

Company number: 1615021

Dawsonrentals Portable Cold Storage Limited

Annual Report and Accounts

Year ended 31 December 2012



Directors and advisers**Directors**

Michael J Williams
Anthony Coleman, ACA
Adrian J P O'Reilly, ACMA
Roderick P Benham
David Quinn

Secretary and registered office

Anthony Coleman, ACA
Delaware Drive, Tongwell, Milton Keynes, MK15 8JH

Auditors

Mazars LLP
The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF

Bankers

The Royal Bank of Scotland
Corporate and Institutional Banking
2nd Floor
152 Silbury Boulevard
Milton Keynes
MK9 1LT

Contents	Page
Directors and advisers	1
Report of the directors	2-3
Statement of directors' responsibilities	4
Report of the auditors	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8-17

**Report of the directors
for the year ended 31 December 2012**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2012

Activities and business review

The principal activity of the company is the rental of temperature-controlled products

2012 proved to be a challenging year for the company as site closures, company failures and severe cost pressures in the food industry combined to reduce rental turnover by 4.9%. This reduction coupled with higher repairs and maintenance costs reduced profits for the year by a greater margin of 11.8%.

Market conditions remain tough with further consolidation in the food sector an inevitable result of cost pressures. The benefits of the continuing strategy to provide a solution based installation, good customer service and a first class product through longer term bespoke temperature controlled storage solutions, which create valuable space and operational efficiencies for our customers, will ensure the effect on the company is minimised.

Risks and uncertainties

The group operates a central finance and treasury function which is responsible for arranging and managing all of the group's financial instruments, comprising borrowings, cash and liquid resources and interest-rate swaps, in the most appropriate manner, at the lowest cost and within the risk management policies agreed upon by the board.

Directors

The current directors of the company who served throughout the year and to the date of signing this report, unless otherwise stated are set out on page 1.

Directors' indemnity

Appropriate directors' and officers indemnity insurance cover is in place in respect of all the company's directors.

Results and dividends

Turnover amounted to £16,797,000 (2011: £17,137,000) and the profit before tax was £7,200,000 (2011: £8,165,000).

The following dividends have been paid during the year

	Date payable	£ per share	2012 £'000	2011 £'000
1 st Interim	1 st August	£18.68	934	368
2 nd Interim	-	-	-	634

**Report of the directors (continued)
for the year ended 31 December 2012****Employment policies**

The company continues to encourage the participation of its employees in the business in which they work. Established communication and consultation procedures exist which aim to ensure that employees are informed about, and involved in, matters which are of interest and concern to them.

The company is an equal opportunities employer and its policies for the recruitment, training, career development and promotion of employees are based on the relevant merits and abilities of the individuals concerned. The policies also allow disabled persons to compete on an equal basis. Any existing employee who becomes disabled is given the training required to ensure that, wherever possible, continuity of employment can be maintained.

The company promotes all aspects of health and safety throughout the group in the interests of its employees.

Creditor payment policy

The company agrees the terms and conditions under which business transactions with its suppliers are conducted. It is policy that payments to suppliers are made in accordance with these terms, provided that the supplier also complies with all relevant terms and conditions.

At 31 December 2012 the amount of trade creditors in the balance sheet represented 36 days (2011: 34 days) of average daily purchases for the company.

Statement as to disclosure of information to auditors

The directors have taken all necessary steps to make them aware, as directors, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

Auditors

Persuant to s487(2) of the Companies Act 2006 the auditors, Mazars LLP, will be deemed to have been re-appointed.

By order of the board on 19 March 2013.



**Anthony Coleman, ACA
Secretary**

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Dawsonrentals Portable Cold Storage Limited

We have audited the financial statements of Dawsonrentals Portable Cold Storage Limited for the year ended 31 December 2012 which comprise 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).

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 (APB's) Ethical Standards for Auditors. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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.

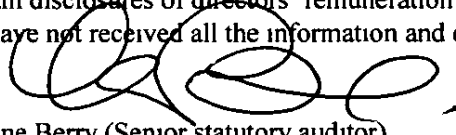
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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.



