

**GOVERNANCE AND AUDIT COMMITTEE TRADING
ACTIVITIES SUB - COMMITTEE**

Tuesday, 28th February, 2017

2.30 pm

Darent Room, Sessions House, County Hall, Maidstone





AGENDA

GOVERNANCE AND AUDIT COMMITTEE TRADING ACTIVITIES SUB - COMMITTEE

Tuesday, 28 February 2017 at 2.30 pm
Darent Room, Sessions House, County
Hall, Maidstone

Ask for: **Andrew Tait**
Telephone: **03000 416749**

Tea/Coffee will be available 15 minutes before the meeting

Membership (3)

Conservative (2): Mr R L H Long, TD (Chairman) and Mr R J Parry (Vice-Chairman)

UKIP (1): Mr C P D Hoare

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

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Item

- 1 Substitutes
- 2 Declarations of Interest by Members for items on the agenda
- 3 Minutes - 27 April 2016 (Pages 5 - 12)
- 4 Statutory Accounts for those companies in which KCC has an interest (Pages 13 - 246)
- 5 Consolidated Commercial Services 2015/16 (Pages 247 - 332)

6 East Kent Opportunities LLP (Pages 333 - 356)

7 Motion to exclude the public

That under section 100A of the Local Government Act 1972 the public be excluded for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(During these items the meeting is likely NOT to be open to the public).

8 Invicta Law Ltd (Pages 357 - 388)

John Lynch
Head of Democratic Services
03000 410466

Monday, 20 February 2017

Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.

KENT COUNTY COUNCIL

**GOVERNANCE AND AUDIT COMMITTEE TRADING ACTIVITIES
SUB - COMMITTEE**

MINUTES of a meeting of the Governance and Audit Committee Trading Activities Sub - Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 27 April 2016.

PRESENT: Mr R L H Long, TD (Chairman), Mr R J Parry (Vice-Chairman) and Mr C P D Hoare

ALSO PRESENT: Mr R H Bird and Mr D Smyth

IN ATTENDANCE: Mr A Wood (Corporate Director Finance and Procurement), Mr G Wild (Director of Governance and Law), Mr J Pigott (Head of Law), Mr D Smith (Director of Economic Development), Ms J Ward (Regional Growth Fund Programme Manager), Mr J Burr (Managing Director of Commercial Services), Mr G Singh (Barrister), Mr R Patterson (Head of Internal Audit) and Mr A Tait (Democratic Services Officer)

UNRESTRICTED ITEMS**5. Minutes - 29 February 2016**

(Item 3)

RESOLVED that the Minutes of the meeting held on 29 February 2016 are correctly recorded and that they be signed by the Chairman.

6. Protocol relating to companies in which KCC has an Interest

(Item 4)

(1) The Director of Governance and Law introduced the report on the Companies Protocol which had last been reviewed in 2012. The current review needed to take account of the changes to the County Council's approach to commissioning.

(2) The Sub-Committee noted that paragraph 7 (d) of the revised protocol listed certain policies and procedures. It considered that as this could lead to a mistaken view that those which were not mentioned were relatively insignificant, this passage should be reinforced by the addition of the words "but not exclusively" after "with particular" at the end of the paragraph.

(3) The Sub-Committee also considered that new paragraph 17 should include a reference to the action that should be taken in the event that if a director who was also a Member or officer of KCC should have a conflict of interest. It therefore agreed to recommend the re-writing of the paragraph after "or an officer of KCC" to read "If it were to give rise to a conflict with the interests of KCC then reference should be made to *the Guidance on Local Authority Companies* referred to in paragraph (2) above."

(4) The Sub-Committee decided that its own role should be further clarified in paragraph 7 (d) through the specification that it “must be assured” that adequate policies and procedures were in place before a company commenced trading.

(5) RESOLVED that:-

(a) the draft amendments to the *Protocol for Companies in which KCC has an Interest* be recommended to the Governance and Audit Committee for approval subject to the revised paragraphs 7 (d) and 17 as set out below:-

(i) Paragraph 7 (d): “what Council policies (if any) are to apply to the company. Where a company adopts its own policies, before it commences trading the Governance and Audit Committee must be assured that adequate policies and procedures are in place with particular (but not exclusive) reference to anti-fraud, bribery, corruption, gifts and hospitality”; and

(ii) Paragraph 17: “As a matter of general principle, the overriding duty of any director in considering an item before the company is to vote in accordance with the interests of that company. In the case of a director who is also an elected Member, or an officer of KCC, if it were to give rise to a conflict with the interests of KCC, then reference should be made to *the Guidance on Local Authority Companies* referred to in paragraph (2) above”; and

(b) the Protocol and Guidance continue to be reviewed bi-annually, unless fundamental changes (for example, legislative changes) necessitate a review during the intervening period.

7. Discovery Park Investment Fund - Development of the Fund and changes to governance structure

(Item 6)

(1) The report which was unavailable on the date of publication had been circulated to all Members of the Sub-Committee as well as to Governance and Audit Committee Members.

(2) The Chairman declared this item to be Urgent as the governance arrangements needed to be in place by 1 May 2016 and this was the only opportunity for them to be considered by the Sub-Committee.

(3) The Director of Economic Development introduced the report which set out the changes to the governance structure of the Discovery Park Technology Investment Fund since the Committee had last approved the original governance arrangements in November 2014 (*Minute 2014/7*). At that time, KCC had allocated £5m from the overall Regional Growth Fund allocation to offer equity investments. KCC had not wished to be the sole equity provider and had therefore established the governance structure set out in Figure 1 of the report.

(4) The Director of Economic Development continued by saying that the point had now been reached where the new goal was to enable other private sector investors to invest in the fund.

(5) The Director of Economic Development replied to a question from Mr Bird by saying that each of the private investors was registered in England at Companies House. There was no intention to avoid any tax on the investments made by KCC. He could also give a complete assurance that the partner companies would remain subject to English tax and British legal procedures.

(6) The Director of Economic Development explained that due to state aid rules, KCC could not be a majority partner or shareholder in any of the companies. He agreed with the Chairman's understanding that whilst KCC could not control the affairs of the companies which invested, it would have the ability to withdraw its funding in the event that its registration or tax strategy did not comply with the standards that KCC was obliged to uphold.

Kent County Council took great pains to ensure that the companies in which it invested were of the utmost propriety and reputation. It would also have a veto and control over where that money was invested. KCC had already turned down the opportunity to make some apparently attractive investments due to concerns over some aspect of the company's operation. This approach would continue. KCC could not approve the other shareholders. It could only approve the companies in which it invested. This always included scrutiny of the other shareholders whenever KCC was considering whether to invest.

(7) The Director of Economic Development replied to a question from Mr Hoare by saying that KCC's investment strategy was to take a minority shareholding of no more than 10% in order to ensure that the risk was shared. KCC was also constrained by the rules on state aid which specified that any investment by a public authority had to be on commercial terms using an independent manager who could decide what was and was not a commercial investment. KCC had committed itself to only make commercial investments.

(8) The Director of Economic Development then said that the new structure set out in Figure 2 of the report was recognised by the British Venture Capital Association and complied with the guidance of the European Venture Capital Industry. The reason that other authorities had failed in their attempts to create public authority investment companies was because they had not followed the commercial pattern. The advice obtained was that the structure was robust, both in terms of protecting the public authority and its interests as well as being recognisable to the market place. The structure avoided the pitfalls which often arose when a public authority attempted to upset the balance between its commercial and public goals by over-emphasising the latter.

(9) The Director of Economic Development replied to a question by Mr Parry by saying that the Independent Advisory Board would advise the Leader of the Council who would agree the detailed terms of reference and operating procedures. The advice provided to him (including on compliance) would be given by KCC Legal, KCC Procurement, Geldards and Hogan Lovells.

(10) The Chairman asked whether it was intended that the detailed terms of reference and operating procedures would be submitted to the Sub-Committee. The

Director replied that it was not envisaged that they would be in conflict with the report that was under consideration. It was therefore not proposed to bring a further report. He offered to make them available after they had been put into effect. They would continue to be regularly audited by Internal Audit.

(11) It was agreed that the results of Internal Audit's audit of the detailed terms of reference and operating procedures would be reported either to the Sub-Committee or to its parent Committee.

(12) The Director of Economic Development replied to a question from the Chairman by saying that consideration had been given to the question of whether there should be more than one Director of the various companies. He said that Company Law did not require a company to have more than one Director or even a Company Secretary. He anticipated that once the new arrangements were in place there would be an increase in the number. This was because the current structure had been put in place to best enable KCC to transfer to the new structure. The new Directors of the company into which the assets were to be transferred had not yet been identified and would be carefully vetted before their appointment.

(13) The Director of Economic Development replied to a question from Mr Parry by confirming that one of the 5 members of the New Investment Committee would be an elected Member of Kent County Council, another would be a KCC officer. The other 3 members would be people with a private sector background drawn from outside KCC. Their eventual appointments would be made by the Leader following advice from the present Advisory Board. The recruitment process was currently underway

(14) Mr Parry asked for detail on the advertisement process for the three private sector members of the New Investment Committee as well as the qualities and skills that were being sought. This applied, too to the KCC representatives. He also asked who would chair the Company and how that appointment would be made.

(15) The Director of Economic Development replied that the specification was looking for people with the highest level of the requisite skills. This would include experience of successfully running large private sector funds. He was not sure whether the prospective elected KCC Member had actually been approached and could not therefore be identified. He did have considerable experience in the investment management world. The KCC officer was a very senior member of the Finance Team.

(16) Mr Bird said that performance assessment of the members of the New Investment Committee would be a key issue and that it was particularly important that the mechanism was in place to ensure timely replacement if the need arose.

(17) The Director of Economic Development replied that the County Council in the form of the Investment Advisory Board would receive quarterly reports from the Fund Manager. The Fund would last for 5 years (extendable to 10). An internal rate of return of at least 15% was expected. The remuneration rate for the managers was linked to the performance of the Fund and they would only receive remuneration once a trigger point had been achieved. There was also a separate mechanism for removing people if they failed to perform in other respects. He could give an assurance that, in respect of the new Investment Committee there would be absolutely no reward for failure.

(18) The Director of Economic Development said that the Investment Advisory Board was a long-standing informal body which had been set up when KCC first received its allocation of 35 m from the Regional Growth Fund in order that the County Council's decisions could be informed by a broad group of individuals acting in a personal capacity utilising their backgrounds in banking, the Law and a variety of commercial activities. It reported to the Economic Development Board on the loans that had been made using RGF monies as well as to the Leader.

(19) The Sub-Committee agreed the resolution set out in (20) below by 2 votes to 1. The Director of Governance and Law confirmed that this decision did not prevent the Director of Economic Development from putting the new governance arrangements into operation. The Director of Economic Development also confirmed that although there would be a change of ownership, this would not affect the ability to make any required changes to the way in which the process was managed.

(20) RESOLVED that the proposed governance for the Discovery Park Technology Investment Fund be endorsed subject to ratification by the Governance and Audit Committee at the next available opportunity.

EXEMPT ITEMS

(Open Access to Minutes)

(Members resolved under Section 100A of the Local Government Act 1972 that the public be excluded from the meeting for the following business on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.)

8. Legal Services - Alternative Business Structure

(Item 5)

(1) The Chairman informed the Sub-Committee that he had been invited to sit on the Board of the company which would be set up under the Alternative Business Structure. This was not a matter which qualified either as a Disclosable Pecuniary Interest or as an Other Significant Interest.

(2) The Director of Governance and Law briefly introduced the report on the Legal Services Alternative Business Structure (ABS) and confirmed that it would conform to the *Protocol for Companies in which KCC has an Interest* if the draft revisions to the Protocol (see *Minute 6 above*) received approval from the Governance and Audit Committee at its next meeting. He also drew the Sub-Committee's attention to the Section 151 Officer's Value for Money Report which was appended to the main report.

(3) During discussion of this item, the Sub-Committee asked for the Shareholder Board chart set out in Appendix 1 of the report to be amended to clarify that it was the Chairman of the Company who would report to the Chairman Head of Paid Service and for those members of the Senior Management Team who were also members of the Board of Directors to be identified with an asterisk. The Director of Governance and Law agreed to make these amendments.

(4) Members also asked for assurance in respect of the impact of the creation of the ABS on the overall Legal Services operation including those members of staff who were to remain in-house. This should include steps taken to ensure staff retention. It was therefore agreed that a progress report would be presented to the Governance and Audit Committee at its meeting in October 2016.

(5) RESOLVED that:-

- (a) approval be given to the governance arrangements for the Alternative Business Structure as set out in the report and its Appendices; and
- (b) a progress report be submitted to the October 2016 meeting of the Governance and Audit Committee with a particular emphasis on those issues set out in (4) above.

