to consideration arising from the performance of its contractual arrangements.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	- 10% reducing balance
Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 25% straight line

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

1 Accounting policies (continued)

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2015 £	2014 £
United Kingdom	<u>5,939,272</u>	<u>7,997,539</u>

3 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2015 £	2014 £
Depreciation of owned fixed assets	17,707	21,657
Auditor's remuneration - audit of the accounts	6,500	6,500
Auditor's remuneration - taxation services	<u>500</u>	<u>500</u>

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

4 Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2015 No	2014 No
Number of administrative staff	34	33
Number of management staff	7	7
	<u>41</u>	<u>40</u>

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	1,015,651	1,176,009
Social security costs	96,924	121,215
Other pension costs	18,922	20,100
	<u>1,131,497</u>	<u>1,317,324</u>

5 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2015 £	2014 £
Aggregate remuneration	137,813	100,992
Value of company pension contributions to money purchase schemes	17,062	16,675
	<u>154,875</u>	<u>117,667</u>

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

5 Directors' remuneration (continued)

The number of directors who accrued benefits under company pension schemes was as follows:

	2015 No	2014 No
Money purchase schemes	<u>2</u>	<u>2</u>

6 Exceptional items

The exceptional item represents a provision against group balances totalling £741,434, and a reduction in a provision against a group balance totalling £1,158,012. The exceptional item in the previous year represents the sale of contracts to FI Real Estate Management Limited of £175,000, group debtors of £256,126 being written off, and a provision against a group balance totalling £1,251,833.

7 Interest payable and similar charges

	2015 £	2014 £
Interest payable on bank borrowing	40,796	14,471
Other similar charges payable	2,673	4,576
	<u>43,469</u>	<u>19,047</u>

8 Taxation on ordinary activities

(a) Analysis of charge in the year

	2015 £	2014 £
Current tax:		
Corporation tax	-	-
Over/under provision in prior year	-	(623,712)
Total current tax	<u>-</u>	<u>(623,712)</u>

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

8 Taxation on ordinary activities *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21.33% (2014 - 23.16%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>186,807</u>	<u>282,870</u>
Profit on ordinary activities by rate of tax	39,852	65,513
Expenses not deductible for tax purposes	26,441	31,341
Income not taxable for tax purposes	(88,869)	308,713
Differences in capital allowances & depreciation	3,777	5,016
Tax losses	(730)	(499)
Group relief	19,529	(410,084)
Adjustment in respect of earlier years	-	(623,712)
Total current tax (note 8(a))	<u>-</u>	<u>(623,712)</u>

9 Dividends

Equity dividends

	2015 £	2014 £
Paid		
Equity dividends on ordinary shares	<u>-</u>	<u>500,000</u>

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

10 Tangible fixed assets

	Leasehold alterations £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Feb 2014 and 31 Jan 2015	<u>174,312</u>	<u>1,095</u>	<u>31,495</u>	<u>7,200</u>	<u>158,702</u>	<u>372,804</u>
Depreciation						
At 1 Feb 2014	86,487	696	18,642	4,466	145,466	255,757
Charge for the year	8,391	56	1,801	611	6,848	17,707
At 31 Jan 2015	<u>94,878</u>	<u>752</u>	<u>20,443</u>	<u>5,077</u>	<u>152,314</u>	<u>273,464</u>
Net book value						
At 31 Jan 2015	<u>79,434</u>	<u>343</u>	<u>11,052</u>	<u>2,123</u>	<u>6,388</u>	<u>99,340</u>
At 31 Jan 2014	<u>87,825</u>	<u>399</u>	<u>12,853</u>	<u>2,734</u>	<u>13,236</u>	<u>117,047</u>

11 Debtors

	2015 £	2014 £
Trade debtors	61,144	26,588
Amounts owed by group undertakings	687,981	1,898,587
Other debtors	1,076,466	1,373,468
Directors current accounts	—	629,121
Prepayments and accrued income	1,030,753	131,229
	<u>2,856,344</u>	<u>4,058,993</u>

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

12 Creditors: amounts falling due within one year

	2015 £	2014 £
Overdrafts	548,561	339,214
Trade creditors	983,034	111,861
Amounts owed to group undertakings	284,049	1,977,077
PAYE and social security	55,063	44,860
VAT	122,052	79,427
Other creditors	2,125,639	2,215,930
Directors current accounts	17,424	—
Accruals and deferred income	441,443	362,292
	<u>4,577,265</u>	<u>5,130,661</u>

The overdrafts are secured by a fixed and floating charge over the assets of the company.

