

Company Registration No. 2518921

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

THURSDAY



L3FOY7SB

LD2

04/09/2014

#22

COMPANIES HOUSE

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

COMPANY INFORMATION

Directors	J C McGrath ACMA
Secretary	J N Curtis FCA
Company Number	2518921
Registered Office	Unit H Bedford Business Park Mile Road Bedford MK42 9TW
Auditor	KPMG LLP, Statutory Auditor Chartered Accountants Altius House One North Fourth Street Milton Keynes MK9 1NE
Bank	Lloyds Bank 25 Gresham Street London EC2V 7HN

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

CONTENTS OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	Page
Strategic report	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 15

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

Principal activities and review of the business

The principal activity of the company continued to be that of the provision of management services, which it re-charges to other group companies. The company's director considers the company's financial position and the business performance to be satisfactory. The company has kept close control over costs and the director will continue to monitor cost levels to ensure an adequate return is achieved in the current economic climate.

Business review

Turnover improved by 8% to £3.2 million (2012: £3.0 million) reflecting increasing business.

Operating profits were £0.3 million (2012 £2.3 million loss) primarily due to the inclusion of a £2.5 million provision in 2012, which related to guarantees given to a fellow group undertaking.

Objectives of the Company

The company's main objectives are to provide support and direction to group companies.

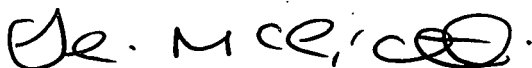
Internal cost monitoring

The company has a clear focus on efficient cost management and has a long-term efficiency program in place to effectively manage cost. Where appropriate the company has improved sourcing and made internal cost savings to reduce costs.

Risk and uncertainties

The director does not consider the Company to have any significant business risks or uncertainties.

On behalf of the board



J McGrath ACMA

Director

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.
The company registration number is 2518921.

Results and dividends

The results for the year are set out on page 6. The directors do not recommend the payment of an ordinary dividend (2012: £nil).

Directors

The following directors have held office since 1 January 2013:

M J Meller (resigned 30/09/13)
D R Meller (resigned 30/09/13)
J N Curtis FCA (resigned 30/09/13)
J C McGrath ACMA

Directors' interests

None of the directors had any interest in the share capital of the company at any time during the current or prior year.

Political and charitable donations

During the year the Company made no donations to UK charities (2012: £300). The Company made no political donations during the current or prior year.

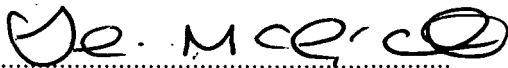
Statement of disclosure to auditor

The director who held office at the date of approval of this directors' report confirm that, so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



J McGrath ACMA
Director

2/9 2014

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgements and 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; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIUS A MELLER MANAGEMENT SERVICES LIMITED

We have audited the financial statements of Julius A Meller Management Services Limited for the year ended 31 December 2013 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the 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

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 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 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIUS A MELLER
MANAGEMENT SERVICES LIMITED (CONTINUED)**

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.

 2 September 2014

David Neale (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	3,227,213	2,991,000
Administrative expenses		<u>(2,906,399)</u>	<u>(5,272,217)</u>
Operating profit / (loss)	3	320,814	(2,281,217)
Interest receivable	4	10,736	31,195
Interest payable and similar charges	5	<u>(9,942)</u>	<u>-</u>
Profit / (loss) on ordinary activities before taxation		321,608	(2,250,022)
Tax on profit/(loss) on ordinary activities	6	<u>(72,852)</u>	<u>(63,669)</u>
Profit / (loss) on ordinary activities after taxation	13	<u>248,756</u>	<u>(2,313,691)</u>

A Statement of Total Recognised Gains and Losses has not been prepared as the Company has no recognised gains or losses other than those reported above.

All results arise from continuing operations.

The notes on pages 8 to 15 form part of these financial statements.

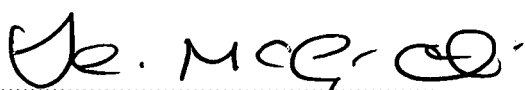
JULIUS A MELLER MANAGEMENT SERVICES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	7		-		-
Current assets					
Debtors	8	1,896,426		15,839,547	
Cash at bank and in hand		2,067,189		24,734	
		<u>3,963,615</u>		<u>15,864,281</u>	
Creditors: amounts falling due within one year	9	<u>(3,211,111)</u>		<u>(15,800,533)</u>	
Net current assets			<u>752,504</u>		<u>63,748</u>
Total assets less current liabilities			<u>752,504</u>		<u>63,748</u>
Creditors: amounts falling due after more than one year	10		<u>(499,462)</u>		<u>(59,462)</u>
Net assets			<u>253,042</u>		<u>4,286</u>
Capital and reserves					
Called up share capital	11	1,000		1,000	
Profit and loss account	12	252,042		3,286	
Shareholders' funds	13		<u>253,042</u>		<u>4,286</u>

The financial statements were approved by the Board on

2/9 . 2014


J McGrath ACMA
Director

Company registration number: 2518921

The notes on pages 8 to 15 form part of these financial statements.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. Accounting policies

1.1. Basis of accounting

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

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Meller Group Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Meller Group Limited, within which this Company is included, can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The financial statements have been prepared on the going concern basis of accounting which the director believes to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue to trade as a going concern.

1.2. Turnover

Turnover represents the invoiced value of services provided net of VAT.