9. Consolidated Commercial Services 2014-15

(Item 9)

(1) The Managing Director of Commercial Services presented a report which had arisen out of the Sub-Committee's consideration of Statutory accounts for companies

in which KCC has an interest (*Minute 2/2016*). He briefly summarised the current structure of the Commercial Services business.

(2) The Managing Director of Commercial Services reported that customers of the LASER frameworks had indicated that they placed strong value on KCC being the contracting authority for those frameworks.

(3) RESOLVED that the report be noted for assurance.

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By: John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement
Andy Wood, Corporate Director of Finance & Procurement

To: Governance and Audit Committee Trading Activities Sub Committee - 28 February 2017

Subject: Statutory Accounts for those companies in which KCC has an interest

Classification: Unrestricted

Summary: To present the latest available Statutory Accounts for those companies in which KCC has an interest.

FOR ASSURANCE

1 INTRODUCTION

- 1.1 As per its Terms of Reference, the Governance and Audit Committee Trading Activities Sub Committee has a responsibility each year to 'Receive and review the annual statutory financial accounts of any KCC limited companies and financial statements for other trading vehicles and to consider corrective action where appropriate'.
- 1.2 Copies of the latest Statutory Accounts for these companies (for 2015-16) are included as appendices to the report should the Members' wish to review and consider them.
- 1.3 This report also includes an explanation of payments made by the Council to the company, the purpose of the company and the nature and degree of interest that the Council has in the company.

2 ENTITIES WHICH KCC HAS AN INTEREST IN

- 2.1 The table below shows the details of the entities which KCC has an interest including payments made to the entities during 2015-16.

1. Association of Tourist Attractions in Kent Ltd	
Purpose of entity	To promote the interest of tourist attractions of all sizes and kinds throughout Kent. Company Limited by Guarantee
Level and Nature of Interest	There is no Kent County Council representative on the board and the company is limited by guarantee with each of the Directors being liable for £1. Kent County Council does not appear to have a direct interest in the company.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(1,980) – accounts as at 31 August 2016
Payment during 2015-16	Nil
2. Aylesham & District Community Workshop Trust Ltd	
Purpose of entity	Established for the benefit of persons in the Aylesham and Rural District to provide or assist in the provision of facilities for the advancement of education and for recreation and leisure-time occupation with the objective of improving the conditions of life of said persons. Company Limited by Guarantee and a Charitable Trust.
Level and Nature of Interest	KCC is a Member. Each Member has one vote. There are 9 Trustees. Liability will not exceed £10.
Directors on the Board	Mr S Manion – KCC Member
Profit or Surplus / (Deficit)	£(15,720) – accounts as at 31 March 2016
Payment during 2015-16	£1,591.26 (excluding VAT) – Room hire for courses
3. Visit Kent Ltd	
Purpose of entity	To promote, market, advertise and develop nationally and internationally the tourist industry in the county of Kent and all the bodies, entities, persons associated and involved therein. Company Limited by Guarantee.

Level and Nature of Interest	KCC is a Member. Each Member has one vote. Liability is limited to £1.
Directors on the Board	Mr M Dance – KCC Member Mrs T Bruton – KCC Officer – Resigned 25 February 2016 Mr D Hughes – KCC Officer – Appointed 12 May 2016
Profit or Surplus / (Deficit)	£18,505 – accounts as at 31 March 2016
Payment during 2015-16	£377,018.28 (excluding VAT) – Payment for Visitor Economy Services and annual grant payment
4. Locate in Kent Ltd	
Purpose of entity	Locate in Kent offers confidential and free business investment and relocation services to international, UK and Kent-based companies looking to expand. . Company Limited by Guarantee.
Level and Nature of Interest	KCC is a Member. Each Member has one vote. Liability is limited to £1.
Directors on the Board	Mr M Dance – KCC Member Mr A King – KCC Member – Resigned 21 January 2016 Mr B Sweetland – KCC Member – Resigned 6 July 2016
Profit or Surplus / (Deficit)	£(56,769) – accounts as at 31 March 2016
Payment during 2015-16	£722,916.63 (excluding VAT) – Payment of a monthly contribution
5. Trading Standards South East Kent Ltd	
Purpose of entity	To provide advice to consumers in the south east of England. Company Limited by Guarantee.
Level and Nature of Interest	KCC is a Member. Each Member has one vote. Liability is limited to £1.

Directors on the Board	Mr M Rolfe – KCC Officer – Resigned 13 October 2015 Mrs S Harvey – KCC Officer – Appointed 13 October 2015
Profit or Surplus / (Deficit)	£(56,716) – accounts as at 31 March 2016
Payment during 2015-16	£59,731.80 (excluding VAT) – Membership fees and various products
6. East Kent Spatial Development Company	
Purpose of entity	A regeneration company specialising in the provision of utilities infrastructure to the business parks in East Kent. Company Limited by Guarantee.
Level and Nature of Interest	KCC is a Class A Member. Each Class A Member has one vote. Liability is limited to £1. Locate in Kent is also a Member which KCC has an interest in.
Directors on the Board	Mr M Dance – KCC Member
Profit or Surplus / (Deficit)	£228,091 – accounts as at 31 March 2016
Payment during 2015-16	Nil
7. Goetec Ltd	
Purpose of entity	The provision of network facilities for further and higher education institutions in Kent. Company limited by Guarantee.
Level and Nature of Interest	A KCC Officer is a Director on the Board.
Directors on the Board	Ms C Hursell – KCC Officer – Resigned 29 February 2016 Mrs C Patrick – KCC Officer – Appointed 15 May 2016
Profit or Surplus / (Deficit)	£(20,887) – accounts as at 31 July 2015
Payment during 2015-16	£20,317.97 (excluding VAT) – Membership fees and equipment rental

8. Produced in Kent	
Purpose of entity	To increase the public's awareness of produce which has been produced in Kent. Company Limited by Guarantee.
Level and Nature of Interest	KCC has joint voting rights with Hadlow College. Liability is limited to £1.
Directors on the Board	Mr S Holden – KCC Member
Profit or Surplus / (Deficit)	£(14,111) – accounts as at 31 March 2016
Payment during 2015-16	£88,031.22 (excluding VAT) – contribution towards salary costs
9. TRICS Consortium Ltd	
Purpose of entity	Consortium of six County Councils owning and operating a transport trip rate database known as TRICS. Company Limited by Shares
Level and Nature of Interest	37,500 shares of total share capital of 225,000 (16.7% holding). One of six member with equal voting rights (one vote per member) During 2015-16 we received a dividend £81,347.
Directors on the Board	None
Profit or Surplus / (Deficit)	£34,494 – accounts as at 31 December 2015
Payment during 2015-16	£3,070.00 (excluding VAT) – Licence

2.2 Business Support Kent Community Interest Company went into liquidation on 19 April 2016. There is no risk to KCC. KCC made a payment of £31,962.19 during 2015-16 which was in respect of grant funding for 2014-15.

3. INVESTMENT COMPANIES

3.1 Detailed in the table below are investments KCC has made through the purchase of shares. Items 10 to 22 in the table below were purchased from the allocation of Regional Growth Fund programmes i.e. Expansion East Kent, Tiger and Escalate and there is no financial risk to KCC.

10. Shearwater Systems Ltd	
Purpose of entity	To design and develop innovative software to support a burgeoning need for mobile software applications in healthcare. The company focus is on creating Mobile Health Record (MHR) software applications that allow clinicians to work seamlessly between acute hospital and community care settings including the patients' home.
Level and Nature of Interest	233,333 £0.01 Ordinary A Shares were purchased in 2013-14 from the Expansion East Kent programme. The shares were purchased for £144,433.12. KCC has a 7.22% holding in the company The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£46,891 – accounts as at 31 March 2016
Payment during 2015-16	£260,000 – loan from Expansion East Kent. The total value of loan issued was £860,000 with repayments being made from 2016-17.
11. TRN – The Research Network Ltd	
Purpose of entity	A small pharmaceutical research company based in Sandwich. It is proposed to invest in additional business development in China, India, USA and Europe. It is proposing to invest in innovative web-based scientific software to support the TRN collaborative drug research model.
Level and Nature of Interest	1,400 £0.01 Ordinary Shares were purchased in 2013-14 as from Expansion East Kent programme. The shares were purchased for £28,000. KCC has a 6% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£28,484 – accounts as at 30 April 2016

Payment during 2015-16	Nil
12. Michelson Diagnostics Ltd	
Purpose of entity	Development, manufacture and supply of patented Optical Coherence Tomography (OCT) instrumentation (the Vivosight Scanner) to the dermatology markets and the supply of associated support systems.
Level and Nature of Interest	In 2014-15 26,986 £1 B Ordinary Shares were purchased in 2014-15 from the Escalate programme. The shares were purchased for £249,998.30. In 2015-16 53,664 additional £1 C shares were purchased in 2015-16 the Escalate programme. The shares were purchased for £53,664. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(2,548,688) – accounts as at 30 September 2015
Payment during 2015-16	Nil
13. Digital Contact Ltd	
Purpose of entity	A big data products company, helping businesses and consumers make faster and better decisions from the data that surrounds them.
Level and Nature of Interest	1,389 £1 Ordinary Shares were purchased in February 2015 through the Tiger programme for £1,174,072. KCC has a 10% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(656,470) – accounts as at 30 April 2016
Payment during 2015-16	Nil
14. Venomtech Ltd	
Purpose of entity	To produce unique venom derived tools for drug discovery.

Level and Nature of Interest	419 £0.01 Ordinary Shares were purchased in March 2015 from the Expansion East Kent programme for £29,996.21. KCC has a 2.6% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(188,206) – accounts as at 31 August 2015
Payment during 2015-16	Nil
15. Mead VT Group Holdings Ltd	
Purpose of entity	Dormant company
Level and Nature of Interest	24 £1 Ordinary Shares were purchased in March 2015 from the Tiger programme for £250,000. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£0 - accounts as at 31 March 2015
Payment during 2015-16	Nil
16. Flute Office Ltd	
Purpose of entity	Manufacturing 100% recyclable and sustainable furniture for the workplace.
Level and Nature of Interest	1,817 £0.1 Ordinary Shares were purchased in February 2016 from the Expansion East Kent programme for £500,000. KCC has a 9% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(261,148) – accounts as at 31 August 2015
Payment during 2015-16	Nil

17. TC Biopharm Ltd	
Purpose of entity	A clinical development company with a cell-based product pipeline capable of treating a variety of disorders including cancer and severe viral infections.
Level and Nature of Interest	70,126 £1 Ordinary Shares were purchased in February 2016 from the Expansion East Kent programme for £500,000. KCC has a 5.5% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway as part of the Discovery Park Investment Fund.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(899,974) – accounts as at 31 July 2015
Payment during 2015-16	Nil
18. Viramal Ltd	
Purpose of entity	A speciality pharmaceutical company focused on the development of therapeutics that improves the quality of women's health.
Level and Nature of Interest	Equity Shares were purchased in February 2016 from the Expansion East Kent programme for £500,000. The annual return submitted on 12 April 2016 to Companies House does not show KCC as a shareholder the next confirmation statement is due 12 April 2017. Therefore unable to confirm the number of shares purchased. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway as part of the Discovery Park Investment Fund.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(1,139,492) – accounts as at 30 April 2016
Payment during 2015-16	Nil

19. Futurenova Ltd	
Purpose of entity	Operates in the pharmaceuticals and medical industry, with a special focus on technological innovation. The Company is highly focused on addressing identified and important market needs by developing products and technologies which fill identified, but presently unsatisfied, demands in the NHS.
Level and Nature of Interest	200,000 £0.001 Ordinary Shares were purchased in June 2015 from the Expansion East Kent programme for £200,000. KCC has a 14.8% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Movement in Net Assets/(Liabilities)	£(103,866) – micro accounts as at 30 April 2016
Payment during 2015-16	Nil
20. Ancon Technologies Ltd	
Purpose of entity	A pioneering company offering revolutionary new molecular detection technology that provides unprecedented levels of sensitivity and presents a unique solution to many industries
Level and Nature of Interest	100,000 £0.0001 Ordinary Shares were purchased in October 2015 from the Expansion East Kent programme for £225,000. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(163,521) – accounts as at 31 July 2016
Payment during 2015-16	Nil
21. Centauri Therapeutics Ltd	
Purpose of entity	A biotechnology company focused on the discovery and development of novel molecules targeting life

	threatening diseases.
Level and Nature of Interest	2,074 £0.002411 Ordinary Shares were purchased in January 2016 from the Expansion East Kent programme for £500,000. KCC has a 4% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway as part of the Discovery Park Investment Fund.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(1,181,095) – accounts as at 31 March 2016
Payment during 2015-16	Nil
22. Coomtech Ltd	
Purpose of entity	A sustainable energy technology company that have developed a novel process for drying Biomass and Low Rank Coal.
Level and Nature of Interest	15,900 £1 Ordinary Shares were purchased in April 2015 from the Expansion East Kent programme for £375,000. KCC has a 22.5% holding in the company. The return on equity will be recycled back for reinvestment in other businesses in Kent and Medway as part of the Discovery Park Investment Fund.
Directors on the Board	None
Profit or Surplus / (Deficit)	£(485,615) – accounts as at 29 February 2016
Payment during 2015-16	Nil
23. Kent PFI Holding Company 1 Ltd	
Purpose of entity	Kent PFI Holding Company 1 Ltd is a holding company for Kent PFI Company 1 Limited, a company whose activities include the provision of construction and maintenance services for three secondary schools for pupils across Kent. (Thamesview School, Northfleet Technical College and St Johns Catholic

	Comprehensive School).
Level and Nature of Interest	<p>As part of the Treasury Strategy to make investments in equity up to the value of £5m, KCC purchased shares in Kent PFI Holding Company 1 Ltd. At the end of 2014-15 KCC has 42% holding in the company. The investment structure is as follows:</p> <ul style="list-style-type: none"> • £2,681,260.21 in loan notes • £2,113,808.91 in shares <p>During 2014-15 we received £207,206.25 relating to interest and repayment of loan notes.</p>
Directors on the Board	<p>Mrs C Head – KCC Officer</p> <p>Ms J Hansen – KCC Officer</p>
Profit or Surplus / (Deficit)	£200,000 – accounts as at 31 March 2016
Payment during 2015-16	£9,711,185.69 (excluding VAT) – PFI costs

4 RECOMMENDATION

- 4.1 Members are recommended to note the contents of this report for assurance, and to review the latest available Statutory Accounts (attached) for those companies in which KCC has an interest.