Jacqueline Berry (Senior statutory auditor)
for and on behalf of Mazars LLP
Chartered Accountants (Statutory auditor)
19 March 2013

**Profit and loss account
for the year ended 31 December 2012**

	Notes	2012 £'000	2011 £'000
Turnover	1	16,797	17,137
Cost of sales		<u>5,976</u>	<u>5,243</u>
Gross profit		10,821	11,894
Administrative expenses		<u>3,567</u>	<u>3,646</u>
Operating profit	2	7,254	8,248
Interest payable	3	<u>54</u>	<u>83</u>
Profit on ordinary activities before tax		7,200	8,165
Tax	5	<u>1,465</u>	<u>1,844</u>
Profit for the year	16	<u>5,735</u>	<u>6,321</u>

The profit for the year has been calculated on the historical cost basis

Turnover and expenses all relate to continuing operations.

There are no other recognised gains or losses other than those passing through the profit and loss account.

Balance sheet as at 31 December 2012

	Notes	£'000	2012 £'000	£'000	2011 £'000
Fixed assets					
Intangible assets	7		42		70
Tangible assets	8		23,871		24,956
			<u>23,913</u>		<u>25,026</u>
Current assets					
Stock	9	373		417	
Debtors	10	21,653		16,852	
Cash at bank and in hand		56		199	
		<u>22,082</u>		<u>17,468</u>	
Creditors due within one year					
Borrowings	11	673		1,202	
Creditors	12	10,620		10,753	
		<u>11,293</u>		<u>11,955</u>	
Net current assets			10,789		5,513
Total assets less current liabilities			<u>34,702</u>		<u>30,539</u>
Creditors due after one year					
Borrowings	11	1,069		1,285	
Creditors	12	-		2	
			<u>1,069</u>	<u>1,287</u>	
			33,633		29,252
Provisions for liabilities and charges	13		3,996		4,416
Net assets			<u>29,637</u>		<u>24,836</u>
Capital and reserves					
Called up share capital	14		50		50
Profit and loss account	16		29,587		24,786
Equity shareholders' funds	15		<u>29,637</u>		<u>24,836</u>

The financial statements on pages 6 to 17 were approved and authorised for issue by the board of directors on 19 March 2013.

A Coleman
Director

M J Williams
Director

**Notes to the financial statements
for the year ended 31 December 2012****Accounting policies****Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom

The company is a wholly owned subsidiary of Dawsonrentals Limited, which is a wholly owned subsidiary of Dawsongroup plc which has prepared group financial statements in accordance with applicable accounting standards and which has published a consolidated cash flow statement in accordance with the requirements of FRS 1 (Revised). The company has therefore taken advantage of the exemption not to publish its own cash flow statement

Going concern

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The directors have reviewed cash flow forecasts for a period of not less than 12 months from the date of the audit opinion and are confident that the company will be able to pay its liabilities as they fall due. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis

Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards using the following principal accounting policies

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write down the cost of fixed assets by equal instalments, which for widespan units includes capitalised direct labour and directly attributable overheads, to their estimated residual values over the period of their estimated useful lives with the company in accordance with the table below

	Useful life	Residual value
Hire fleet		
Purpose built portable cold stores	15 years	25%
Other temperature-controlled products	3 - 12.5 years	0% - 15%
Other		
Commercial vehicles	5 years	20% - 25%
Trailers	12.5 years	15%
Plant and equipment	5 - 10 years	Nil
Portable office buildings	7-12.5 years	15%
Computer hardware and software	4 years	Nil
Cars	4 years	25% - 40%

Goodwill

Goodwill representing the excess of the consideration over the fair value of the separable net assets acquired, arising on the acquisition of a business is capitalised and amortised over its useful economic life of up to a maximum of twenty years. It is reviewed for impairment at the end of its first full financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying amount may not be recoverable

Stock

Stock is valued at the lower of cost and net realisable value

**Notes to the financial statements (continued)
for the year ended 31 December 2012**

Deferred tax

Deferred tax is provided in respect of the tax effect of all timing differences at the rates of tax expected to apply when the timing differences reverse. Deferred tax is measured on an undiscounted basis

Pension contributions

The charge to the profit and loss account represents the contributions relating to the accounting period

Long-term incentive schemes

Provision is made in the profit and loss account for the appropriate proportion of future payments expected to arise in respect of long-term incentive schemes in place for various employees.