1.3. 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 less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33% per annum straight line basis
--------------------------------	-----------------------------------

1.4. Pensions

The company operates a defined contribution pension scheme covering the majority of its permanent employees. Pension costs charged against profit represent the amount payable to the scheme in respect of the period.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies (continued)

1.5. 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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profit and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3. Operating profit

	2013 £	2012 £
Operating profit is stated after charging:		
Depreciation of tangible assets	-	73
Auditor's remuneration:		
Audit of these financial statements	4,625	4,625
Taxation	1,460	1,460
Provision for liabilities of fellow group undertaking	-	2,500,000

4. Interest receivable

	2013 £	2012 £
Interest receivable		
Other interest	10,736	31,195

5. Interest payable

	2013 £	2012 £
Interest payable		
Directors loan interest	8,832	-
Interest on late corporation tax	1,110	-
	9,942	-

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

6. Taxation

	2013 £	2012 £
UK corporation tax		
Current tax on income for the period	77,351	15,000
Adjustment in respect of previous periods	(4,995)	(5)
Group relief paid for	813	48,692
Total current tax	73,169	63,687
Deferred tax		
Origination/reversal of timing difference	(317)	(18)
Tax on profit on ordinary activities	72,852	63,669
Current tax reconciliation		
Profit on ordinary activities before taxation	321,608	(2,250,022)
Theoretical tax at UK corporation tax rate 23.25% (2012: 24.5%)	74,763	(551,255)
Effects of:		
Non deductible expenses	2,220	618,297
Difference between depreciation & capital allowances	317	17
Impact of marginal tax rate	-	(3,368)
Adjustment to tax charge in respect of prior periods	(4,182)	(5)
Impact of rate difference between deferred and current tax	51	1
Current tax charge	73,169	63,687

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013.

This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

7. Tangible fixed assets

	Fixtures, fittings & equipment £	Total £
Cost		
At 1 January 2013 and 31 December 2013	3,903	3,903
Depreciation		
At 1 January 2013 and 31 December 2013	3,903	3,903
Net book value		
At 31 December 2013 and 31 December 2012	-	-

8. Debtors

	2013 £	2012 £
Amounts owed by parent and fellow subsidiary undertakings	1,714,679	14,594,947
Deferred tax	335	18
Other debtors	3,581	25,261
Other tax and social security	177,831	276,227
Directors loans (see note 20)	-	943,094
	1,896,426	15,839,547

Amounts falling due after more than one year and included in the debtors above are:

	2013 £	2012 £
Deferred tax asset:		
Short term timing differences	335	18

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

9. Creditors: amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	111,962	12,597,086
Corporation tax	84,100	14,995
Other creditors	-	3,891
Accruals and deferred income	3,015,049	3,184,561
	<u>3,211,111</u>	<u>15,800,533</u>

10. Creditors: amounts falling due after more than one year

	2013 £	2012 £
Other loans	<u>499,462</u>	<u>59,462</u>
Analysis of loans		
Wholly repayable within 5 years	499,462	59,462
Included in current liabilities	-	-
	<u>499,462</u>	<u>59,462</u>
Loan maturity analysis		
In more than one year but not more than two years	-	-
In more than two years but not more than five years	<u>499,462</u>	<u>59,462</u>

Other loans represent a loan from former directors of the Company. Interest is payable at 2% above base rate, and in the year ended 31 December 2013 amounted to £8,832 (2012: £12,038)

11. Share capital

	2013 £	2012 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

12. Profit and loss account

	2013	2012
	£	£
At 1 January 2013	3,286	2,316,977
Profit/(loss) for the year	248,756	(2,313,691)
At 31 December 2013	252,042	3,286

13. Reconciliation of movements in shareholders' funds

	2013	2012
	£	£
Opening shareholders' funds	4,286	2,317,977
Profit/(loss) for the financial year	248,756	(2,313,691)
Closing shareholders' funds	253,042	4,286

14. Contingent liabilities

The company has guaranteed the borrowing of its parent company and fellow subsidiaries as part of group banking arrangements. The borrowings are secured by a fixed and floating charge over the assets of the companies involved. At 31 December 2013 the contingent liability in respect of this guarantee was £2,366,450 (2012: £1,304,552).

The company is included in a group registration for VAT purposes with its parent company and fellow subsidiaries. All members of the VAT group are jointly and severally liable for the total amount of VAT due, and at 31 December 2013 the contingent liability in respect of this registration was £1,627,066 (2012: £1,059,324).

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

16. Directors' emoluments

	2013 £	2012 £
Emoluments for qualifying services	1,809,518	2,297,793
Company pension contributions to money purchase schemes	<u>12,096</u>	<u>11,576</u>
	<u>1,821,614</u>	<u>2,309,369</u>

No directors are accruing retirement benefits under money purchase pension schemes (2012: 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

	2013 £	2012 £
Emoluments for qualifying services	<u>617,374</u>	<u>923,734</u>

17. Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Management	5	5

Employment costs

	2013 £	2012 £
Wages and salaries	2,290,002	2,224,869
Social security costs	300,055	270,047
Other pension costs	<u>14,754</u>	<u>13,274</u>
	<u>2,604,811</u>	<u>2,508,190</u>

18. Control

The company's parent undertaking is Meller Group Limited, incorporated in England, which heads the smallest and largest group in which the results of the company are consolidated. Copies of the group financial statements of Meller Group Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. As of 1 September 2013, the Company's ultimate parent undertaking and controlling party is CS Holdings Limited, a Company incorporated in Jersey.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

19. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by Meller Group Limited.

20. Directors loans

During the year, outstanding loans to the company of £306,503 and £636,591 were repaid by two of the directors of the Company. At year end, the outstanding balances due by the Company to M J Meller, D R Meller and J N Curtis were £220,000; £220,000 and £59,462 respectively (2012; £nil, £nil and £59,462 respectively).