Emma Feakins
Chief Accountant
Ext: 416082

ASSOCIATION OF TOURIST ATTRACTIONS IN KENT LIMITED

UNAUDITED ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016



**ASSOCIATION OF TOURIST ATTRACTIONS IN KENT LIMITED
CONTENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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Company information	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3

**ASSOCIATION OF TOURIST ATTRACTIONS IN KENT LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2016**

Directors: N Barrie
Miss S Belsom
S Bromley
Ms L Dickson
J Gardner
Ms S Hirsch
G Hukins

Company number: 02608373 (England and Wales)

Registered office: 1 Mount Cottages
Hatch Lane
Chartham Hatch
Canterbury
Kent
CT4 7LS

Accountants: NJH Accounting Services Ltd.
Worschach
Hearts Delight Road
Tunstall
Sittingbourne
Kent
ME9 8JA

ASSOCIATION OF TOURIST ATTRACTIONS IN KENT LIMITED
ABBREVIATED BALANCE SHEET
AS AT 31 AUGUST 2016

	£	2016 £	£	2015 £
Current assets				
Debtors	958		4,866	
Cash at bank and in hand	13,491		11,582	
		14,449		16,448
Creditors: amounts falling due within one year	(728)		(747)	
Net current assets		13,721		15,701
Total assets less current liabilities		13,721		15,701
Reserves				
Capital reserve		10,154		10,154
Profit and loss account		3,567		5,547
		13,721		15,701

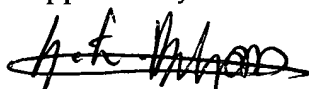
For the financial year ended 31 August 2016 the Company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The Members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with Section 476;
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on 8 December 2016.


 Miss S Belsom

Director

Company Registration No. 02608373

The notes on page 3 form an integral part of these financial statements.

ASSOCIATION OF TOURIST ATTRACTIONS IN KENT LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

1.4 Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. Company status

The Company is a private Company limited by guarantee and consequently does not have a share capital. Each of the Directors is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

Company registration number: 03114198
Charity registration number: 1050794

Aylesham And District Community Workshop Trust

(A company limited by guarantee)

Annual Report and Financial Statements
for the Year Ended 31 March 2016

BATCHELOR COOP chartered accountants

THE NEW BARN MILL LANE EASTRY SANDWICH KENT CT13 0JW

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COMPANIES HOUSE

Aylesham And District Community Workshop Trust

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Reference and Administrative Details	1 to 2
Trustees' Report	3 to 5
Independent examiner's report	6
Statement of financial activities	7
Balance Sheet	8
Notes to the financial statements	9 to 16

The following pages do not form part of the statutory financial statements:

Statement of financial activities per fund	17 to 23
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Aylesham And District Community Workshop Trust

Reference and Administrative Details

Charity name	Aylesham And District Community Workshop Trust
Charity registration number	1050794
Company registration number	03114198
Principal office	Ackholt Road Aylesham Kent CT3 3AJ
Registered office	Ackholt Road Aylesham Kent CT3 3AJ
Trustees	L J Brazier C Bryan, Home maker (Appointed 13 January 2016) W R Cornelius A Doggett, CEO (Appointed 1 June 2015) W Field (Resigned 15 May 2015) A Hockley L Jeavons Dr L Keen (Appointed 16 September 2015) Rev L C Moncaster (Resigned 10 December 2015) S Manion K Rogers (Resigned 1 June 2016) R Thompson (Deceased 23 May 2016)
Secretary	D Garrity M.B.E.

Aylesham And District Community Workshop Trust
Reference and Administrative Details

Solicitor	Furley Page 52-54 High Street Whitstable Kent CT5 1BG
Bankers	Lloyds Bank PLC 49 High Street Canterbury Kent CT1 2SE
Accountant	Batchelor Coop Ltd The New Barn Mill Lane Eastry Sandwich CT13 0JW
Patron	G Prosser

Aylesham And District Community Workshop Trust

Trustees' Report

The Trustees, who are all Directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of Aylesham and District Community Workshop Trust (the charity) for the year ended 31 March 2015. The Directors confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended practice: "Accounting and Reporting by Charities" 2005 (SORP 2005).

Organisational Structure and decision making

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association of the company. They form a board of Directors which is responsible for the general control of the charity. Trustees/Directors are volunteers, give their time freely and receive no remuneration or other financial benefits in respect of their voluntary position, save that reasonable expenses (notably travel) may be paid. Trustees/Directors meet together on a regular basis.

Day to day management of the charity and its assets are delegated to paid staff and volunteers.

Constitution, Objects and Policies

The charity is registered as a charitable company limited by guarantee and was set up by a memorandum of association on 16 October 1995.

The principal object of the charity is to benefit the persons of Aylesham and the rural district with the objective of improving the quality of life for those persons, by providing or assisting in the provision of facilities for the advancement of education, recreation and employment.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charities Commission's general guidance on public benefit, Charities and Public Benefit.

Reserves

The Trustees review the amount of reserves that are required to ensure that they are adequate to provide financial stability and fulfil the charity's continuing obligations in order to meet its charitable objective for the foreseeable future.

Risk Management

The Trustees examine the major risks that the Charity faces each financial year and where necessary seeks to develop systems to monitor and control these risks to mitigate any impact that they may have on the future of the charity.

Development, activities, achievements and financial review

Aylesham & District Community Trust delivered all of its aims and objectives this year.

Aylesham & District Community Workshop Trust continue to encourage local entrepreneurs to relocate from the black economy to Aylesham business Park. We work with many people with a business idea. Some are able to succeed and some do not but it's great to see a person delivering their dream.

We have 25 businesses on site employing in the region of 300 people and putting an estimated £4.5 million into the local economy. The 25 businesses and organisations probably spend £1.25 million on services and materials in the local economy.

In our small units the rent is manageable for a one or two person business and we have a stone mason, vets, hairdresser, coffee wholesaler, and builder who are working hard and servicing the local economy.

The EC4 coffee wholesaler has a passion for coffee and he saw the need to wholesale quality coffee for the independent coffee shops on the south east to compete against the national chains. EC4 was the subject of a Southern Television programme that demonstrated how a good idea and quality product will always find a market.

Our 10 medium size units are also fully occupied and employ about 95 people working in various industries including the London underground, flood defence systems and working in dentistry with the National Health Service.

Aylesham And District Community Workshop Trust

Trustees' Report

The larger 2,500 square feet units employ up to 80 people in business including a local building company which has been on the site for many years. Karllee Construction started in the small unit, graduated to the 1,500 square feet unit and now are the largest building company in the area. Their success is based on two local men having an idea and working hard delivering it. All of these units are fully occupied and if the trust had the funding we could build and find businesses to work in the local economy..

The Garrity House office building with 17 offices has been another success. East Kent Housing have their head office in the building and work with the local councils of Dover, Folkestone, Thanet and Canterbury managing their housing stock.

We have created a well-designed modern business estate that is the home to a variety of businesses together with community and educational opportunities. In south east Kent there is a shortage of good quality modern serviced offices but lack of funding prevents us from expanding and modernising the local economy.

We have been operating since 1996 and the trust continues to put training and education for the local people as one of its priorities. Aylesham Business Hub, run by KCC continues to promote facilities for the training of their staff in the south area of Kent. Carol and her dedicated staff promote the site as a go to place to train.

Bechange is also an important partner who specialise in helping families gel together and finding work for the breadwinner. They have many interesting projects including a shed project for men.

Aylesham conference centre has 5 well equipped training rooms and companies from all over the south east train here. Our clients' main business is to provide health & safety training and manual handling and courses that enable people to get into the work place.

We have also seen the creation of Emporium Plus of KCC managed by Tammy Winstone who supply children's equipment to play groups and voluntary organisations. They are offering a new service by allowing individuals people to become members and giving them access to the whole range of equipment.

But what of the future?

The Kent County Youth Club was burnt down by vandals earlier in the year and Kent County Council is in the process of disposing of the site. We have declared an interest and there may be an opportunity to build workshop units there.

Aylesham & District Community Workshop Trust is working with Kent County Council to redevelop the site. We lament the loss of the village but Aylesham & Snowdown Social Welfare have agreed to provide youth activities on their welfare grounds but who will pay for it?

The trust is working closely with the welfare to provide an interesting project of an outside gymnasium and play park for the youngsters of the village, a meeting room and fund a youth worker.

The trust is also working with KCC and the army to ensure that the army cadets based on site continue to thrive. Sergeant Smith has advertised for more recruits to the cadets. They have a great mixture of young boys and girls who have an exciting programme of events. They go camping, on different schemes and learn life skills of fending for themselves in survival exercises.

Who said that there was nothing to do in Aylesham?

Aylesham & District Community Workshop Trust award grants to local clubs and organisations in the former coalfield villages of Aylesham, Elvington, Chislet and Betteshanger and since the grant making started in 2003 have given £110,000 to local former coalfield clubs and organisations.

The Aylesham & District Workshop Trust awards grants from its work each year and this year we funded a welfare youth 15 plus football team , the Green Howards veteran army association to visit first world war battle fields, a disabled bowling chair for Aylesham Bowls Club , the Aylesham Welfare portable goals , the Aylesham Baptist summer camp to Devon, a contribution to Snowdown Colliery memorial stone, Aylesham twinning associations hosting a visit from our friends from Couriers, France, new jackets for the Snowdown male voice choir, helped the Aylesham Community Tearoom buy equipment for their kitchen and sponsored Snowdown Rugby Club home games.

Aylesham & District Community Workshop Trust

Trustees' Report

We also sponsor Aylesham Carnival Association by lending them our minibus on long loan so they can attend all of their carnival commitments and the agreement to let the minibus out to any of the clubs and voluntary organisation associated with us in east Kent.

Who said that there was nothing to do in Aylesham?

We do regard ourselves as a vehicle for the regeneration of the Aylesham rural area and we work very closely with East Kent Spatial Development Company and other funding sources to compliment the local economy.

We must think of the future. There may be the opportunity to building 10 business units for sale to local businesses on the former Aylesham youth club site.

We have land on the site for more workshops and offices and we want to support the wider community to come to Aylesham to set up businesses and be the foundation of a new town.

I would like to thank our staff for their dedication and support - Lisa for administration and planning, Keith for looking after the estate and buildings and our customer service/cleaner staff of Kenny Devine and Joy White. They all work as a close team delivering great outcomes for the trust and the local community.

The trust would like to thank our trustees for making their contribution - Len Jeavons the chairman for his constant support and knowledge of business, our treasurer Lonnie Brazier for meticulous scrutiny of our accounts, Roy Cornelius, Arthur Hockey, Steve Manion, Linda Keen, Caroline Bryan and Angela Doggett for their work keeping the trust in touch with the community we serve.

We have had two setbacks with the retirement of Billy Field and the premature death of Bob Thompson they will both be missed for their support and work.

We thank our auditors Batchelor Coop Ltd and our auditor Martin Roby for their work on the charities behalf.

Next year is the 21st year of Aylesham & District Community Workshop Trust operations on this site and we are planning a celebration to mark that anniversary with an invitation to our regeneration partners and business site tenants.