Operating leases

Operating lease expenditure is charged to the profit and loss account in equal instalments over the respective life of the lease

Asset purchase rebates

Rebates and bonuses from manufacturers and distributors are credited to the profit and loss account over a three to five year period from the date of installation of the relevant assets to coincide with their expected life within the company

Finance leases

Fixed assets obtained under finance leases are treated in the same way as hire purchase contracts, that is as though they were purchased outright and depreciated accordingly. The outstanding capital element of such leases is included within borrowings in the balance sheet. The interest element of leasing payments is charged to the profit and loss account over the period of the finance lease in accordance with the "sum of digits" method. Interest costs on fixed rate hire purchase contracts are also accounted for by this method

Foreign currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which transactions occur, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date. Differences arising on translation of such items are dealt with in the profit and loss account

Forward currency contracts entered into or deposits held specifically for planned future capital expenditure are not revalued to balance sheet rates. Gains or losses arising are matched against the capital spend at the time of the purchase

Turnover

Turnover is the amount receivable in the ordinary course of business for services provided during the year, excluding value added tax. Income derived from short-term rental and contract hire activities is recognised in equal instalments over the term of the respective rental agreements

Finance receivables

Rental income from operating leases is recognised on a straight line basis over the period of the lease

Notes to the financial statements (continued)
for the year ended 31 December 2012

1 Segmental information

The turnover, profit before tax and net assets are attributable to the principal activity of rental and contract hire of temperature-controlled products

The company operates in the UK and substantially the whole of its turnover is to the UK market

2 Operating profit

	2012	2011
	£'000	£'000
This is stated after charging		
Depreciation – owned assets	3,269	3,450
Amortisation of goodwill	28	27
Auditors' remuneration – audit services	19	19
Assets hired in	183	125
Exchange loss	1	5
Operating lease – rental of property	<u>46</u>	<u>48</u>
and after crediting		
Profit on disposal of fixed assets	645	762
Manufacturers' rebate	<u>3</u>	<u>10</u>

3 Interest payable

	2012	2011
	£'000	£'000
On borrowings wholly repayable within five years		
Asset finance arrangements	52	81
Bank loans and overdrafts	<u>2</u>	<u>2</u>
	<u>54</u>	<u>83</u>

All asset finance arrangements are repayable by instalments

4 Directors and employees

Employees

Average number of employees, including directors, during the year was as follows

	2012	2011
	Number	Number
Management	3	4
Sales and administration	40	45
Fitters and others	<u>63</u>	<u>59</u>
	<u>106</u>	<u>108</u>

Notes to the financial statements (continued)
for the year ended 31 December 2012

4 Directors and employees (continued)

The payroll costs of these employees amounted to:

	2012	2011
	£'000	£'000
Wages and salaries	2,742	3,055
Social security costs	268	312
Pension contributions	140	126
	<u>3,150</u>	<u>3,493</u>

Pension scheme

The Dawsongroup of companies operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. The pension contributions above represent amounts paid by the company to the fund.

No contributions have been prepaid at the year-end (2011 £nil)

The number of directors to whom benefits were accrued under money purchase schemes was 2 (2011 2)

Directors' emoluments

	2012	2011
	£'000	£'000
Executive remuneration and benefits:	177	260
Pension contributions	56	35
	<u>233</u>	<u>295</u>
	2012	2011
	£'000	£'000
Highest paid director - Remuneration and benefits	133	136
- Pension contributions	13	12
	<u>146</u>	<u>148</u>

The emoluments of those directors who are also directors of the parent company are disclosed in the financial statements of Dawsongroup plc. The emoluments of A J P O'Reilly are included in the financial statements of Dawsonrentals Truck and Trailer Limited, a wholly owned subsidiary of Dawsongroup plc

The company operates long term incentive schemes in respect of its directors and certain senior employees. In accordance with the accounting policies set out on pages 8 to 9, provision has been made in the accounts in respect of the directors as per the following table

