

**COMPANY REGISTRATION NUMBER: 5678546**

**Cole Services Limited**  
**Financial Statements**  
**31 December 2018**

# **Cole Services Limited**

## **Financial Statements**

**Year ended 31st December 2018**

---

<b>Contents</b>	<b>Page</b>
Directors' report	<b>1</b>
Independent auditor's report to the members	<b>3</b>
Statement of income and retained earnings	<b>6</b>
Statement of financial position	<b>7</b>
Notes to the financial statements	<b>8</b>

# **Cole Services Limited**

## **Directors' Report**

### **Year ended 31st December 2018**

---

The directors present their report and the financial statements of the company for the year ended 31 December 2018 .

#### **Directors**

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

Mr M J Fitzpatrick

Mr L R McKidd

Mrs C M Pryce

#### **Directors' responsibilities statement**

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 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 judgments 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.

**Auditor**

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have 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.

**Small company provisions**

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

This report was approved by the board of directors on 27 September 2019 and signed on behalf of the board by:

Mr M J Fitzpatrick

Director

Registered office:

Cardinal House

Bury Street

Ruislip

HA4 7GD

# **Cole Services Limited**

## **Independent Auditor's Report to the Members of Cole Services Limited**

**Year ended 31st December 2018**

---

### **Opinion**

We have audited the financial statements of Cole Services Limited (the 'company') for the year ended 31st December 2018 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 31st December 2018 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which 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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

## **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including

the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. Use of our report This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Rosa Maria Garcia Nunez  
(Senior Statutory Auditor)

For and on behalf of

Abbots

Chartered Certified Accountants & Statutory Auditor

Printing House

66 Lower Road

Harrow

HA2 0DH

27 September 2019



# Cole Services Limited

## Statement of Income and Retained Earnings

Year ended 31st December 2018

		2018	2017
	Note	£	£
<b>Turnover</b>	<b>4</b>	1,106,749	1,293,432
Cost of sales		533,475	550,063
		-----	-----
<b>Gross profit</b>		573,274	743,369
Administrative expenses		471,556	529,365
		-----	-----
<b>Operating profit</b>	<b>5</b>	101,718	214,004
Interest payable and similar expenses	<b>7</b>	3,040	5,622
		-----	-----
<b>Profit before taxation</b>		98,678	208,382
Tax on profit	<b>8</b>	20,727	34,908
		-----	-----
<b>Profit for the financial year and total comprehensive income</b>		77,951	173,474
		-----	-----
<b>Retained earnings at the start of the year</b>		1,397,432	1,223,958
		-----	-----
<b>Retained earnings at the end of the year</b>		1,475,383	1,397,432
		-----	-----

All the activities of the company are from continuing operations.

# Cole Services Limited

## Statement of Financial Position

**31 December 2018**

		<b>2018</b>		<b>2017</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Intangible assets	<b>9</b>		6,472		5,572
Tangible assets	<b>10</b>		720,035		840,740
			-----		-----
			726,507		846,312
<b>Current assets</b>					
Debtors	<b>11</b>	754,609		607,032	
Cash at bank and in hand		196,493		179,621	
		-----		-----	
		951,102		786,653	
<b>Creditors: amounts falling due within one year</b>	<b>12</b>	123,772		151,700	
		-----		-----	
<b>Net current assets</b>			827,330		634,953
			-----		-----
<b>Total assets less current liabilities</b>			1,553,837		1,481,265
<b>Provisions</b>					
Taxation including deferred tax	<b>13</b>		78,354		83,733
			-----		-----
<b>Net assets</b>			1,475,483		1,397,532
			-----		-----
<b>Capital and reserves</b>					
Called up share capital	<b>15</b>		100		100
Profit and loss account	<b>16</b>		1,475,383		1,397,432
			-----		-----
<b>Shareholders funds</b>			1,475,483		1,397,532
			-----		-----

These financial statements were approved by the board of directors and authorised for issue on 27 September 2019 , and are signed on behalf of the board by:

Mr M J Fitzpatrick

Director

Company registration number: 5678546

# **Cole Services Limited**

## **Notes to the Financial Statements**

**Year ended 31st December 2018**

---

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Cardinal House, Bury Street, Ruislip HA4 7GD. The principal activity of the company during the year was the hire and maintenance of motor vehicles and plant.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Disclosure exemptions**

The entity meets the conditions of being defined as a small company under Companies Act 2006. In accordance with the small companies' regime, the company is exempt from the requirements to prepare a strategic report and cash flow statement.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period. When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

#### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

### **Amortisation**

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

Intangibles	-	25% straight line
-------------	---	-------------------

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

## **Depreciation**

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

Fixtures, Fittings and Equipment	-	25% reducing balance
Motor vehicles	-	15% - 35% Straight line

## **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

## **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

## **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

## 4. Turnover

Turnover arises from:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Hire and maintenance of motor vehicles and plant	1,106,749	1,293,432
	-----	-----

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

## 5. Operating profit

Operating profit or loss is stated after charging/crediting:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Amortisation of intangible assets	300	—
Depreciation of tangible assets	335,224	411,905
Gains on disposal of tangible assets	( 150,329)	( 55,550)
	-----	-----

## 6. Auditor's remuneration

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fees payable for the audit of the financial statements	6,950	6,000
	-----	-----

## 7. Interest payable and similar expenses

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Interest on banks loans and overdrafts	—	14
Interest on obligations under finance leases and hire purchase contracts	3,040	5,608
	-----	-----
	3,040	5,622
	-----	-----

## 8. Tax on profit

### Major components of tax expense

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK current tax expense	26,106	69,120
<b>Deferred tax:</b>		
Origination and reversal of timing differences	( 5,379)	( 34,212)
	-----	-----
<b>Tax on profit</b>	<b>20,727</b>	<b>34,908</b>
	-----	-----

## Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2017: lower than) the standard rate of corporation tax in the UK of 19 % (2017: 19.25 %).

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	98,678	208,382
Profit on ordinary activities by rate of tax	18,749	40,107
Effect of expenses not deductible for tax purposes	1,978	751
Effect of capital allowances and depreciation	5,379	28,262
Deferred tax	( 5,379)	( 34,212)
Tax on profit	20,727	34,908

## 9. Intangible assets

	<b>Intangibles</b>
	<b>£</b>
<b>Cost</b>	
At 1st January 2018	5,572
Additions	1,200
<b>At 31st December 2018</b>	<b>6,772</b>
<b>Amortisation</b>	
Charge for the year	300
<b>At 31st December 2018</b>	<b>300</b>
<b>Carrying amount</b>	
<b>At 31st December 2018</b>	<b>6,472</b>
At 31st December 2017	5,572

## 10. Tangible assets

	Fixtures and fittings	Motor vehicles	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1st January 2018	8,259	2,140,931	2,149,190
Additions	4,287	260,760	265,047
Disposals	—	( 488,163)	( 488,163)
<b>At 31st December 2018</b>	<b>12,546</b>	<b>1,913,528</b>	<b>1,926,074</b>
<b>Depreciation</b>			
At 1st January 2018	5,964	1,302,486	1,308,450
Charge for the year	1,467	333,757	335,224
Disposals	—	( 437,635)	( 437,635)
<b>At 31st December 2018</b>	<b>7,431</b>	<b>1,198,608</b>	<b>1,206,039</b>
<b>Carrying amount</b>			
<b>At 31st December 2018</b>	<b>5,115</b>	<b>714,920</b>	<b>720,035</b>
At 31st December 2017	2,295	838,445	840,740

## 11. Debtors

	2018	2017
	£	£
Trade debtors	149,658	120,692
Amounts owed by group undertakings	546,863	430,816
Prepayments and accrued income	58,088	55,524
	-----	-----
	754,609	607,032
	-----	-----

## 12. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	39,742	58,795
Amounts owed to group undertakings	299	—
Accruals and deferred income	12,981	12,171
Corporation tax	26,106	69,120
Social security and other taxes	33,347	4,980
Other creditors	11,297	6,634
	-----	-----
	123,772	151,700
	-----	-----

## 13. Provisions

	Deferred tax (note 14) £
At 1st January 2018	83,733
Unused amounts reversed	( 5,379)
	-----
At 31st December 2018	78,354
	-----

## 14. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in provisions (note 13)	78,354	83,733
	-----	-----

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	78,354	83,733
	-----	-----

## 15. Called up share capital Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100.00	100	100.00
	----	-----	----	-----



**16. Reserves**

Called up share capital - This reserve represents the nominal value of shares that have been issued. Profit and loss account - This reserve records retained earnings and accumulated losses.

**17. 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.

**18. Related party transactions**

Cole Services Limited is a 100% owned subsidiary of VGC Group Limited. VGC Group Limited intends to prepare consolidated accounts and therefore Cole Services Limited has taken advantage of the exemption within paragraph 33.1A of FRS 102 which eliminates the requirement to report related party balances. 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:- Cole Enterprises Limited At the balance sheet date £5,297 (2017 - £634) was owed to Cole Enterprises Limited in respect of a short term interest free loan.

**19. Controlling party**

100% 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.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.