Small company provisions

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

Approved by the Board on 5 October 2016 and signed on its behalf by:



D Garrity M.B.E.
Secretary

Independent Examiner's Report to the Trustees of Aylesham & District Community Workshop Trust

I report on the accounts of the company for the year ended 31 March 2016, which are set out on pages 7 to 16.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 145 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

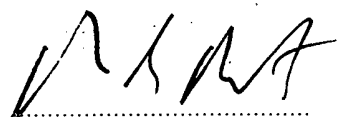
The accounting policy for the investment property is that it is shown at market value. The trustees consider that obtaining a professional valuation every year would not be an appropriate use of charitable funds and they therefore apply a depreciation rate of 2.5% on cost to reflect the wear and tear of the property. No professional valuation has been obtained since 2005 and this time span makes it increasingly difficult for me to make an assessment as to whether the property is included at market value.

In connection with my examination, apart from the matter referred to above, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mark A Batchelor BSC FCA
Batchelor Coop Ltd
Chartered Accountants

7 October 2016

The New Barn
Mill Lane
Eastry
Sandwich
CT13 0JW

Aylesham & District Community Workshop Trust

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2016

		Unrestricted Funds	Restricted Funds	Total Funds 2016	Total Funds 2015
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Activities for generating funds	2	88,997	-	88,997	78,702
Investment income	3	1,217	-	1,217	1,499
Incoming resources from charitable activities	4	149,677	-	149,677	170,752
Total incoming resources		<u>239,891</u>	<u>-</u>	<u>239,891</u>	<u>250,953</u>
Resources expended					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	5	14,356	17,000	31,356	31,948
Charitable activities	6	187,658	24,418	212,076	205,955
Governance costs	9	12,179	-	12,179	11,287
Total resources expended		<u>214,193</u>	<u>41,418</u>	<u>255,611</u>	<u>249,190</u>
Net (expenditure)/income before transfers		25,698	(41,418)	(15,720)	1,763
Transfers					
Gross transfers between funds		<u>(12,242)</u>	<u>12,242</u>	<u>-</u>	<u>-</u>
Net movements in funds		13,456	(29,176)	(15,720)	1,763
Reconciliation of funds					
Total funds brought forward		<u>437,846</u>	<u>1,385,189</u>	<u>1,823,035</u>	<u>1,821,272</u>
Total funds carried forward		<u>451,302</u>	<u>1,356,013</u>	<u>1,807,315</u>	<u>1,823,035</u>

The notes on pages 9 to 16 form an integral part of these financial statements.

Aylesham & District Community Workshop Trust

Balance Sheet as at 31 March 2016

Registration number: 03114198

		2016		2015	
	Note	£	£	£	£
Fixed assets					
Tangible assets	13		1,276,026		1,306,424
Investments	14		527,000		544,000
			<u>1,803,026</u>		<u>1,850,424</u>
Current assets					
Debtors	15	54,099		42,248	
Cash at bank and in hand		<u>191,681</u>		<u>171,890</u>	
		245,780		214,138	
Creditors: Amounts falling due within one year	16	<u>(50,346)</u>		<u>(37,286)</u>	
Net current assets			<u>195,434</u>		<u>176,852</u>
Total assets less current liabilities			1,998,460		2,027,276
Creditors: Amounts falling due after more than one year	17		<u>(191,145)</u>		<u>(204,241)</u>
Net assets			<u>1,807,315</u>		<u>1,823,035</u>
The funds of the charity:					
Restricted funds			1,356,013		1,385,187
Unrestricted funds					
Unrestricted income funds			<u>451,302</u>		<u>437,848</u>
Total charity funds			<u>1,807,315</u>		<u>1,823,035</u>

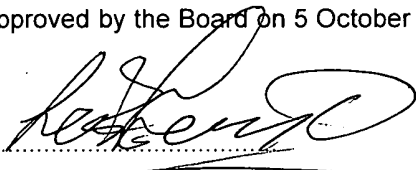
For the financial year ended 31 March 2016, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008 January 2015).

Approved by the Board on 5 October 2016 and signed on its behalf by:



L Jeavons
Trustee

The notes on pages 9 to 16 form an integral part of these financial statements.

Aylesham And District Community Workshop Trust

Notes to the Financial Statements for the Year Ended 31 March 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 21.

Incoming resources

Grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Aylesham And District Community Workshop Trust

Notes to the Financial Statements for the Year Ended 31 March 2016

..... continued

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Fixed assets

Individual fixed assets costing £50 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance
Fixtures and fittings	15% reducing balance
Freehold property	Not depreciated
Motor vehicles	25% reducing balance
Leasehold improvements	Straight line over 50 years
Investment asset	Straight line over 40 years

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

2 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Operating activities - "Miners Way"				
Rental income	88,997	-	88,997	78,702

Aylesham And District Community Workshop Trust
Notes to the Financial Statements for the Year Ended 31 March 2016

..... continued

3 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Interest on cash deposits	1,217	-	1,217	1,499

4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Rental income	149,677	-	149,677	170,752

5 Fundraising trading: cost of goods sold and other costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Operating activities - "Miners Way"				
Depreciation of tangible fixed assets	-	17,000	17,000	17,000
Support costs allocated	14,356	-	14,356	14,948
	<u>14,356</u>	<u>17,000</u>	<u>31,356</u>	<u>31,948</u>

6 Details of charitable activities

	Activities undertaken directly £	Grant funding of activities £	2016 £	2015 £
	<u>205,444</u>	<u>6,632</u>	<u>212,076</u>	<u>205,955</u>

Aylesham And District Community Workshop Trust

Notes to the Financial Statements for the Year Ended 31 March 2016

..... continued

7 Support costs

	Operating activities - "Miners Way"	Governance costs	Total
	£	£	£
Establishment costs	-	5,321	5,321
Telephone	-	2,711	2,711
Printing, posting and stationery	-	487	487
Sundry and other costs	-	13	13
Motor expenses	-	96	96
Payroll administration	-	588	588
Independent examiner's fee	-	1,600	1,600
Legal and professional costs	-	990	990
Bank charges and interest payable	14,356	298	14,654
	<u>14,356</u>	<u>12,104</u>	<u>26,460</u>

8 Grantmaking

Grants to
institutions
£
6,632

The support costs associated with grant making are £0.

9 Governance costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Subscriptions and donations	75	-	75	150
Support costs allocated	12,104	-	12,104	11,137
	<u>12,179</u>	<u>-</u>	<u>12,179</u>	<u>11,287</u>

10 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

Aylesham And District Community Workshop Trust

Notes to the Financial Statements for the Year Ended 31 March 2016

..... continued

11 Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	<u>53,414</u>	<u>52,910</u>

12 Taxation

No provision for taxation is included in the financial statements as the company is a charity entitled to the exemption from tax afforded by Section 505, ICTA 1988.

13 Tangible fixed assets

	Freehold interest in land and buildings (including heritage assets) £	Long leasehold and other interests in land and buildings £	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost					
As at 1 April 2015	426,790	1,297,713	32,593	216,496	1,973,592
Additions	-	-	6,017	-	6,017
As at 31 March 2016	<u>426,790</u>	<u>1,297,713</u>	<u>38,610</u>	<u>216,496</u>	<u>1,979,609</u>
Depreciation					
As at 1 April 2015	-	455,393	28,917	182,859	667,169
Charge for the year	-	27,171	4,198	5,045	36,414
As at 31 March 2016	<u>-</u>	<u>482,564</u>	<u>33,115</u>	<u>187,904</u>	<u>703,583</u>
Net book value					
As at 31 March 2016	<u>426,790</u>	<u>815,149</u>	<u>5,495</u>	<u>28,592</u>	<u>1,276,026</u>
As at 31 March 2015	<u>426,790</u>	<u>842,320</u>	<u>3,676</u>	<u>33,637</u>	<u>1,306,423</u>

Aylesham And District Community Workshop Trust
Notes to the Financial Statements for the Year Ended 31 March 2016

..... continued

14 Investments held as fixed assets

	Investment properties £
Market value	
As at 1 April 2014 and 31 March 2015	<u>680,000</u>
Depreciation	
As at 1 April 2014	136,000
Charge for the year	<u>17,000</u>
As at 31 March 2015	<u>153,000</u>
Net book value	
As at 31 March 2015	<u>527,000</u>
As at 31 March 2014	<u>544,000</u>

All investment assets were held in the UK.

15 Debtors

	2016 £	2015 £
Trade debtors	48,715	36,592
Other debtors	3,728	1,461
Prepayments and accrued income	<u>1,656</u>	<u>4,195</u>
	<u>54,099</u>	<u>42,248</u>

16 Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	13,097	12,242
Taxation and social security	18,107	13,968
Other creditors	15,530	4,881
Accruals and deferred income	<u>3,612</u>	<u>6,195</u>
	<u>50,346</u>	<u>37,286</u>

Aylesham And District Community Workshop Trust

Notes to the Financial Statements for the Year Ended 31 March 2016

..... continued

17 Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	<u>191,145</u>	<u>204,241</u>

Included in the creditors are the following amounts due after more than 5 years:

	2016 £	2015 £
After more than five years by instalments	<u>128,927</u>	<u>146,132</u>

18 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

19 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £2,256 (2015 - £756).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

20 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year the company charged rent and utilities charges of £2,322 (2015 - £2,304) to a business operated by S Manion, one of the trustees. This transaction was carried out at arms length on normal commercial terms. At the end of the year £198 (2015 - £Nil) was due to the company in respect of this rental.

During the year the company charged rent of £2,400 (2015 - £2,400) to Aylesham Amateur Boxing Club, an organisation of which R Thompson, one of the trustees, is an officer. This transaction was carried out at arms length on normal commercial terms. At the end of the year no monies were due to the company in respect of this rental.

During the year the company charged rent and electricity recharges totalling £5,292 (2015 - £6,549) to Bechange, an organisation of which K Rogers, one of the trustees, is an officer. This transaction was carried out at arms length on normal commercial terms. At the end of the year no monies were due to the company in respect of this rental.

Aylesham And District Community Workshop Trust

Notes to the Financial Statements for the Year Ended 31 March 2016

..... continued

21 Analysis of funds

	At 1 April 2015	Incoming resources	Resources expended	Transfers	At 31 March 2016
	£	£	£	£	£
General Funds					
Unrestricted income fund	437,846	239,891	(214,193)	(12,242)	451,302
Restricted Funds					
Land and buildings	665,092	-	(8,656)	-	656,436
Workshop	504,523	-	(22,710)	12,242	494,055
Verandah	205,075	-	(6,616)	-	198,459
Telecentre	5,151	-	(624)	-	4,527
Minibus	2,365	-	(2,365)	-	-
Windows	2,983	-	(447)	-	2,536
	<u>1,385,189</u>	<u>-</u>	<u>(41,418)</u>	<u>12,242</u>	<u>1,356,013</u>
	<u>1,823,035</u>	<u>239,891</u>	<u>(255,611)</u>	<u>-</u>	<u>1,807,315</u>

22 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£	£
Tangible assets	242,773	1,033,253	1,276,026	1,306,424
Investments	-	527,000	527,000	544,000
Current assets	245,780	-	245,780	214,138
Creditors: Amounts falling due within one year	(12,868)	(37,478)	(50,346)	(37,286)
Creditors: Amounts falling due after more than one year	-	(191,145)	(191,145)	(204,241)
Net assets	<u>475,685</u>	<u>1,331,630</u>	<u>1,807,315</u>	<u>1,823,035</u>

Aylesham And District Community Workshop Trust

Statement of financial activities by fund Year Ended 31 March 2016

	Unrestricted income fund 2016	Unrestricted income fund 2015
	£	£
Incoming resources		
Incoming resources from generated funds		
Activities for generating funds	88,997	78,702
Investment income	1,217	1,499
Incoming resources from charitable activities	149,677	170,752
Total incoming resources	<u>239,891</u>	<u>250,953</u>
Resources expended		
Costs of generating funds		
Fundraising trading: cost of goods sold and other costs	14,356	14,948
Charitable activities	187,658	181,354
Governance costs	12,179	11,287
Total resources expended	<u>214,193</u>	<u>207,589</u>
Net (expenditure)/income before transfers	25,698	43,364
Transfers		
Gross transfers between funds	<u>(12,242)</u>	<u>(11,464)</u>
Net movements in funds	13,456	31,900
Reconciliation of funds		
Total funds brought forward	<u>437,846</u>	<u>405,948</u>
Total funds carried forward	<u>451,302</u>	<u>437,848</u>

This page does not form part of the statutory financial statements.

Aylesham And District Community Workshop Trust
Statement of financial activities by fund Year Ended 31 March 2016

..... continued

	Land and buildings 2016	Land and buildings 2015
	£	£
Resources expended		
Charitable activities	8,656	8,656
Total resources expended	<u>8,656</u>	<u>8,656</u>
 Net movements in funds	 (8,656)	 (8,656)
Reconciliation of funds		
Total funds brought forward	<u>665,092</u>	<u>673,746</u>
Total funds carried forward	<u><u>656,436</u></u>	<u><u>665,090</u></u>

This page does not form part of the statutory financial statements.