	2012	2011
	£'000	£'000
Provision as at 1 January	57	34
Charged to the profit and loss account	27	23
Provision as at 31 December	<u>84</u>	<u>57</u>

Notes to the financial statements (continued)
for the year ended 31 December 2012

5 Tax

	£'000	2012 £'000	£'000	2011 £'000
Tax charge for the year comprises:				
Corporation tax	1,976		2,301	
Adjustments in respect of prior periods	(16)		-	
Total current tax		1,960		2,301
Deferred tax				
Origination and reversal of timing differences	(197)		(126)	
Effect of decreased tax rate on opening liability	(323)		(331)	
Adjustment in respect of prior periods	25		-	
Total deferred tax (see note 13)		(495)		(457)
		<u>1,465</u>		<u>1,844</u>

The UK standard rate of corporation tax for the year is 24.5% (2011 26.5%). The actual charge for the current and previous year differs from the standard rate for the reasons set out in the following reconciliation

	2012 £'000	2011 £'000
Profit on ordinary activities before tax	<u>7,200</u>	<u>8,165</u>
Tax on profit on ordinary activities at standard rate	1,764	2,164
Factors affecting charge for the period		
Capital allowances less than depreciation	193	148
Other timing differences	17	(14)
Expenses not deductible for tax purposes	2	3
Adjustments in respect of prior periods	(16)	-
Total actual amount of current tax	<u>1,960</u>	<u>2,301</u>

6 Dividends

	2012 £'000	2011 £'000
1 st Interim paid (£18.68 per share) (2011 £7.35)	934	368
2 nd Interim paid (nil per share) (2011 £12.69)	-	634
	<u>934</u>	<u>1,002</u>

Notes to the financial statements (continued)
for the year ended 31 December 2012

7 Intangible assets

	Goodwill £'000
Cost	
As at 1 January 2012	278
Additions	-
As at 31 December 2012	<u>278</u>
Amortisation	
As at 1 January 2012	208
Charge for the year	28
As at 31 December 2012	<u>236</u>
Net book value	
As at 31 December 2012	<u>42</u>
As at 31 December 2011	<u>70</u>

8 Tangible Fixed assets

	Hire fleet £'000	Vehicles, plant and equipment £'000	Total £'000
Cost			
As at 1 January 2012	54,877	1,415	56,292
Additions	2,505	296	2,801
Disposals	(3,997)	(358)	(4,355)
Transfers from group undertakings	784	-	784
Transfers to group undertakings	(327)	-	(327)
As at 31 December 2012	<u>53,842</u>	<u>1,353</u>	<u>55,195</u>
Depreciation			
As at 1 January 2012	30,375	961	31,336
Charge for the year	3,145	124	3,269
Disposals	(3,318)	(218)	(3,536)
Transfers from group undertakings	412	-	412
Transfers to group undertakings	(157)	-	(157)
As at 31 December 2012	<u>30,457</u>	<u>867</u>	<u>31,324</u>
Net book value			
As at 31 December 2012	<u>23,385</u>	<u>486</u>	<u>23,871</u>
As at 31 December 2011	<u>24,502</u>	<u>454</u>	<u>24,956</u>

9 Stock

	2012 £'000	2011 £'000
Raw materials and consumables	<u>373</u>	<u>417</u>

**Notes to the financial statements (continued)
for the year ended 31 December 2012**

10 Debtors

	2012	2011
	£'000	£'000
Due within one year:		
Trade debtors	654	460
Other debtors	3	1
Prepayments	93	86
Amounts owed by group undertakings	627	438
Loans to group undertakings	20,276	15,867
	<u>21,653</u>	<u>16,852</u>

11 Borrowings

Financial liabilities

	2012	2011
	£'000	£'000
Due within one year:		
Asset finance arrangements	673	1,202
	<u>673</u>	<u>1,202</u>

Due after one year:

Borrowings due after more than one year relate to asset finance arrangements which are repayable by instalments as follows:

	2012	2011
	£'000	£'000
Between one and two years	591	623
Between two and five years	373	662
After more than five years	105	-
	<u>1,069</u>	<u>1,285</u>
Gross financial liabilities	<u>1,742</u>	<u>2,487</u>

