

COMPANY REGISTRATION NUMBER 5678546

COLE SERVICES LIMITED
FINANCIAL STATEMENTS

31ST DECEMBER 2014

THURSDAY



A4ASWTNM

A22

02/07/2015

#21

COMPANIES HOUSE

ABBOT^S
Chartered Certified Accountants & Statutory Auditor
Printing House
66 Lower Road
Harrow
HA2 0DH

COLE SERVICES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

CONTENTS	PAGE
Directors' report	1
Independent auditor's report to the shareholders	3
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7
The following pages do not form part of the financial statements	
Detailed profit and loss account	16
Notes to the detailed profit and loss account	17

COLE SERVICES LIMITED

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2014

The directors present their report and the financial statements of the company for the year ended 31st December 2014.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the hire and maintenance of motor vehicles and plant.

DIRECTORS

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

M. J. Fitzpatrick
M. Buckingham
L. R. McKidd
C. M. Pryce

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 year. Under that law the directors have elected to prepare 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 year.

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;
- 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.

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.

COLE SERVICES LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2014

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
Cardinal House,
Bury Street,
Ruislip,
HA4 7GD

Signed on behalf of the directors



Mr. M. J. FITZPATRICK

Chairman

Approved by the directors on 12th June 2015

COLE SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF COLE SERVICES LIMITED

YEAR ENDED 31ST DECEMBER 2014

We have audited the financial statements of Cole Services Limited for the year ended 31st December 2014 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 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 Directors' Responsibilities Statement set out on page 1, 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 annual 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 31st December 2014 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.

COLE SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF COLE SERVICES LIMITED *(continued)*

YEAR ENDED 31ST DECEMBER 2014

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemptions from the requirement to prepare a strategic report.

Printing House
66 Lower Road
Harrow
HA2 0DH

12th June 2015

.....
GARY REDMOND TILL (Senior
Statutory Auditor)
For and on behalf of
ABBOTS
Chartered Certified Accountants
& Statutory Auditor

COLE SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2014

	Note	2014 £	2013 £
TURNOVER		1,353,013	1,097,534
Cost of sales		708,500	586,493
GROSS PROFIT		644,513	511,041
Administrative expenses		437,174	396,715
OPERATING PROFIT	2	207,339	114,326
Interest payable and similar charges	3	26,824	17,663
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		180,515	96,663
Tax on profit on ordinary activities	4	37,090	17,616
PROFIT FOR THE FINANCIAL YEAR		143,425	79,047

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.

"

The notes on pages 7 to 14 form part of these financial statements.

COLE SERVICES LIMITED


BALANCE SHEET

31ST DECEMBER 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	5	944,627	685,911
CURRENT ASSETS			
Debtors	6	288,234	264,626
Cash at bank		148,727	156,238
		<u>436,961</u>	<u>420,864</u>
CREDITORS: Amounts falling due within one year	7	<u>406,745</u>	<u>351,766</u>
NET CURRENT ASSETS		30,216	69,098
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>974,843</u>	<u>755,009</u>
CREDITORS: Amounts falling due after more than one year	8	112,298	72,979
PROVISIONS FOR LIABILITIES			
Deferred taxation	10	69,334	32,244
		<u>793,211</u>	<u>649,786</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	100	100
Profit and loss account	14	793,111	649,686
SHAREHOLDERS' FUNDS	15	<u>793,211</u>	<u>649,786</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These accounts were approved by the directors and authorised for issue on 12th June 2015, and are signed on their behalf by:


M. J. Fitzpatrick

Company Registration Number: 5678546

The notes on pages 7 to 14 form part of these financial statements.

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

1. ACCOUNTING POLICIES

Basis of accounting

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

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 financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

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:

Fixtures, Fittings and Equipment	- 25% reducing balance basis
Motor Vehicles	- 15% - 35% straight line basis

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 at a constant rate of charge on the balance of capital repayments outstanding.

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.

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Directors' remuneration	–	–
Depreciation of owned fixed assets	156,317	163,892
Depreciation of assets held under hire purchase agreements	108,883	70,673
Profit on disposal of fixed assets	(55,414)	(35,522)
Auditor's fees	6,000	6,000
	<u> </u>	<u> </u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Finance charges	26,118	16,595
Other interest and similar charges	706	1,068
	<u>26,824</u>	<u>17,663</u>

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014 £	2013 £
Current tax:		
UK Corporation tax based on the results for the year at 20% (2013 - 20%)	-	5
Total current tax	-	5
Deferred tax:		
Origination and reversal of timing differences (note 10)		
Capital allowances	37,090	17,611
Tax on profit on ordinary activities	<u>37,090</u>	<u>17,616</u>

(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 20% (2013 - 20%).

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>180,515</u>	<u>96,663</u>
Profit on ordinary activities by rate of tax	36,103	19,333
Expenses not deductible for tax purposes	1,003	721
Capital allowances for period in excess of depreciation	(42,223)	(20,049)
Losses carried forward	<u>5,117</u>	<u>-</u>
Total current tax (note 4(a))	<u>-</u>	<u>5</u>

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

5. TANGIBLE FIXED ASSETS

	Fixtures, Fittings and Equipment £	Motor Vehicles £	Total £
COST			
At 1st January 2014	7,827	1,365,128	1,372,955
Additions	–	538,693	538,693
Disposals	(2,364)	(211,799)	(214,163)
At 31st December 2014	<u>5,463</u>	<u>1,692,022</u>	<u>1,697,485</u>
DEPRECIATION			
At 1st January 2014	6,143	680,901	687,044
Charge for the year	356	264,844	265,200
On disposals	(2,104)	(197,282)	(199,386)
At 31st December 2014	<u>4,395</u>	<u>748,463</u>	<u>752,858</u>
NET BOOK VALUE			
At 31st December 2014	<u>1,068</u>	<u>943,559</u>	<u>944,627</u>
At 31st December 2013	<u>1,684</u>	<u>684,227</u>	<u>685,911</u>

Hire purchase agreements

Included within the net book value of £944,627 is £688,876 (2013 - £421,343) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £108,883 (2013 - £70,673).