Aylesham And District Community Workshop Trust

Statement of financial activities by fund Year Ended 31 March 2016

..... continued

	Workshop 2016	Workshop 2015
	£	£
Resources expended		
Costs of generating funds		
Fundraising trading: cost of goods sold and other costs	17,000	17,000
Charitable activities	5,710	5,710
Total resources expended	<u>22,710</u>	<u>22,710</u>
Net (expenditure)/income before transfers	(22,710)	(22,710)
Transfers		
Gross transfers between funds	<u>12,242</u>	<u>11,464</u>
Net movements in funds	(10,468)	(11,246)
Reconciliation of funds		
Total funds brought forward	<u>504,523</u>	<u>515,769</u>
Total funds carried forward	<u><u>494,055</u></u>	<u><u>504,523</u></u>

This page does not form part of the statutory financial statements.

Aylesham And District Community Workshop Trust
Statement of financial activities by fund Year Ended 31 March 2016

..... continued

	Verandah 2016	Verandah 2015
	£	£
Resources expended		
Charitable activities	6,616	6,616
Total resources expended	<u>6,616</u>	<u>6,616</u>
 Net movements in funds	 (6,616)	 (6,616)
Reconciliation of funds		
Total funds brought forward	<u>205,075</u>	<u>211,691</u>
Total funds carried forward	<u><u>198,459</u></u>	<u><u>205,075</u></u>

This page does not form part of the statutory financial statements.

Aylesham And District Community Workshop Trust

Statement of financial activities by fund Year Ended 31 March 2016

..... continued

	Telecentre 2016	Telecentre 2015
	£	£
Resources expended		
Charitable activities	624	727
Total resources expended	<u>624</u>	<u>727</u>
Net movements in funds	(624)	(727)
Reconciliation of funds		
Total funds brought forward	<u>5,151</u>	<u>5,878</u>
Total funds carried forward	<u><u>4,527</u></u>	<u><u>5,151</u></u>

This page does not form part of the statutory financial statements.

Aylesham And District Community Workshop Trust
Statement of financial activities by fund Year Ended 31 March 2016

..... continued

	Minibus 2016	Minibus 2015
	£	£
Resources expended		
Charitable activities	2,365	2,365
Total resources expended	<u>2,365</u>	<u>2,365</u>
 Net movements in funds	 (2,365)	 (2,365)
Reconciliation of funds		
Total funds brought forward	<u>2,365</u>	<u>4,730</u>
Total funds carried forward	<u><u>-</u></u>	<u><u>2,365</u></u>

This page does not form part of the statutory financial statements.

Aylesham And District Community Workshop Trust

Statement of financial activities by fund Year Ended 31 March 2016

..... continued

	Windows 2016	Windows 2015
	£	£
Resources expended		
Charitable activities	447	527
Total resources expended	<u>447</u>	<u>527</u>
Net movements in funds	(447)	(527)
Reconciliation of funds		
Total funds brought forward	<u>2,983</u>	<u>3,510</u>
Total funds carried forward	<u><u>2,536</u></u>	<u><u>2,983</u></u>

This page does not form part of the statutory financial statements.

Registered number: 04400592

Visit Kent Limited
(A company limited by guarantee)

Directors' report and financial statements
for the year ended 31 March 2016

SATURDAY



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30/07/2016
COMPANIES HOUSE

Visit Kent Limited
(A company limited by guarantee)

Company Information

Directors	W Benson (appointed 12 May 2016) C Carmichael M Dance W Ferris R Hicks (appointed 18 June 2015) D Hughes (appointed 12 May 2016) J Keefe (appointed 8 April 2015) S Matthews-Marsh J Neame (appointed 4 October 2015) D Statham (appointed 8 April 2015) S Wood
Registered number	04400592
Registered office	28-30 St Peter's Street Canterbury Kent CT1 2BQ
Independent auditors	Kreston Reeves LLP Chartered Accountants & Statutory Auditor 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	National Westminster Bank Plc 11 The Parade Canterbury Kent CT1 2SG

Visit Kent Limited
(A company limited by guarantee)

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Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 11

Visit Kent Limited
(A company limited by guarantee)

Directors' report
for the year ended 31 March 2016

The directors present their report and the audited financial statements for the year ended 31 March 2016.

Principal activities

The company's principal activity is to carry on business and activities as may promote, market, advertise and develop nationally and internationally the tourist industry in the county of Kent and all the bodies, entities, persons associated and involved therein.

Directors

The directors who served during the year were:

T Bruton (resigned 25 February 2016)
J Bunnett (resigned 25 February 2016)
N Bunting (resigned 8 April 2015)
C Carmichael
R Cooper (resigned 25 February 2016)
A Cottrell (resigned 4 November 2015)
M Dance
W Ferris
R Hicks (appointed 18 June 2015)
J Keefe (appointed 8 April 2015)
S Matthews-Marsh
B Meardon (resigned 25 February 2016)
J Neame (appointed 4 October 2015)
D Statham (appointed 8 April 2015)
S Wood

Provision of in-kind services

During the period Visit Kent Limited had a very close working relationship with the Kent County Council (KCC). Visit Kent Limited benefited from the services of secondees who are written into a service level agreement in place, to a total value of £79k, during the year to 31 March 2016 (2015: £115k). In addition services valued at £550k (2015: £615k) were provided by a number of private sector investors. Visit Kent Limited is grateful to the providers of these services, without which much of the work undertaken could not have been achieved.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director 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 auditors are aware of that information.

Visit Kent Limited
(A company limited by guarantee)

Directors' report
for the year ended 31 March 2016

Auditors

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on 19 July 2016 and signed on its behalf.



S Matthews-Marsh
Director

Visit Kent Limited
(A company limited by guarantee)

Directors' responsibilities statement
for the year ended 31 March 2016

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 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;
- 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.

Visit Kent Limited
(A company limited by guarantee)

Independent auditors' report to the members of Visit Kent Limited

We have audited the financial statements of Visit Kent Limited for the year ended 31 March 2016, set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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, 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

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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' 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.

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 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

Visit Kent Limited
(A company limited by guarantee)

Independent auditors' report to the members of Visit Kent Limited

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Kreston Reeves LV

Peter Manser FCA DChA (senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

20 July 2016

Visit Kent Limited
(A company limited by guarantee)

Profit and loss account
for the year ended 31 March 2016

	Note	2016 £	2015 £
Turnover	1	1,253,305	1,295,492
Cost of sales		<u>(1,088,357)</u>	<u>(1,153,890)</u>
Gross profit		164,948	141,602
Administrative expenses		<u>(146,756)</u>	<u>(136,927)</u>
Operating profit	2	18,192	4,675
Interest receivable and similar income		<u>391</u>	<u>404</u>
Profit on ordinary activities before taxation		18,583	5,079
Tax on profit on ordinary activities	4	<u>(78)</u>	<u>(81)</u>
Profit for the financial year	9	<u>18,505</u>	<u>4,998</u>

The notes on pages 8 to 11 form part of these financial statements.

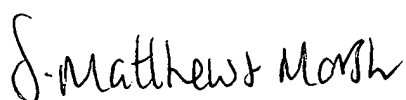
Visit Kent Limited
(A company limited by guarantee)
Registered number: 04400592

Balance sheet
as at 31 March 2016

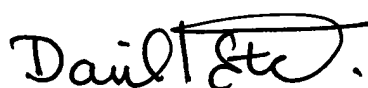
	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	5		6,620		5,691
Current assets					
Debtors	6	306,417		278,457	
Cash at bank and in hand		230,189		316,886	
		<u>536,606</u>		<u>595,343</u>	
Creditors: amounts falling due within one year	7	<u>(348,992)</u>		<u>(425,305)</u>	
Net current assets			<u>187,614</u>		<u>170,038</u>
Total assets less current liabilities			<u>194,234</u>		<u>175,729</u>
Capital and reserves					
Profit and loss account	9		<u>194,234</u>		<u>175,729</u>
			<u>194,234</u>		<u>175,729</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 July 2016.



S Matthews-Marsh
 Director



D Statham
 Director

The notes on pages 8 to 11 form part of these financial statements.

Visit Kent Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

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 the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of grants and contributions received and services supplied, exclusive of Value Added Tax and trade discounts.

Interreg income

Grant funding from Europe (Interreg) is recognised under the accrual model as prescribed by the Financial Reporting Standard for Smaller Entities (effective January 2015). Grant funding is only recognised when the relevant claim has been submitted in circumstances where the Board are confident that the claim will be accepted and all relevant conditions have been met.

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:

Motor vehicles	-	25% straight line
Office equipment	-	20% straight line
Computer equipment	-	33% straight line
Furniture and fittings	-	20% straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 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.

Visit Kent Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

2. Operating profit

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets: - owned by the company	3,729	3,212
Auditors' remuneration	4,250	4,100
	<u><u>7,979</u></u>	<u><u>7,312</u></u>

3. Directors' remuneration

	2016	2015
	£	£
Aggregate remuneration	97,893	97,521
	<u><u>97,893</u></u>	<u><u>97,521</u></u>

4. Taxation

	2016	2015
	£	£
UK corporation tax charge on profit for the year	78	81
	<u><u>78</u></u>	<u><u>81</u></u>

Factors affecting tax charge for the year

In October 2004 the Inland Revenue agreed that the company was not trading for the purposes of the Taxes Acts and as such would not be liable to corporation tax on any temporary surplus arising from its activities. The company, would however, remain liable to tax on any investment income arising.

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Visit Kent Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

5. Tangible fixed assets

	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2015	6,896	1,890	3,332	12,118
Additions	-	1,427	3,231	4,658
At 31 March 2016	<u>6,896</u>	<u>3,317</u>	<u>6,563</u>	<u>16,776</u>
Depreciation				
At 1 April 2015	3,448	1,410	1,569	6,427
Charge for the year	1,724	419	1,586	3,729
At 31 March 2016	<u>5,172</u>	<u>1,829</u>	<u>3,155</u>	<u>10,156</u>
Net book value				
At 31 March 2016	<u>1,724</u>	<u>1,488</u>	<u>3,408</u>	<u>6,620</u>
At 31 March 2015	<u>3,448</u>	<u>480</u>	<u>1,763</u>	<u>5,691</u>

6. Debtors

	2016 £	2015 £
Trade debtors	111,664	67,398
Interreg debtors	172,510	198,942
Other debtors	22,243	12,117
	<u>306,417</u>	<u>278,457</u>

7. Creditors:
Amounts falling due within one year

	2016 £	2015 £
Trade creditors	53,021	18,429
Corporation tax	78	81
Other taxation and social security	32,462	47,245
Accruals and deferred income	259,656	359,550
Other creditors	3,775	-
	<u>348,992</u>	<u>425,305</u>

Visit Kent Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

8. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

9. Reserves

	Profit and loss account £
At 1 April 2015	175,729
Profit for the financial year	18,505
	<hr/>
At 31 March 2016	194,234
	<hr/> <hr/>

10. Contingent liabilities

The company's entitlement to certain grant funding (see note 1.3) is dependent on it meeting certain "key delivery outcomes" as specified within the grant documentation. In the opinion of the directors the company has continued to meet these "key delivery outcomes". Therefore whilst failure to adhere to these requirements could result in an obligation to repay part of the funds, no attempt has been made to quantify the amount of this contingent liability as in the opinion of the directors the likelihood of the company being obliged to make any repayment is negligible.

11. Operating lease commitments

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		2016 £	Other 2015 £
	2016 £	2015 £		
Expiry date:				
Within 1 year	-	25,000	-	-
Between 2 and 5 years	-	-	4,224	4,224
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. Controlling party

In the opinion of the directors there is no one ultimate controlling party.

RECEIVED
18 AUG 2016

LOCATE IN KENT LIMITED
UNAUDITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016



HEDLEY DUNK LIMITED

Chartered Accountants
Trinity House
3 Bullace Lane
Dartford
Kent
DA1 1BB

LOCATE IN KENT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03230721

ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
CURRENT ASSETS					
Debtors		66,669		75,233	
Cash at bank and in hand		312,492		350,438	
		379,161		425,671	
CREDITORS: amounts falling due within one year		(69,225)		(58,966)	
NET CURRENT ASSETS			309,936		366,705
TOTAL ASSETS LESS CURRENT LIABILITIES			309,936		366,705
CAPITAL AND RESERVES					
Profit and loss account			309,936		366,705
			309,936		366,705

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2016 and of its loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 16 August 2016.



P Wookey
 Director

The notes on page 2 form part of these financial statements.