Asset finance arrangements comprise hire purchase, finance lease and other similar funding effectively secured on the specific underlying assets. The interest charged on the finance during the year equated to 2.5% (2011: 2.1%)

Notes to the financial statements (continued)
for the year ended 31 December 2012

12 Creditors

	2012	2011
	£'000	£'000
Due within one year:		
Trade creditors	4,819	4,746
Tax payable	1,976	2,301
Other tax and social security	708	687
Other creditors	673	617
Amounts owed to group undertakings	2,444	2,402
	<u>10,620</u>	<u>10,753</u>
Due after one year:		
Other creditors	<u>-</u>	<u>2</u>

13 Provision for liabilities and charges

	2012	2011
	£'000	£'000
Deferred tax	3,514	4,009
Other provisions	482	407
	<u>3,996</u>	<u>4,416</u>
Deferred tax		
Provided in the accounts		
Accelerated capital allowances	3,629	4,117
Other timing differences	(115)	(108)
Provision for deferred tax	<u>3,514</u>	<u>4,009</u>

Amounts provided have been calculated at future expected rates of corporation tax

	2012	2011
	£'000	£'000
Other provisions		
Long-term incentive schemes	316	208
Miscellaneous	166	199
	<u>482</u>	<u>407</u>

	Deferred tax	Long-term incentive schemes	Miscellaneous	Total
	£'000	£'000	£'000	£'000
Movement in the year				
As at 1 January 2012	4,009	208	199	4,416
(Credited) / charged to profit and loss account	(495)	108	(33)	(420)
As at 31 December 2012	<u>3,514</u>	<u>316</u>	<u>166</u>	<u>3,996</u>

Miscellaneous provisions principally relate to future contractual liabilities

Notes to the financial statements (continued)
for the year ended 31 December 2012

14 Called up share capital

	2012 Number	2011 Number
Authorised:		
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
	2012	2011
Allotted, issued and fully paid:	£'000	£'000
Ordinary shares of £1 each	<u>50</u>	<u>50</u>

15 Reconciliation of movements in shareholders' funds

	2012 £'000	2011 £'000
Profit for the financial year	5,735	6,321
Dividends paid	(934)	(1,002)
Net movement in shareholders' funds	<u>4,801</u>	<u>5,319</u>
Opening shareholders' funds	24,836	19,517
Closing shareholders' funds	<u>29,637</u>	<u>24,836</u>

16 Reserves

	Profit and loss account £'000	Total £'000
As at 1 January 2012	24,786	24,786
Profit for the year	5,735	5,735
Dividends	<u>(934)</u>	<u>(934)</u>
As at 31 December 2012	<u>29,587</u>	<u>29,587</u>

Notes to the financial statements (continued)
for the year ended 31 December 2012

17 Financial commitments

Future capital expenditure

	2012	2011
	£'000	£'000
Outstanding contracts for capital expenditure	<u>1,540</u>	<u>2,290</u>

Operating lease commitments

At 31 December 2012 the company was committed to making the following payments in the year to 31 December 2013 under operating leases which expire

	2012	2011
	Land and buildings	Land and buildings
	£'000	£'000
Within one year	-	5
Between one and two years	40	-
Between two and five years	-	31
	<u>40</u>	<u>36</u>

Other financial commitments

The company has entered into a cross guarantee with various other group companies to secure their banking facilities

18 Parent undertakings

The immediate parent company is Dawsonrentals Limited and the ultimate parent company is Dawsongroup plc Throughout the year Dawsongroup plc was controlled by trusts, the beneficiaries of which are P M Dawson and his immediate family

The largest and smallest group for which the results of the company are consolidated is that headed up by Dawsongroup plc The consolidated financial statements of Dawsongroup plc can be obtained from

Dawsongroup plc
 Delaware Drive
 Tongwell
 Milton Keynes
 Bucks
 MK15 8JH

19 Related party transactions

Advantage has been taken of the exemption conferred by FRS 8 to subsidiary undertakings, 100 percent of whose voting rights are controlled within the group, not to disclose transactions with other group companies