6. DEBTORS

	2014 £	2013 £
Trade debtors	92,597	78,638
Amounts owed by group undertakings	131,933	103,683
VAT recoverable	2,526	15,825
Prepayments and accrued income	1,563	494
Prepayments	<u>59,615</u>	<u>65,986</u>
	<u>288,234</u>	<u>264,626</u>

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

7. CREDITORS: Amounts falling due within one year

	2014		2013
	£	£	£
Trade creditors		83,704	87,226
Amounts owed to group undertakings		—	91,683
Other creditors including taxation:			
Corporation tax	—		5
Hire purchase agreements	288,127		161,677
Other creditors	25,842		—
Accruals and deferred income	9,072		11,175
		<u>323,041</u>	<u>172,857</u>
		<u>406,745</u>	<u>351,766</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2014	2013
	£	£
Hire purchase agreements	<u>288,127</u>	<u>161,677</u>

8. CREDITORS: Amounts falling due after more than one year

	2014	2013
	£	£
Hire purchase agreements	<u>112,298</u>	<u>72,979</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2014	2013
	£	£
Hire purchase agreements	<u>112,298</u>	<u>72,979</u>

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

9. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2014	2013
	£	£
Amounts payable within 1 year	302,807	170,741
Amounts payable between 1 and 2 years	114,326	74,727
	<u>417,133</u>	<u>245,468</u>
Less interest and finance charges relating to future periods	(16,708)	(10,812)
	<u>400,425</u>	<u>234,656</u>
Hire purchase agreements are analysed as follows:		
Current obligations	288,127	161,677
Non-current obligations	112,298	72,979
	<u>400,425</u>	<u>234,656</u>

10. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2014	2013
	£	£
Provision brought forward	32,244	14,633
Profit and loss account movement arising during the year	37,090	17,611
Provision carried forward	<u>69,334</u>	<u>32,244</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014	2013
	£	£
Excess of taxation allowances over depreciation on fixed assets	69,334	32,244
	<u>69,334</u>	<u>32,244</u>

11. CONTINGENCIES

There is a guarantee between Cole Services Limited and Ashley Industrial Properties Limited of £2,281,200 payable on demand in favour of National Westminster Bank Plc

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

12. RELATED PARTY TRANSACTIONS

The company was under the control of VGC Group Limited for the current and previous years. Cole Services Limited is a 95% owned subsidiary of VGC Group Limited.

Transactions entered into during the year, under normal commercial terms, with other related companies in which there were common directors and shareholdings were as follows:-

VGC Group Limited

At the balance sheet date £95 (2013 - £95) was owed by VGC Group Limited in respect of a short term interest free loan.

V.G. Clements (Contractors) Limited

Included in turnover is £308,277 (2013 - £263,817) invoiced by Cole Services Limited and included in cost of sales is £6,238 (2013: £ nil) invoiced by V. G. Clements (Contractors) Limited.

At the balance sheet date £nil (2013 - £53,952) was owed by V.G. Clements (Contractors) Limited in respect of a short term interest free loan.

V.G. Clements Limited

Included in turnover is £399,132 (2013 - £293,441) invoiced by Cole Services Limited.

At the balance sheet date £3,125 (2013 - £43,610) was owed by V.G. Clements Limited in respect of a short term interest free loan.

V.G.C. Construction Limited

Included in turnover is £30,356 (2013 - £32,596) invoiced by Cole Services Limited.

At the balance sheet date £nil (2013 - £6,026) was owed by V.G.C. Construction Limited in respect of a short term interest free loan.

V.G.C. Personnel Limited

Included in turnover is £200 (2013 - £2,743) invoiced by Cole Services Limited and included in administrative expenses is £2,200 (2013 - £nil) invoiced by V. G. C Personnel Limited.

VGC Services Limited

Included in turnover is £51,333 (2013 - £38,979) invoiced by Cole Services Limited and included in cost of sales and administrative expenses is £74,962 (2013 - £71,858) and £135,689 (2013 - £122,645) respectively for amounts recharged by VGC Services Limited.

At the balance sheet date £128,713 (2013 - £91,683 owed to) was owed by VGC Services Limited in respect of a short term interest free loan.

Cole Enterprises Limited

Included in administrative expenses is £12,000 (2013 - £12,000) invoiced by Cole Enterprises Limited.

COLE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2014

13. SHARE CAPITAL

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

14. PROFIT AND LOSS ACCOUNT

	2014	2013
	£	£
Balance brought forward	649,686	570,639
Profit for the financial year	<u>143,425</u>	<u>79,047</u>
Balance carried forward	<u>793,111</u>	<u>649,686</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit for the financial year	143,425	79,047
Opening shareholders' funds	<u>649,786</u>	<u>570,739</u>
Closing shareholders' funds	<u>793,211</u>	<u>649,786</u>

16. ULTIMATE PARENT COMPANY

95% of the share capital is owned by VGC Group Limited. The directors consider this to be the ultimate parent company.

The group consolidated accounts can be obtained from the company's registered office; the address is stated on page 2 of these accounts.