REGISTERED NUMBER: 05259365

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016
FOR
TRADING STANDARDS SOUTH EAST LIMITED

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COMPANIES HOUSE

CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

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Abbreviated Balance Sheet	3	
Notes to the Abbreviated Accounts	4	

TRADING STANDARDS SOUTH EAST LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2016**

DIRECTORS:

J A Chambers	A J Clooney
L C Corrie	S C Crawley
J Crosbie	D R Cross
P J Dart	V De Haan
J C Edsell	I G Gilmore
M Golledge	A Gregory
S Harvey	G J Jackson
J Kerman	P Lipscomb
S M F Murphy	J C Peerless-Mountford
J Player	A L Poole
C D Robinson	S M Rock
S J Ruddy	R W Sargeant
R J Sexton	E C Skinner
R I Webb	J S Woodhouse
R Zambra	

SECRETARY: G J Jackson

REGISTERED OFFICE: Surrey County Council, Fairmount House
Bull Hill
Leatherhead
Surrey
KT22 7AY

REGISTERED NUMBER: 05259365

SENIOR STATUTORY AUDITOR: Anthony Brain

AUDITORS: CG LEE Limited
Chartered Certified Accountants
Statutory Auditors
Ingram House
Meridian Way
Norwich
Norfolk
NR7 0TA

**INDEPENDENT AUDITORS' REPORT TO
TRADING STANDARDS SOUTH EAST LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages three to four, together with the full financial statements of Trading Standards South East Limited for the year ended 31 March 2016 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

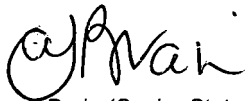
The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Anthony Brain (Senior Statutory Auditor)
for and on behalf of CG LEE Limited
Chartered Certified Accountants
Statutory Auditors
Ingram House
Meridian Way
Norwich
Norfolk
NR7 0TA

Date: 13/12/16

TRADING STANDARDS SOUTH EAST LIMITED (REGISTERED NUMBER: 05259365)

ABBREVIATED BALANCE SHEET
31 MARCH 2016

Notes	2016 £	2015 £
CURRENT ASSETS		
Debtors	609,777	511,104
Cash at bank	<u>1,674,004</u>	<u>1,602,310</u>
	2,283,781	2,113,414
CREDITORS		
Amounts falling due within one year	<u>1,841,069</u>	<u>1,613,986</u>
NET CURRENT ASSETS	<u>442,712</u>	<u>499,428</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u><u>442,712</u></u>	<u><u>499,428</u></u>
RESERVES		
Income and expenditure account	<u>442,712</u>	<u>499,428</u>
	<u><u>442,712</u></u>	<u><u>499,428</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 28 November 2016 and were signed on its behalf by:



.....
R J Sexton - Director

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover represents the net value of services provided, excluding value added tax. Any unmatched surplus/deficit revenue at the end of the year is carried forward within reserves.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost

Deferred tax

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. In accordance with Financial Reporting Standard 19, provision is made for deferred tax in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised when it is more likely than not that the deferred tax asset will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantially enacted by the balance sheet date. Deferred tax balances are not discounted.

Grants receivable

Revenue grants received are matched against the expenditure to which they relate.

Grants received in respect of capital expenditure are credited to the deferred income account and are released to the profit and loss account by equal instalments over the expected useful lives of the assets.

Any unmatched surplus revenue grants at the end of the period are carried forward in reserves.

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 April 2015	1,963
Disposals	<u>(1,963)</u>
At 31 March 2016	—
DEPRECIATION	
At 1 April 2015	1,963
Eliminated on disposal	<u>(1,963)</u>
At 31 March 2016	—
NET BOOK VALUE	
At 31 March 2016	<u>—</u>
At 31 March 2015	<u>—</u>

3. LIMITED LIABILITY AND CONTROLLING INTEREST

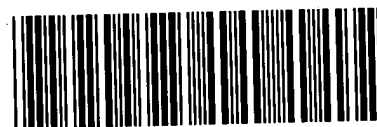
The company is limited by guarantee and does not have any share capital. The liability of the members is limited to contributions of £1. There is no ultimate controlling party.

-Registered number: 04410176

East Kent Spatial Development Company
(A company limited by guarantee)

Directors' report and financial statements
for the year ended 31 March 2016

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COMPANIES HOUSE

East Kent Spatial Development Company
(A company limited by guarantee)

Company Information

Member Organisations	Kent County Council (KCC) University of Kent (UoK) Locate in Kent (LiK) Thanet District Council (TDC) Dover District Council (DDC) Shepway District Council (SDC) Canterbury City Council (CCC)
Directors	P Wookey (LiK) M Dance (KCC) C Barron (UoK) P Watkins (DDC) P Czarnomski (UoK) D Monk (SDC) (appointed 22 May 2015) S Cook (CCC) (appointed 21 July 2015) H Stummer-Schmertzing (TDC) (appointed 18 June 2015)
Company secretary & Chief executive officer	D Spalding
Company number	04410176
Registered office	Canterbury Innovation Centre University Road Canterbury Kent CT2 7FG
Auditors	Kreston Reeves LLP Statutory Auditor & Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	NatWest Bank Plc 11 The Parade Canterbury Kent CT1 2SQ

East Kent Spatial Development Company
(A company limited by guarantee)

Contents

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Directors' report	1 - 2
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Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 14

East Kent Spatial Development Company
(A company limited by guarantee)

Directors' report
for the year ended 31 March 2016

The Directors present their report and the audited financial statements for the year ended 31 March 2016.

Directors' responsibilities statement

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;
- 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.

Directors

The Directors who served during the year were:

P Wookey (LiK)
M Dance (KCC)
J Gilbey (CCC) (resigned 7 May 2015)
C Barron (UoK)
P Watkins (DDC)
S Carey (SDC) (resigned 22 May 2015)
P Czarnomski (UoK)
D Monk (SDC) (appointed 22 May 2015)
H Stummer-Schmertzing (TDC) (appointed 18 June 2015)
S Cook (CCC) (appointed 21 July 2015)

Provision of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that Director 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 auditors are aware of that information.

East Kent Spatial Development Company
(A company limited by guarantee)

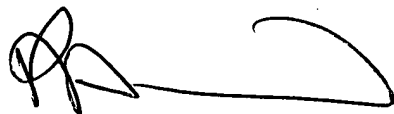
Directors' report
for the year ended 31 March 2016

Auditors

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on 28 June 2016 and signed on its behalf.

A handwritten signature in black ink, consisting of a stylized 'P' followed by a long horizontal stroke that loops back to the left.

P Watkins (DDC)
Director

East Kent Spatial Development Company
(A company limited by guarantee)

Independent auditors' report to the members of East Kent Spatial Development Company

We have audited the financial statements of East Kent Spatial Development Company for the year ended 31 March 2016, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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, 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

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 Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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.

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 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

Valuation of other debtors

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.8 to the financial statements concerning the value of other debtors which is dependent upon performance criteria outside the company's control. The ultimate value of these other debtors cannot be presently determined.

East Kent Spatial Development Company
(A company limited by guarantee)

Independent auditors' report to the members of East Kent Spatial Development Company

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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

Kreston Reeves LLP

Peter Manser FCA DChA (senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

28 June 2016

East Kent Spatial Development Company
(A company limited by guarantee)

Profit and loss account
for the year ended 31 March 2016

	Note	2016 £	2015 £
Turnover	1	926,627	848,291
Cost of sales		(539,670)	(502,041)
Gross profit		386,957	346,250
Administrative expenses		(121,258)	(120,924)
Operating profit	2	265,699	225,326
Interest receivable and similar income		30,453	24,797
Interest payable and similar charges		(1,500)	-
Profit on ordinary activities before taxation		294,652	250,123
Tax on profit on ordinary activities	3	(66,561)	(50,757)
Profit for the financial year	11	228,091	199,366

The notes on pages 7 to 14 form part of these financial statements.

East Kent Spatial Development Company
(A company limited by guarantee)
Registered number: 04410176

Balance sheet
as at 31 March 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	4		1,728		2,990
Investment property	5		3,075,000		3,075,000
			<u>3,076,728</u>		<u>3,077,990</u>
Current assets					
Debtors	6	5,309,968		5,291,178	
Cash at bank		4,632,437		4,345,424	
		<u>9,942,405</u>		<u>9,636,602</u>	
Creditors: amounts falling due within one year	7	(407,182)		(330,732)	
Net current assets			<u>9,535,223</u>		<u>9,305,870</u>
Total assets less current liabilities			<u>12,611,951</u>		<u>12,383,860</u>
Creditors: amounts falling due after more than one year	8	(7,586,668)		(7,586,668)	
Net assets			<u>5,025,283</u>		<u>4,797,192</u>
Capital and reserves					
Revaluation reserve	11		3,075,000		3,075,000
Other reserves	11		(507,055)		(507,055)
Profit and loss account	11		2,457,338		2,229,247
	12		<u>5,025,283</u>		<u>4,797,192</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 June 2016.



P Watkins (DDC)
Director

The notes on pages 7 to 14 form part of these financial statements.

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.3 Turnover

Turnover comprises income received in respect of the company's principal activities. It incorporates two main elements; firstly income from investment properties, and secondly grants released (see note 1.7).

Income from investment properties is credited to the profit and loss account on a straight line basis over the rental period.

1.4 Tangible fixed assets and depreciation

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

Office Equipment	-	33% straight line
------------------	---	-------------------

Assets under the course of construction are included at cost less impairment. No depreciation is provided until assets are brought into use. Assets under the course of construction will be reclassified on completion to another tangible fixed asset heading or investment properties as appropriate.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

1.5 Investment properties

Investment properties are carried in the financial statements at market values based on the latest valuation. The 2016 valuations were made by the Directors, on an open market value for existing use basis, based on valuations undertaken by Caxtons Commercial Limited Chartered Surveyors as at July 2014.

In accordance with the FRSSE, depreciation is not provided on investment properties that are held as leaseholds having more than 20 years unexpired. This is not in accordance with the Companies Act 2006, which requires all tangible assets to be depreciated. This departure from the requirements of the Act is, in the opinion of the Directors, necessary for the financial statements to give a true and fair view and comply with applicable accounting standards which require investment properties to be included in the financial statements at market value. Had the provisions of the Act been followed, prior to grants being released as described in note 1.7, revenue profits would have been reduced, the revaluation surplus would have been increased and therefore net assets would have been unchanged.

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

1. Accounting policies (continued)

1.6 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 Grants

The company's activities are funded primarily by grant aid.

Grants by member organisations given to finance the general administration of the company are recognised in the profit and loss account of the period in which they become receivable.

Other grants receivable of a revenue nature are credited to the profit and loss account in the period to which the expenditure, towards which they are intended to contribute, are incurred.

Grants relating to tangible fixed assets are treated as grants received in advance and are released to the profit and loss account in the period during which any corresponding depreciation or impairment of the costs is made.

Grants received in respect of investment properties have been deducted from the cost of those assets. This is not in accordance with the Companies Act 2006, which requires assets to be shown at their purchase price or production cost and hence grants and contributions to be presented as deferred income. This departure from the requirements of the Act is, in the opinion of the Directors, necessary to give a true and fair view as these assets do not have determinable finite lives and therefore no basis exists on which to recognise grants and contributions as income. The effect of this departure is that the cost of the investment property is £8,382,247 lower than it would otherwise have been (2015: £8,382,247), but the valuation of the property is unchanged.

Grants receivable to finance loans made by the company are transferred from designated grants in advance to unrestricted grants in advance in the period in which repayment of the other debtor to which they relate is made.

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

1. Accounting policies (continued)

1.8 Other debtors

Other debtors comprise loans made to a utility provider to finance new infrastructure works in East Kent. The loans (utility loans) are index linked to RPI and are repayable as and when third parties pay the utility provider to connect to the new utility infrastructure. The amount of utility loan repayable is proportionate to the capacity connected as a percentage of the total capacity of the new utility network.

In order to make these utility loans the company has received grants (see 1.7 above). At the point of repayment, the grant made to finance the utility loan is transferred from designated grants in advance to unrestricted grants in advance.

Although the company's classification is small and it is not therefore required to implement the provisions of FRS26 "Financial instruments: measurement", the company has adopted FRS26 as best practice on accounting for these utility loans. Accordingly the utility loans have been treated as an "available for sale financial asset" and are measured at fair value. Fair value is taken as the Directors' best estimate of the discounted future income stream arising from the repayment of the utility loans.

Any movement in the value of this estimate, other than from the draw down or repayment, is taken to other reserves.

There is no certainty over the timing and percentage connection to the network that will be achieved. As such there is significant uncertainty over the carrying value of utility loans. The Directors do not envisage 100% connection to the network and therefore they have made a provision to reduce the value of utility loans to their estimated fair value. The accumulated provision is shown as an other reserve, as disclosed in note 11.

