

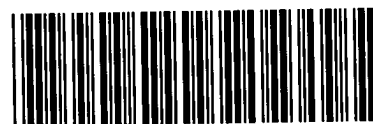
**Registered number: 03398241**

**ATC SERVICES (UK) LIMITED**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

TUESDAY



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COMPANIES HOUSE

**ATC SERVICES (UK) LIMITED**

**COMPANY INFORMATION**

<b>DIRECTOR</b>	T J Barton White
<b>COMPANY SECRETARY</b>	T J Barton White
<b>REGISTERED OFFICE</b>	1 Westferry Circus Canary Wharf London E14 4HD
<b>INDEPENDENT AUDITOR</b>	PKF LittleJohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD
<b>REGISTERED NUMBER</b>	03398241

# **ATC SERVICES (UK) LIMITED**

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## **ATC SERVICES (UK) LIMITED**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

The Director presents his report and the financial statements for the year ended 31 December 2014.

#### **PRINCIPAL ACTIVITIES**

The Company's principal activity during the year continued to be provision of management services to its parent undertaking.

#### **RESULTS**

The profit for the year, after taxation, amounted to £24,634 (2013 - £26,220).

#### **DIRECTOR**

The Director who served during the year was:

T J Barton White

#### **DISCLOSURE OF INFORMATION TO AUDITOR**

The Director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **AUDITOR**

Under section 487(2) of the Companies Act 2006, PKF LittleJohn LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



**T J Barton White**  
Director

Date: 14 September 2015

## **ATC SERVICES (UK) LIMITED**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014**

The Director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has 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 Director must not approve the financial statements unless he is 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 Director is 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 Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

## **ATC SERVICES (UK) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF ATC SERVICES (UK) LIMITED**

We have audited the financial statements of ATC Services (UK) Limited for the year ended 31 December 2014, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement 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 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.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR**

As explained more fully in the Director's responsibilities statement, the Director is 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 Director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's 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.

### **BASIS FOR QUALIFIED OPINION ON THE FINANCIAL STATEMENTS**

The audit evidence available to us was limited because the Director of the Company has prepared cash flow forecasts and other information needed for the assessment of the appropriateness of the going concern basis of preparation of the Financial Statements for a period less than twelve months from the date of approval of these Financial Statements. Due to uncertain trading conditions as set out in the going concern section of the Accounting Policies, the Director has been unable to forecast, with a degree of reliability, further than 31 December 2015. Therefore we have not been able to satisfy ourselves that it is appropriate for the Director to adopt the going concern basis with such information for a period of at least twelve months from the date of approval of the Financial Statements. Had this information been available to us we might have formed a different opinion on the Financial Statements.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion on Financial Statements paragraph, the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 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.

**ATC SERVICES (UK) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF ATC SERVICES (UK) LIMITED**


**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Paul Goldwin (Senior statutory auditor)  
for and on behalf of  
**PKF LittleJohn LLP**  
Statutory Auditor  
1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

14 September 2015

**ATC SERVICES (UK) LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>Note</b>	<b>2014 £</b>	<b>2013 £</b>
<b>TURNOVER</b>	1,2	<b>667,704</b>	<b>682,268</b>
Administrative expenses		<b>(635,908)</b>	<b>(649,779)</b>
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>31,796</b>	<b>32,489</b>
Tax on profit on ordinary activities	6	<b>(7,162)</b>	<b>(6,269)</b>
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	11	<b>24,634</b>	<b>26,220</b>
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 8 to 13 form part of these financial statements.

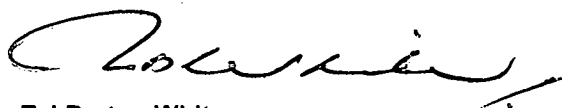


**ATC SERVICES (UK) LIMITED**  
**REGISTERED NUMBER: 03398241**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	£	2014	£	£	2013	£
<b>FIXED ASSETS</b>							
Tangible assets	7			2,727			6,173
<b>CURRENT ASSETS</b>							
Debtors	8	63,226			42,574		
Cash at bank		72,991			48,282		
		<u>136,217</u>			<u>90,856</u>		
<b>CREDITORS: amounts falling due within one year</b>	9	<u>(28,756)</u>			<u>(11,475)</u>		
<b>NET CURRENT ASSETS</b>				107,461			79,381
<b>NET ASSETS</b>				<u>110,188</u>			<u>85,554</u>
<b>CAPITAL AND RESERVES</b>							
Called up share capital	10			100			100
Profit and loss account	11			110,088			85,454
<b>SHAREHOLDERS' FUNDS</b>	12			<u>110,188</u>			<u>85,554</u>

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



**T J Barton White**  
Director

Date: 14 September 2015

The notes on pages 8 to 13 form part of these Financial Statements.

**ATC SERVICES (UK) LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>Note</b>	<b>2014 £</b>	<b>2013 £</b>
Net cash flow from operating activities	13	<b>30,978</b>	<b>(28,249)</b>
Taxation		<b>(6,269)</b>	<b>(6,861)</b>
Capital expenditure and financial investment	14	<b>-</b>	<b>(7,278)</b>
<b>INCREASE/(DECREASE) IN CASH IN THE YEAR</b>		<b>24,709</b>	<b>(42,388)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>2014 £</b>	<b>2013 £</b>
Increase/(Decrease) in cash in the year	<b>24,709</b>	<b>(42,388)</b>
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>24,709</b>	<b>(42,388)</b>
Net funds at 1 January 2014	<b>48,282</b>	<b>90,670</b>
<b>NET FUNDS AT 31 DECEMBER 2014</b>	<b>72,991</b>	<b>48,282</b>

The notes on pages 8 to 13 form part of these financial statements.

