Registered number: 03436211

CASING MANAGEMENT SERVICES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2017

CASING MANAGEMENT SERVICES LIMITED
REGISTERED NUMBER: 03436211

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note		2017 £		*2016 £*
Fixed assets					
Investment property			**1,000,000**		*500,000*
			1,000,000		*500,000*
Current assets					
Stocks	5	**1,023,788**		*921,301*	
Debtors: amounts falling due within one year	6	**283,028**		*466,582*	
Cash at bank and in hand		**70,659**		*74,389*	
		1,377,475		*1,462,272*	
Creditors: amounts falling due within one year	7	**(159,800)**		*(280,479)*	
Net current assets			**1,217,675**		*1,181,793*
Total assets less current liabilities			**2,217,675**		*1,681,793*
Provisions for liabilities					
Deferred tax		**(154,177)**		*(63,722)*	
			(154,177)		*(63,722)*
Net assets			**2,063,498**		*1,618,071*
Capital and reserves					
Called up share capital	9		**100**		*100*
Investment property reserve	10		**735,823**		*326,278*
Profit and loss account	10		**1,327,575**		*1,291,693*
			2,063,498		*1,618,071*

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 May 2018.

G J E Brandrick
Director
The notes on pages 5 to 14 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2017

	Called up share capital £	Investment property revaluation reserve £	Profit and loss account £	Total equity £
At 1 September 2016	100	326,278	1,291,693	1,618,071
Comprehensive income for the year				
Profit for the year	-	-	447,427	447,427
Total comprehensive income for the year	-	-	447,427	447,427
Dividends: Equity capital	-	-	(2,000)	(2,000)
Transfer to/from profit and loss account	-	-	(409,545)	(409,545)
Transfer to/from revaluation reserve on revaluation of investment property net of deferred tax	-	409,545	-	409,545
At 31 August 2017	100	735,823	1,327,575	2,063,498

The notes on pages 5 to 14 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2016

	Called up share capital £	Investment property revaluation reserve £	Profit and loss account £	Total equity £
At 1 September 2015	100	325,662	1,315,826	1,641,588
Comprehensive income for the year				
Profit for the year	-	-	88,483	88,483
Total comprehensive income for the year	-	-	88,483	88,483
Dividends: Equity capital	-	-	(112,000)	(112,000)
Transfer to/from profit and loss account	-	-	(616)	(616)
Transfer to/from revaluation reserve on revaluation of investment property net of deferred tax	-	616	-	616
At 31 August 2016	100	326,278	1,291,693	1,618,071

The notes on pages 5 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. General information

The Company is a private company, limited by shares, incorporated and domiciled in England within the United Kingdom, registration number 03436211. The Company's registered office is Lavant House, Church Lane, Bobbington, Stourbridge, West Midlands, DY7 5DH.

The financial statements are presented in sterling which is the functional currency of the company and the financial statements are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Cash flow

Under Financial Reporting Standard 102, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it qualifies as a small company.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have prepared the accounts on a going concern basis.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rental of property and insurance recharges

Turnover from the rental of investment property and insurance recharged is recognised when all the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive consideration due for the period of rental;
- the period of rental can be measured reliably; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

Mangement charges

Turnover from management charges are recognised in relation to the period in which they relate.

2.4 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 5 *(2016 - 5)*.

4. Investment property

	Freehold investment property
	£
Valuation	
At 1 September 2016	**500,000**
Surplus on revaluation	**500,000**
At 31 August 2017	**1,000,000**

The 2017 valuations were made by the directors, on an open market value for existing use basis.

	2017	*2016*
	£	*£*
Revaluation reserves		
At 1 September 2016	**326,278**	*325,662*
Net surplus/(deficit) in movement properties	**409,545**	*616*
At 31 August 2017	**735,823**	*326,278*

The movement in revaluation reserves is the revaluation surplus in the year of £500,000 (2016 - £Nil) net of deferred tax of £90,455 (2016 - £616 reduction in deferred tax provision).