1.9 Going concern

There is no certainty over the timing and future value of the other debtor loan repayments and consequently the carrying value of the loans which are valued at the Directors' best estimate of fair value.

The recognition of the unrealised deficit relating to the revaluation of other debtors does not impact on the company's financial facilities. The company has received repayments and expects to continue to receive repayments from its other debtors valued as per note 1.8 above.

The company made a profit on ordinary activities after taxation of £228,091 (2015: £199,366). The company has £4,632,437 (2015: £4,345,424) included in cash at the bank. As a consequence the Directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

1. Accounting policies (continued)

1.10 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.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements, unless the company is contractually committed to the disposal of those investment properties at the balance sheet date.

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.

2. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the company	1,708	2,160
Auditors' remuneration	5,550	5,400
	<u> </u>	<u> </u>

During the year, no Director received any emoluments (2015 - £NIL).

3. Taxation

	2016 £	2015 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	60,000	51,000
Adjustments in respect of prior periods	6,561	(243)
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	<u>66,561</u>	<u>50,757</u>

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

3. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016	2015
	£	£
Profit on ordinary activities before tax	294,652	250,123
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	58,930	50,025
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	818	993
Capital allowances for year in excess of depreciation	252	(18)
Adjustments to tax charge in respect of prior periods	6,561	(243)
Current tax charge for the year (see note above)	66,561	50,757

There were no factors that may affect future tax charges.

4. Tangible fixed assets

	Furniture, fittings and equipment £
Cost or valuation	
At 1 April 2015	8,960
Additions	446
At 31 March 2016	9,406
Depreciation	
At 1 April 2015	5,970
Charge for the year	1,708
At 31 March 2016	7,678
Net book value	
At 31 March 2016	1,728
At 31 March 2015	2,990

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

5. Investment property

	Long term Leasehold investment property £
Valuation	
At 1 April 2015 and 31 March 2016	<u><u>3,075,000</u></u>
Comprising	
Revaluation surplus 2010	1,517,250
Revaluation surplus 2011	282,750
Revaluation surplus 2012	400,000
Revaluation surplus 2014	875,000
At 31 March 2016	<u><u>3,075,000</u></u>

The 2016 valuations were made by the Directors, on an open market value for existing use basis, based on valuations undertaken by Caxtons Commercial Limited Chartered Surveyors as at July 2014.

6. Debtors

	2016 £	2015 £
Due after more than one year		
Other debtors	5,269,112	5,260,542
Due within one year		
Trade debtors	12,916	10,046
Other debtors	27,940	20,590
	<u><u>5,309,968</u></u>	<u><u>5,291,178</u></u>

Other debtors include loans made to a utility service provider to finance the installation of new network infrastructure. The valuation principles of these loans and related uncertainties are described in note 1.8.

7. Creditors:
Amounts falling due within one year

	2016 £	2015 £
Trade creditors	26,309	162
Corporation tax	67,500	51,000
Other taxation and social security	15,668	21,358
Other creditors	297,705	258,212
	<u><u>407,182</u></u>	<u><u>330,732</u></u>

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

8. Creditors:
Amounts falling due after more than one year

	2016 £	2015 £
Grants received in advance (see note 9)	<u>7,586,668</u>	<u>7,586,668</u>

9. Grants received in advance

	2016 £	2015 £
Unrestricted grants	1,983,424	1,983,424
Designated grants - other debtors	5,603,244	5,603,244
	<u>7,586,668</u>	<u>7,586,668</u>

Unrestricted grants

These relate to those grants received by the company that the company is able to use for whatever purpose it deems appropriate. The balance includes unreleased general grant funding of £300,430 (2015: £300,430) and converted other debtor grants of £1,682,994 (2015: £1,682,994).

Designated grants - other debtors

These relate to grants received in order to finance the other debtor loans made by the company. They are converted to unrestricted grants once the repayment of the other debtor falls due. The balance includes Single Regeneration Budget funding administered through TDC of £1,412,540 (2015: £1,412,540), and other third party funding of £4,190,704 (2015: £4,190,704).

10. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

11. Reserves

	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 April 2015	3,075,000	(507,055)	2,229,247
Profit for the financial year			228,091
At 31 March 2016	<u>3,075,000</u>	<u>(507,055)</u>	<u>2,457,338</u>

Other reserves represent the provision made to reduce utility loans to the Directors' best estimate of fair value. See accounting policy 1.8.

East Kent Spatial Development Company
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

12. Reconciliation of movement in members' funds

	2016	2015
	£	£
Opening members' funds	4,797,192	4,597,826
Profit for the financial year	228,091	199,366
	<hr/>	<hr/>
Closing members' funds	<u>5,025,283</u>	<u>4,797,192</u>

13. Contingent liabilities

The company has received grants contingent on meeting certain performance criteria. The Directors are confident that the company will meet these performance criteria.

14. Other financial commitments

As at 31 March 2016, the company had made a commitment to make a loan to an unrelated third party totalling £750,000 (2015: £750,000). Of this £150,000 (2015: £150,000) had been paid and is included within other debtors due after more than one year. The remainder is expected to be paid out in the forthcoming year. The loan is interest bearing and repayable over 10 years from the date of completion of the project being financed.

15. Related party transactions

During the year the company paid rates to CCC of £158,007 (2015: £152,481).

During the year the company charged rent and other services to UoK of £39,673 (2015: £3,018).

16. Controlling party

There is no controlling party for the company.

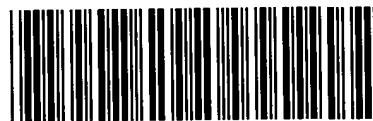


Goetec Limited

(A company limited by guarantee)
Annual report and financial statements
for the year ended 31 July 2015

Registered Number 04416782

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COMPANIES HOUSE

Goetec Limited (a company limited by guarantee)

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Goetec Limited (a company limited by guarantee)

Directors and advisors

Directors

Mr John Sotillo Chair of Board

Mr Andrew Ironside

Mr Paul Butler

Director resigning in year

Mr Peter Bole resigned 27/03/2015

Director appointed in year

Ms Claire Hursell appointed 01/07/2015

Company secretary

Mrs Alison Grover

Independent auditors

Kreston Reeves LLP

Chartered Accountants and Statutory Auditors

37 St Margaret's Street

Canterbury

Kent CT1 2TU

Solicitors

Vertex Law LLP

23 Kings Hill Avenue

Kings Hill

West Malling

Kent ME19 4UA

Registered office

Canterbury Christ Church University

Rochester House

St George's Place

Canterbury

Kent CT1 1UT

Registered number

04416782

Goetec Limited (a company limited by guarantee)

Directors' report for the year ended 31 July 2015

The directors present their report and the audited financial statements of Goetec Limited for the year ended 31 July 2015.

Legal status

The company is limited by guarantee. The members of the company are Higher Education Institutions in Kent and Kent County Council.

Review of business, future developments and principal risks and uncertainties

In July 2013, the General Manager was seconded to the Kent Public Service Network (KPSN) to manage a full European re-procurement of the network that now supports a significant part of the Kent public sector including all Universities and Colleges. The secondment continued until March 2015 at which point the General Manager left Goetec and KPSN consultancy income ceased. The Interim General Manager continues in position.

Goetec continues to provide a focal point for ICT activity and sharing best practice across its members and the broader community. It works to ensure that members and customers can take full advantage of KPSN provided services.

Investment was committed to completing the development of the GOEsend secure file transfer service by the summer of 2015; and also to replace and enhance Goetec's DNS servers providing dual-stack DNS services for the company and some commercial customers. The new server platform now gives GOETEC the capability to plan for a new service called GOEsix, which is an IPv6 to IPv4 web proxy and translation service. These services will be available to the Goetec community and to external customers by 2016 and have potential to realise modest income streams into 2016 as take-up improves.

Following a strategic review of its activities, the Board agreed at its August 2015 meeting that Goetec would refocus its activities and would cease as a limited company, arranging its business instead through a Memorandum of Understanding. The re-focused business would include the current university members with associate membership from FE Colleges. A prospectus is being worked up.

Results for the year

Income received during the year was £229,942 (2014: £289,774); the company's expenditure for the year was £251,561 (2014: £291,654). The loss for the year before taxation was £20,326 (2014: £744 loss). Loss after taxation was £20,887 (2014: £2,257 loss).

Every member of the Company undertakes to contribute to cover any liabilities the company may incur in the event of its being wound up, however, on a break up members are asked to contribute to any shortfall in funding through their membership subscriptions.

Goetec Limited (a company limited by guarantee)

Directors' report for the year ended 31 July 2015 (continued)

Use of Public Funds

The directors confirm that payments received either directly or through the Higher and Further Education Funding Councils have been applied for the purposes for which they were provided.

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 judgements 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 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Website

The company has a website: <http://www.goetec.ac.uk>. This website is used to publish documents under the Freedom of Information Act 2000, including confirmed minutes of its Board and Executive Committee and the Annual Report and Financial Statements.

Directors

A full list of directors of the company can be found on page 1 Directors and advisors.

Goetec Limited (a company limited by guarantee)

Directors' report for the year ended 31 July 2015 (continued)

Principal activities

The principal activity of the company is the provision of network facilities for Further and Higher Education Institutions in Kent and Kent County Council.

Provision of information to auditor

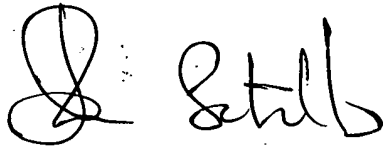
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 19 November 2015 and signed on its behalf.



Mr John Sotillo

Director

Goetec Limited Registered Number 04416782

Goetec Limited (a company limited by guarantee)

Independent auditors' report to the members of Goetec Limited

We have audited the financial statements of Goetec Limited for the year ended 31 July 2015, which comprise the profit and loss account, balance sheet and related notes 1 -13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not 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, 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

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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 July 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Goetec Limited (a company limited by guarantee)

Independent auditors' report to the members of Goetec Limited

(continued)

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Statutory Auditor

Chartered Accountants

37 St Margaret's Street

Canterbury

Kent

CT1 2TU

Date: 23/11/15

Goetec Limited (a company limited by guarantee)

Profit and loss account for the year ended 31 July 2015

	Note	2015 £	2014 £
Turnover	2	229,942	289,774
Administration expenses		(251,561)	(291,804)
Operating loss	3	(21,619)	(2,030)
Interest on bank account maintained by CCCU		1,293	1,286
Loss on ordinary activities before taxation		(20,326)	(744)
Tax on profit on ordinary activities	5	(561)	(1,513)
Loss for the financial year	11	(20,887)	(2,257)

All results relate to continuing activities. The directors have decided to dissolve the company post year end, however the ultimate timing of dissolution is undecided at present.

The company has no recognised gains or losses other than the result above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the result on ordinary activities before taxation and the result for the year stated above and their historical cost equivalents.

Goetec Limited (a company limited by guarantee)

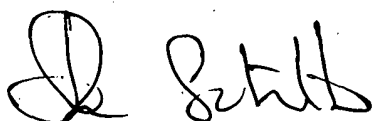
Balance sheet as at 31 July 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	6	-	-
Current assets			
Debtors	8	299,382	286,010
Creditors: amounts falling due within one year	9	(73,557)	(39,298)
Net current assets/ (liabilities)		225,825	246,712
Net assets		225,825	246,712
Reserves			
Profit and loss account	11	225,825	246,712
Total funds		225,825	246,712

The notes on pages 9 to 13 are integral to the financial statements.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008).

The financial statements on pages 7 to 13 were approved by the board of directors on 19 November 2015 and signed on its behalf by:



Mr John Sotillo
Director
Goetec Limited
Registered Number 04416782

Goetec Limited (a company limited by guarantee)

Notes to the financial statements for the year ended 31 July 2015

1 Accounting policies

These financial statements are prepared on a break-up basis, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, in accordance with Financial Reporting Standards for Smaller Entities (effective April 2008).

Tangible Fixed Assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight line basis. The expected useful lives of the assets to the business are reassessed periodically in the light of experience.

Tangible fixed assets consist entirely of computer equipment, and are depreciated on a straight line basis over four years.

Government Grants

Grants received to finance the purchase of fixed assets are treated as deferred capital grants and amortised to the profit and loss account over the useful economic life of the related asset to offset the depreciation charge on the assets acquired. The amortisation of deferred capital grants to the profit and loss account is reflected within turnover. Grants received to finance the purchase of revenue assets are treated as revenue grants, being released to the profit and loss account when expenditure is incurred. Grants received but not allocated for the year are disclosed within the Creditors figure.

Turnover

Turnover, excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied. Turnover is recognised in the month in which the invoice generating activity takes place. The whole of the company's turnover is from activities within the UK.

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.

