

Financial statements Wessex Catering Maintenance Limited

For the Year Ended 28 February 2011



Company information

Company registration number	3673821
Registered office	Wincombe Lane Shaftesbury Dorset SP7 8PJ
Directors	A Morgan S Morgan A J Brunt G Green
Secretary	S Morgan
Bankers	National Westminster Bank Plc Southampton Commercial Office PO Box 314 Woollen Hall Castle Way Southampton SO15 2DE
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor No 1 Dorset Street Southampton Hampshire SO15 2DP

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 28 February 2011

Principal activities and business review

The principal activity of the company is the installation and servicing of catering equipment

Going concern

In preparing the financial statements, the directors have had regard to the loss for the year and net liabilities of £586,621. The directors of Wessex Group Limited have confirmed that Wessex Group Limited will continue to support the company for the foreseeable future. The directors therefore consider that the going concern assumption is appropriate.

Results and dividends

The loss for the year amounted to £18,232. The directors have not recommended a dividend.

Financial risk management objectives and policies

The company finances its operations through a mixture of bank overdraft, fixed assets under finance leases and various items, such as trade debtors and trade creditors, that arise directly from its operations.

Directors

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

A Morgan
S Morgan
A J Brunt
G Green

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 Accounting Standards (United Kingdom 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 those 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,
- 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.

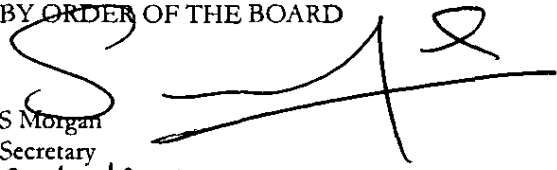
In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

BY ORDER OF THE BOARD


S Morgan
Secretary
24/11/2011



Independent auditor's report to the members of Wessex Catering Maintenance Limited

We have audited the financial statements of Wessex Catering Maintenance Limited for the year ended 28 February 2011 which comprise the principal accounting policies, 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).

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 to 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 28 February 2011 and of its loss 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 report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Wessex Catering Maintenance 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

Grant Thornton UK LLP

STEPHEN MILLS (Senior Statutory Auditor)
For and on behalf of
GRANT THORNTON UK LLP
STATUTORY AUDITOR
CHARTERED ACCOUNTANTS
Southampton

28 November 2011

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention

Going concern

As a result of the trading loss for the year of £18,232, at the year end the company has net current liabilities of £586,621. The directors of Wessex Group Limited have confirmed that Wessex Group Limited will continue to support the company for the foreseeable future.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

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

Plant & Machinery	-	25% straight line
Motor Vehicles	-	25% straight line
Equipment	-	33 1/3% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred taxation is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax is measured using current rates of tax.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Profit and loss account

	Note	2011 £	2010 £
Turnover	1	2,152,608	2,329,010
Cost of sales		1,666,925	1,802,913
Gross profit		485,683	526,097
Other operating charges	2	506,535	624,800
Operating loss	3	(20,852)	(98,703)
Interest receivable		5	2
Interest payable and similar charges	6	(2,385)	(6,002)
Loss on ordinary activities before taxation		(23,232)	(104,703)
Tax on loss on ordinary activities	7	(5,000)	(24,760)
Loss for the financial year	17	(18,232)	(79,943)

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	8	<u>135,599</u>	<u>77,190</u>
Current assets			
Stocks	9	297,586	343,887
Debtors	10	398,944	579,705
Cash at bank		<u>1,405</u>	<u>1,401</u>
		<u>697,935</u>	<u>924,993</u>
Creditors' amounts falling due within one year	11	<u>1,284,556</u>	<u>1,449,480</u>
Net current liabilities		<u>(586,621)</u>	<u>(524,487)</u>
Total assets less current liabilities		<u>(451,022)</u>	<u>(447,297)</u>
Creditors' amounts falling due after more than one year	12	<u>29,971</u>	<u>15,464</u>
		<u>(480,993)</u>	<u>(462,761)</u>
Capital and reserves			
Called-up equity share capital	16	2	2
Profit and loss account	17	(480,995)	(462,763)
Deficit	18	<u>(480,993)</u>	<u>(462,761)</u>

These financial statements were approved by the directors and authorised for issue on 24/11/11, and are signed on their behalf by



A Morgan
 Director

Company Registration Number 3673821

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover

The turnover and loss before tax are attributable to the one principal activity of the company
 An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	<u>2,152,608</u>	<u>2,329,010</u>

2 Other operating charges

	2011 £	2010 £
Administrative expenses	<u>506,535</u>	<u>624,800</u>

3 Operating loss

Operating loss is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of owned fixed assets	27,406	53,286
Depreciation of assets held under hire purchase agreements	21,950	646
Profit on disposal of fixed assets	(1,136)	(794)
Auditor's remuneration		
Audit fees	<u>3,750</u>	<u>3,750</u>

4 Directors and employees

The average number of staff employed by the company during the financial year amounted to

	2011 No	2010 No
Number of production staff	<u>23</u>	<u>25</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	734,179	810,862
Social security costs	76,568	74,889
Other pension costs	3,667	3,861
	<u>814,414</u>	<u>889,612</u>