## **ATC SERVICES (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

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

##### **1.2 Going concern**

The Company is entirely dependent on its parent, Associated Tobacco Company Limited, for its income. The balance sheet at 31 December 2013 and 2014 shows that the Company was clearly solvent with the ability to pay all its debts as they fell due. Since 2014 however, the parent has experienced difficult trading conditions such that, at the time the financial statements of this Company are to be approved, this Company's Director is unable to forecast, with any degree of reliability, the Company's income and profit for the next 12 months, and whether it will have sufficient funds to continue to be able to settle its debts as they fall due over the next 12 months. The Director can confirm that the Company currently has sufficient resources to meet its debts as they fall due and he therefore considers that the Company is a going concern and has prepared the financial statements on that basis.

##### **1.3 Turnover**

Turnover represents income from management services supplied by the Company to its parent undertaking during the year, exclusive of Value Added Tax. Income from management services is accrued for as the services are provided.

Turnover is attributable to the above one continuing activity, that of the provision of management services by the Company to its parent undertaking.

##### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	- 20%-33.33% straight line
------------------	----------------------------

##### **1.5 Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

##### **1.6 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

## ATC SERVICES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

#### 2. TURNOVER

An analysis of turnover by class of business is as follows:

	2014 £	2013 £
Provision of management services	<u>667,704</u>	<u>682,268</u>

By geographical market:

	2014 £	2013 £
Carribean	<u>667,704</u>	<u>682,268</u>

#### 3. PROFIT

The profit is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	3,446	5,013
Auditor's remuneration	2,000	600
Operating lease rentals:		
- plant and machinery	3,563	3,537
- other operating leases	<u>33,000</u>	<u>33,000</u>

# ATC SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 4. STAFF COSTS

Staff costs, including Director's remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	420,710	427,522
Social security costs	51,100	52,195
	<u>471,810</u>	<u>479,717</u>

The average monthly number of employees, including the Director, during the year was as follows:

	2014 No.	2013 No.
Administration	<u>6</u>	<u>7</u>

### 5. DIRECTOR'S REMUNERATION

	2014 £	2013 £
Remuneration	<u>158,370</u>	<u>158,370</u>

### 6. TAXATION

	2014 £	2013 £
UK corporation tax charge on profit for the year	<u>7,162</u>	<u>6,269</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 21.49% (2013 - 23%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>31,796</u>	<u>32,489</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 - 23%)	6,833	7,472
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(111)	219
Depreciation in excess of capital allowances/(Capital allowances in excess of depreciation)	650	(639)
Marginal relief	(210)	(783)
Current tax charge for the year (see note above)	<u>7,162</u>	<u>6,269</u>

# ATC SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 7. TANGIBLE FIXED ASSETS

	Office equipment £
<b>Cost</b>	
At 1 January 2014 and 31 December 2014	20,294
<b>Depreciation</b>	
At 1 January 2014	14,121
Charge for the year	3,446
At 31 December 2014	17,567
<b>Net book value</b>	
At 31 December 2014	2,727
At 31 December 2013	6,173

### 8. DEBTORS

	2014 £	2013 £
Amounts owed by group undertakings	48,295	27,523
Other debtors	12,545	12,719
Prepayments and accrued income	2,386	2,332
	<u>63,226</u>	<u>42,574</u>

### 9. CREDITORS: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	179	-
Corporation tax	7,162	6,269
Other taxation and social security	16,486	-
Accruals and deferred income	4,929	5,206
	<u>28,756</u>	<u>11,475</u>

### 10. SHARE CAPITAL

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £100	100	100

**ATC SERVICES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**11. RESERVES**

	Profit and loss account £
At 1 January 2014	85,454
Profit for the financial year	24,634
	<hr/>
At 31 December 2014	110,088
	<hr/>

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

	2014 £	2013 £
Opening shareholders' funds	85,554	59,334
Profit for the financial year	24,634	26,220
	<hr/>	<hr/>
Closing shareholders' funds	110,188	85,554
	<hr/>	<hr/>

**13. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2014 £	2013 £
Operating profit	31,796	32,489
Depreciation of tangible fixed assets	3,446	5,013
Decrease/(increase) in debtors	120	(25,029)
Increase in amounts owed by group undertakings	(20,772)	-
Increase/(decrease) in creditors	16,388	(40,722)
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities	30,978	(28,249)
	<hr/>	<hr/>

**14. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	-	(7,278)
	<hr/>	<hr/>

**15. ANALYSIS OF CHANGES IN NET FUNDS**

	1 January 2014 £	Cash flow £	Other non-cash changes £	31 December 2014 £
Cash at bank and in hand	48,282	24,709	-	72,991
	<hr/>	<hr/>	<hr/>	<hr/>
Net funds	48,282	24,709	-	72,991
	<hr/>	<hr/>	<hr/>	<hr/>

## ATC SERVICES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 16. OPERATING LEASE COMMITMENTS

At 31 December 2014 the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Expiry date:				
Between 2 and 5 years	<u>33,000</u>	<u>33,000</u>	<u>3,563</u>	<u>3,631</u>

#### 17. RELATED PARTY TRANSACTIONS

	2014 £	2013 £
Amount due from the parent undertaking	<u>48,295</u>	<u>27,523</u>

The Company provided management services to its parent undertaking, Associated Tobacco Company Limited, during the year amounting to £667,704 (2013: £682,268).

#### 18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate and ultimate parent undertaking is Associated Tobacco Company Limited, a company registered in the British Virgin Islands. No one individual has a controlling interest in Associated Tobacco Company Limited.