Hire purchase liabilities are secured on the assets to which they relate.

13 Directors' benefits: Advances, credit and guarantees

At 1 February 2014 the outstanding balance in relation to CC Sharp, a director of the company, was £101,157. During the year the company made advances totalling £47,655 to CC Sharp, and CC Sharp made repayments totalling £148,812. At 31 January 2015 the amount owed to the company was £nil.

At 1 February 2014 the outstanding balance in relation to TJP Knowles, a director of the company, was £527,964. This balance was repaid in full on 1 April 2014. During the year TJP Knowles made further repayments totalling £17,424. At 31 January 2015 the amount owed to TJP Knowles by the company was £17,424.

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

14 Related party transactions

The company had the following transactions during the year, and the following balances present in debtors and creditors at the year end, relating to other group companies and companies with the same director:

	Sales & income £	Purchases & expenses £	Debtors £	Creditors £
Group companies:				
Botany Aviation Ltd	–	15,000	503,829	–
Bygone Times Trading Ltd	–	–	–	516
Facilities Maintenance Construction Services Ltd	–	1,562,081	–	176,275
Fifedale Trading Ltd	–	75,000	–	75,000
First Industrial Ltd	326,813	–	60,900	–
Knowles Industrial Ltd	40,920	–	3,492	–
Lake Pine Ltd	603,912	–	426,682	–
Lea Valley Ltd	–	–	93,821	–
Mayton Properties Ltd	16,350	–	4,831	–
Pro Investments Ltd	–	–	200,054	–
Transwest Ltd	9,779	–	1,804	–
USL (Trading) Ltd	–	–	408,832	–
Village Pines Ltd	83,322	–	1,005	–
FI Real Estate Management Ltd	–	–	–	32,258
Britannic Holdings Ltd	–	–	13	–
Kelvinglen Ltd	–	–	502	–
First Warehousing Ltd	–	55,000	17,518	–
Provision against group balances	–	–	(1,035,302)	–
	<u>1,081,096</u>	<u>1,707,081</u>	<u>687,981</u>	<u>284,049</u>
Entities with common directors/members:				
Solutus Advisors Ltd	–	–	8,409	–

First Investments Limited was invoiced for amounts totalling £36,000 (2014: £36,000) by EDR Financial Management Ltd, a company in which T D Hopkinson is a director.

TD Hopkinson is a director of Wildmoor (Hull) Ltd. During the year First Investments made sales of £nil (2014: £457,535) to Wildmoor (Hull) Ltd.

Dividends of £nil (2014: 500,000) were paid to Acepark Limited.

The directors have undertaken not to seek repayment in full of the above debts due to the company for a period of not less than 12 months from the date of approval of these accounts. In addition, the directors place reliance on representations made to the company that the above debts owed to group companies will not become repayable in full within 12 months from the date of approval of the accounts.

Comparatives for the related party balances are disclosed in aggregate within the debtors and creditors notes above.

FIRST INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2015

15 Share capital

Authorised share capital:

	2015 £	2014 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2015 No	£	2014 No	£
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

16 Reserves

	Profit and loss account £
At 1 February 2014	844,241
Profit for the year	186,807
At 31 January 2015	<u>1,031,048</u>

17 Reconciliation of movements in shareholder's funds

	2015 £	2014 £
Profit for the financial year	186,807	906,582
Equity dividends	—	(500,000)
Net addition to shareholder's funds	<u>186,807</u>	<u>406,582</u>
Opening shareholder's funds	844,242	437,660
Closing shareholder's funds	<u>1,031,049</u>	<u>844,242</u>

18 Ultimate parent company

The ultimate parent company is Acepark Limited, a company incorporated in Great Britain and registered in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by Acepark Limited. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Cardiff.

The ultimate controlling party is TJP Knowles.