5 Directors

Remuneration in respect of directors was as follows

	2011 £	2010 £
Remuneration receivable	–	8,042
Value of company pension contributions to money purchase schemes	–	402
	<u>–</u>	<u>8,444</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>–</u>	<u>1</u>

Remuneration in respect of directors in the current year was borne by other group companies

6 Interest payable and similar charges

	2011 £	2010 £
Interest payable on bank borrowing	2	38
Finance charges payable under hire purchase agreements	<u>2,383</u>	<u>5,964</u>
	<u>2,385</u>	<u>6,002</u>

7 Taxation on ordinary activities

(a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
Corporation tax	-	-
Group relief	(5,000)	(24,100)
Total current tax	(5,000)	(24,100)
Deferred tax		
Origination and reversal of timing differences	-	(660)
Tax on loss on ordinary activities	(5,000)	(24,760)

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2010 - 28%)

	2011 £	2010 £
Loss on ordinary activities before taxation	(23,232)	(104,703)
Loss on ordinary activities by rate of tax	(6,505)	(29,317)
Expenses not deductible for tax purposes	944	443
Capital allowances for period in excess of depreciation	410	4,907
Payment for group relief at the marginal rate	45	60
Other short term timing differences	106	(193)
Total current tax (note 7(a))	(5,000)	(24,100)

8 Tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Equipment £	Total £
Cost				
At 1 March 2010	–	167,450	–	167,450
Additions	1,658	110,237	515	112,410
Disposals	–	(83,547)	–	(83,547)
At 28 February 2011	<u>1,658</u>	<u>194,140</u>	<u>515</u>	<u>196,313</u>
Depreciation				
At 1 March 2010	–	90,260	–	90,260
Charge for the year	163	50,405	86	50,654
On disposals	–	(80,200)	–	(80,200)
At 28 February 2011	<u>163</u>	<u>60,465</u>	<u>86</u>	<u>60,714</u>
Net book value				
At 28 February 2011	<u>1,495</u>	<u>133,675</u>	<u>429</u>	<u>135,599</u>
At 28 February 2010	<u>–</u>	<u>77,190</u>	<u>–</u>	<u>77,190</u>

Included within the net book value of £135,599 is £115,088 (2010 - £13,778) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £21,950 (2010 - £646).

9 Stocks

	2011 £	2010 £
Raw materials	161,206	164,268
Work in progress	136,380	179,619
	<u>297,586</u>	<u>343,887</u>

10 Debtors

	2011 £	2010 £
Trade debtors	354,848	538,614
Amounts owed by group undertakings	5,000	24,798
Other debtors	21,486	2,486
Prepayments and accrued income	17,610	13,807
	<u>398,944</u>	<u>579,705</u>

11 Creditors: amounts falling due within one year

	2011	2010
	£	£
Bank loans and overdrafts	248,167	384,632
Payments received on account	7,694	27,523
Trade creditors	460,732	560,426
Amounts owed to group undertakings	396,686	398,576
Other taxation and social security	65,316	44,245
Amounts due under hire purchase agreements	84,934	16,871
Accruals and deferred income	21,027	17,207
	<u>1,284,556</u>	<u>1,449,480</u>

The bank overdraft is secured by a fixed and floating charge over the company's assets

12 Creditors: amounts falling due after more than one year

	2011	2010
	£	£
Amounts due under hire purchase agreements	<u>29,971</u>	<u>15,464</u>

13 Commitments under hire purchase agreements

Future commitments under hire purchase agreements net of future finance lease charges are as follows

	2011	2010
	£	£
Amounts payable within 1 year	84,934	16,871
Amounts payable between 1 and 2 years	29,971	15,464
	<u>114,905</u>	<u>32,335</u>

14 Contingent liabilities

Bank borrowing is supported by cross guarantees given by certain group companies. The company had no other contingent liabilities as at 28 February 2011 or 28 February 2010

15 Related party transactions

As a wholly owned subsidiary of Wessex Group Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by Wessex Group Limited

During the year, the company made sales of £124,714 (2010 £47,304) and purchases of £298,857 (2010 £449,730) from National Facilities Management Limited, a company in which Wessex Group Limited disposed of its 50% shareholding during the year. The amounts included within trade debtors and trade creditors at the year end were £13,974 (2010 £5,483) and £nil (2010 £129,933) respectively

16 Share capital

Allotted, called up and fully paid

	2011		2010	
	No	£	No	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

17 Profit and loss account

	2011	2010
	£	£
Balance brought forward	(462,763)	(382,820)
Loss for the financial year	<u>(18,232)</u>	<u>(79,943)</u>
Balance carried forward	<u>(480,995)</u>	<u>(462,763)</u>

18 Reconciliation of movements in shareholders' funds

	2011	2010
	£	£
Loss for the financial year	(18,232)	(79,943)
Opening shareholders' deficit	<u>(462,761)</u>	<u>(382,818)</u>
Closing shareholders' deficit	<u>(480,993)</u>	<u>(462,761)</u>

19 Capital commitments

The company had no capital commitments as at 28 February 2011 or 28 February 2010

20 Ultimate parent company

This company is a wholly owned subsidiary of Wessex Group Limited, a company incorporated in the United Kingdom. Copies of the group accounts can be obtained at the registered office, Wincombe Lane, Shaftesbury, Dorset, SP7 8PJ