5. Stocks

	2017	*2016*
	£	*£*
Finished goods and goods for resale	**1,023,788**	*921,301*
	1,023,788	*921,301*

6. Debtors

	2017	*2016*
	£	*£*
Trade debtors	**395**	*16,145*
Other debtors	**175,325**	*143,129*
Prepayments and accrued income	**107,308**	*307,308*
	283,028	*466,582*

7. Creditors: Amounts falling due within one year

	2017	*2016*
	£	*£*
Bank overdrafts	**-**	*15,038*
Trade creditors	**17,810**	*11,562*
Corporation tax	**9,378**	*22,453*
Other taxation and social security	**33,683**	*24,897*
Other creditors	**82,000**	*192,000*
Accruals and deferred income	**16,929**	*14,529*
	159,800	*280,479*

8. Deferred taxation

	2017
	£
At beginning of year	**63,722**
Charged to profit or loss	**90,455**
At end of year	**154,177**

The provision for deferred taxation is made up as follows:

	2017	*2016*
	£	*£*
Revaluation of investment properties	**154,177**	*63,722*
	154,177	*63,722*

8. Deferred taxation (continued)

During the year £90,455 has been transferred between the profit and loss reserve and the revaluation reserve in respect of the movement on the deferred tax provision on the revaluation of investment property.

9. Share capital

	2017	*2016*
	£	*£*
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	**100**	*100*

10. Reserves

Investment property revaluation reserve

The investment property revaluation reserve represents amounts revalued in relation to investment property, net of deferred tax recognised on the revaluation.

Profit & loss account

The profit and loss account reserve represents all current and prior period cumulative profits and losses.

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £100,000 (2016 - £Nil). Contributions totalling £Nil (2016 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

12. Related party transactions

During the year a loan was received from a director of the company of £2,000 (2016 - £112,000) Repayments were made of £112,000 (2016 - £Nil) and the outstanding balance as at 31 August 2017 was £2,000 (2016 - £112,000).

13. Post balance sheet events

On 31st March 2018 100% of the shares of the company were acquired by KLGNV (Casing) Limited who became the ultimate, and immediate parent, at that date. A post year end dividend of £1,250,000 has been declared to KLGNV (Casing) Limited.

First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 September 2015. The impact of the transition to FRS 102 is as follows:

	Note	*As previously stated 1 September 2015* £	*Effect of transition 1 September 2015* £	**FRS 102 (as restated) 1 September 2015 £**	*As previously stated 31 August 2016* £	*Effect of transition 31 August 2016* £	**FRS 102 (as restated) 31 August 2016 £**
Fixed assets		*500,000*	-	**500,000**	*500,000*	-	**500,000**
Current assets		*1,480,236*	-	**1,480,236**	*1,462,272*	-	**1,462,272**
Creditors: amounts falling due within one year		*(274,308)*	-	**(274,308)**	*(280,478)*	-	**(280,478)**
Net current assets		*1,205,928*	-	**1,205,928**	*1,181,794*	-	**1,181,794**
Total assets less current liabilities		*1,705,928*	-	**1,705,928**	*1,681,794*	-	**1,681,794**
Provisions for liabilities		-	*(64,338)*	**(64,338)**	-	*(63,722)*	**(63,722)**
Net assets		*1,705,928*	*(64,338)*	**1,641,590**	*1,681,794*	*(63,722)*	**1,618,072**
Capital and reserves		*1,705,928*	*(64,338)*	**1,641,590**	*1,681,794*	*(63,722)*	**1,618,072**

14. First time adoption of FRS 102 (continued)

	Note	*As previously stated 31 August 2016*	*Effect of transition 31 August 2016*	**FRS (as rest 31 Au**
		£	£	
Turnover		*1,783,638*	-	**1,78**
Cost of sales		*(1,803,189)*	-	**(1,80**
		(19,551)	-	**(1**
Administrative expenses		*(250,617)*	-	**(25**
Other operating income		*386,073*	-	**38**
Operating profit		*115,905*	-	**11**
Interest receivable and similar income		*39*	-	
Interest payable and similar charges		*(5,623)*	-	**(**
Taxation		*(22,453)*	*616*	**(2**
Profit on ordinary activities after taxation and for the financial year		*87,868*	*616*	**8**

Explanation of changes to previously reported profit and equity:

1 Casing Management Services Limited holds investment property. On adoption to FRS102, transitional adjustments have been made in respect of deferred tax on the revaluation of the investment property held by Casing Management Services Limited.

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