Goetec Limited (a company limited by guarantee)

2 Turnover

Turnover and profit are attributable to one class of business activity of the company undertaken in the United Kingdom. Turnover consists of:

	2015	2014
	£	£
Amortisation of deferred capital grants	-	8,311
Membership subscriptions	67,500	67,500
Other services	162,442	213,963
	229,942	289,774

Member's subscriptions cover all operating expenses before tax following a long standing Board level agreement that the company will be a not-for-profit organisation.

3 Loss on ordinary activities before taxation

	2015	2014
	£	£
Loss on ordinary activities before taxation is stated after charging		
Depreciation	-	17,824
External auditors' fees	5,300	5,150

4 Directors' emoluments

None of the directors received emoluments during the year (2014: £nil).

5 Tax on (loss)/profit on ordinary activities

	2015	2014
	£	£
(a) Analysis of tax charge/(credit) for the period		
<u>Current tax:</u>		
UK corporation tax at 20%	(2,700)	2,700
<u>Deferred tax:</u>		
Origination and reversal of timing differences	3,261	(1,187)
Tax on profit on ordinary activities	561	1,513

Goetec Limited (a company limited by guarantee)

6 Tangible assets

	Computer equipment £
Costs brought forward 1 August 2014	416,609
Additions during the year	-
Disposals during the year	-
Cost as at 31 July 2015	416,609
Accumulated depreciation as at 31 July 2014	416,609
Charge for year	-
Depreciation for assets disposed of	-
Accumulated depreciation as at 31 July 2015	416,609
Net book value as at 31 July 2015	0
Net book value as at 31 July 2014	0

7 Deferred Tax Asset

	2015 Accounts £	2014 Accounts £
Capital allowances in excess of depreciation	-	(3,261)
Deferred tax (asset)/ liability		
Liability at start of period	(3,261)	(2,074)
Deferred tax (credit) in the Profit and loss account for the period	3,261	(1,187)
(Asset)/liability at end of period	-	(3,261)

8 Debtors

	2015 £	2014 £
Deferred tax asset	-	3,261
Trade debtors	8,765	13,573
Related party debtors	287,917	260,053
Value Added Tax	-	7,351
Corporation tax repayment	2,700	-
Prepayments and accrued income	-	1,772
	299,382	286,010

Goetec Limited (a company limited by guarantee)

9 Creditors: amounts falling due within one year

	2015	2014
	£	£
Deferred tax liability	-	-
Accruals	62,160	31,531
Value Added Tax	1,788	-
Deferred income	9,609	5,067
Corporation Tax	-	2,700
	73,557	39,298

Amounts due to third parties are unsecured, interest free and repayable on demand.

10 Deferred Capital Grants

	Capital Grants
	£
Costs brought forward 1 August 2014	362,809
Additions during the year	-
Disposals during the year	-
Cost as at 31 July 2015	362,809
Accumulated amortisation as at 31 July 2014	362,809
Amount released to income	-
Amount released to income on disposed assets	-
Accumulated amortisation as at 31 July 2015	362,809
Net book value as at 31 July 2015	-
Net book value as at 31 July 2014	-

11 Reserves

	Profit and loss account
	£
As at 1 August 2014	246,712
Loss for the financial year	(20,887)
At 31 July 2015	225,825

12 Controlling party

No one party has overall control of the company.

13 Related party transactions

The company undertook transactions with related parties during the year. University for the Creative Arts, University of Greenwich, University of Kent and Kent County Council are

Goetec Limited (a company limited by guarantee)

related parties of Goetec Limited by virtue of their membership of the Goetec Limited board. Janet is a funding body of Goetec Limited and Canterbury Christ Church University is contracted by Goetec Limited to carry out the operations of the company.

The company paid expenditure and received income from the following related parties during the year:

	2015	2014
	£	£
Canterbury Christ Church University - income receivable	25,516	29,838
Expenditure payable	175,425	167,018
University for the Creative Arts - income receivable	19,428	19,796
University of Greenwich - income receivable	21,372	25,294
University of Kent - income receivable	21,241	22,781
Expenditure payable	2,500	6,600
Kent County Council - income receivable	73,008	96,130
Expenditure payable	61,776	85,562
Janet - income receivable	13,068	25,354

Canterbury Christ Church University is contracted by Goetec Limited to run its Network Operation Centre and to provide technical advice. Amounts totalling £175,425 (2014: £167,018) were made to Canterbury Christ Church University during the year for this service. Included within Goetec Limited debtors balance at 31 July 2015 is £279,879 (2014: £254,114) due from Canterbury Christ Church University. Other related party debtor balances totalled £8,038 (2014: £5,939).

RC

Company Registration No. 05505567 (England and Wales)

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**



**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
COMPANY INFORMATION**

Directors

P Hannan
W Opie
Mr S Clarke
Mr R Phillips
Ms A Church
Mr J Barnes
Mr S Holden

Secretary

S Durling

Company number

05505567

Registered office

Charcott Holm Farmhouse
Tonbridge Road
Hadlow
Tonbridge
Kent
TN11 0AH

Auditors

Wilkins Kennedy FKC
Stourside Place
Station Road
Ashford
Kent
TN23 1PP

Business address

Charcott Holm Farmhouse
Tonbridge Road
Hadlow
Tonbridge
Kent
TN11 0AH

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
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**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activity of the company continued to be that of increasing public awareness of produce which has been produced in Kent.

Directors

The following directors have held office since 1 April 2015:

P Hannan

W Opie

Mr S Clarke

Mrs M Regan

(Resigned 29 April 2015)

Professor P Gregory

(Resigned 29 April 2015)

Mr R Phillips

Ms A Church

Mr J Barnes

Mr S Holden

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 judgements 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 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.

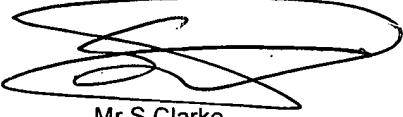
**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



Mr S Clarke
Director
21 July 2016

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF PRODUCED IN KENT LIMITED

We have audited the financial statements of Produced in Kent Limited for the year ended 31 March 2016 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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 1 - 2, 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

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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual 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.

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 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF PRODUCED IN KENT LIMITED**

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



**John McIntyre (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy FKC**

**Chartered Accountants
Statutory Auditor**

25 July 2016

Stourside Place
Station Road
Ashford
Kent
TN23 1PP

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	2016 £	2015 £
Turnover		230,429	274,699
Cost of sales		(66,197)	(62,920)
Gross profit		164,232	211,779
Administrative expenses		(182,230)	(184,707)
Operating (loss)/profit	2	(17,998)	27,072
Other interest receivable and similar income	3	406	312
(Loss)/profit on ordinary activities before taxation		(17,592)	27,384
Tax on (loss)/profit on ordinary activities	4	3,481	(5,509)
(Loss)/profit for the year	10	(14,111)	21,875

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	5		240		981
Investments	6		2		-
			<u>242</u>		<u>981</u>
Current assets					
Debtors	7	50,246		76,498	
Cash at bank and in hand		104,962		107,413	
		<u>155,208</u>		<u>183,911</u>	
Creditors: amounts falling due within one year	8	<u>(101,866)</u>		<u>(117,197)</u>	
Net current assets			<u>53,342</u>		<u>66,714</u>
Total assets less current liabilities			<u>53,584</u>		<u>67,695</u>
			<u>53,584</u>		<u>67,695</u>
Capital and reserves					
Profit and loss account	10		<u>53,584</u>		<u>67,695</u>
Shareholders' funds			<u>53,584</u>		<u>67,695</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board and authorised for issue on 21 July 2016


Mr S Clarke
Director

Company Registration No. 05505567

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

4	Taxation	2016 £	2015 £
	Domestic current year tax		
	U.K. corporation tax	(3,440)	5,437
	Total current tax	(3,440)	5,437
	Deferred tax		
	Deferred tax charge/credit current year	(41)	72
		(3,481)	5,509
		<u><u> </u></u>	<u><u> </u></u>
5	Tangible fixed assets		Fixtures, fittings & equipment £
	Cost		
	At 1 April 2015 & at 31 March 2016		20,025
	Depreciation		
	At 1 April 2015		19,044
	Charge for the year		741
	At 31 March 2016		19,785
	Net book value		
	At 31 March 2016		240
	At 31 March 2015		981
			<u><u> </u></u>

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 April 2015	-
Additions	2
	<hr/>
At 31 March 2016	2
	<hr/>
Net book value	
At 31 March 2016	2
	<hr/> <hr/>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Kentish Fare Limited	England	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves 2016 £	Profit/(loss) for the year 2016 £
Kentish Fare Limited	Dormant	2	-
		<hr/>	<hr/>

7 Debtors

	2016 £	2015 £
Trade debtors	9,020	9,233
Other debtors	40,786	66,866
Deferred tax asset (see note 9)	440	399
	<hr/>	<hr/>
	50,246	76,498
	<hr/> <hr/>	<hr/> <hr/>

**PRODUCED IN KENT LIMITED
 COMPANY LIMITED BY GUARANTEE
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2016**

8 Creditors: amounts falling due within one year	2016	2015
	£	£
Trade creditors	11,599	20,375
Taxation and social security	1,576	5,440
Other creditors	88,691	91,382
	<u>101,866</u>	<u>117,197</u>

9 Provisions for liabilities

The deferred tax asset (included in debtors, note 7) is made up as follows:

	2016		2015
	£		£
Balance at 1 April 2015	(399)		
Profit and loss account	(41)		
	<u>(440)</u>		
Balance at 31 March 2016	<u>(440)</u>		
	2016		2015
	£		£
Decelerated capital allowances	<u>(440)</u>		<u>(399)</u>

10 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 April 2015	67,695
Loss for the year	<u>(14,111)</u>
Balance at 31 March 2016	<u>53,584</u>

**PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

11 Company status

The company is a company limited by guarantee and not having a share capital. Every member of the company undertakes to contribute in a winding up a sum not exceeding £1 whilst they are a member, or within one year after ceasing to be a member, towards debts and liabilities contracted before ceasing to be a member.

12 Financial commitments

At 31 March 2016 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2017:

	2016 £	2015 £
Operating leases which expire:		
Within one year	5,000	-
Between two and five years	-	10,000
	<u>5,000</u>	<u>10,000</u>

13 Related party relationships and transactions

During the year ended 31 March 2016 the company received funding from Kent County Council, a member of the company, in respect of operational costs amounting to £60,000 (2015: £120,000). As at 31 March 2016, £30,000 (2015: £56,082) was due from Kent County Council. Staff costs payable to Kent County Council for the year amounted to £128,155 (2015: £125,940) of which £61,477 (2015: £62,023) remained outstanding at the year end.

The company also received income during the year from Hadlow College, also a member of the company, amounting to £40,000 (2015: £40,000). Staff costs of £nil (2015: £24,298) were paid to Hadlow College during the year. The premises occupied by the company during the year to 31 March 2016 were rented from Hadlow College for which rent and service charge expenses were incurred totalling £10,000 (2015: £10,000). As at 31 March 2016, £nil (2015: £2,025) was due to Hadlow College.

**Report of the Directors and
Financial Statements
for the Period 14 October 2014 to 31 December 2015
for
Trics Consortium Limited**

Trics Consortium Limited (Registered number: 09262594)

**Contents of the Financial Statements
for the Period 14 October 2014 to 31 December 2015**

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Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8

Trics Consortium Limited

Company Information for the Period 14 October 2014 to 31 December 2015

DIRECTORS:

N Rabbets
M A Hogben
W A Sayers
D A Smith
K Travers
C H Warwick
M K Green

REGISTERED OFFICE:

County Hall
Penrhyn Road
Kingston Upon Thames
KT1 2DN

REGISTERED NUMBER:

09262594 (England and Wales)

AUDITORS:

Hunter Accountants
Chartered Accountants and Statutory Auditors
3 Kings Court
Little King Street
Bristol
Somerset
BS1 4HW

Trics Consortium Limited (Registered number: 09262594)

Report of the Directors for the Period 14 October 2014 to 31 December 2015

The directors present their report with the financial statements of the company for the period 14 October 2014 to 31 December 2015.

INCORPORATION

The company was incorporated on 14 October 2014 and commenced trading on 1 January 2015.

DIRECTORS

The directors who have held office during the period from 14 October 2014 to the date of this report are as follows:

D J Forbes - appointed 14 October 2014 - resigned 19 November 2015

N Rabbets - appointed 23 January 2015

M A Hogben - appointed 14 September 2015

W A Sayers - appointed 21 November 2014

D A Smith - appointed 7 April 2015

K Travers - appointed 21 November 2014

C H Warwick - appointed 21 November 2014

A P Jack - appointed 21 November 2014 - resigned 7 April 2015

M K Green - appointed 19 November 2015

C H Warrick ceased to be a director after the 31st of December 2015 but prior to the date of this report.

Alexander P Jack was appointed after the 31st of December but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Trics Consortium Limited (Registered number: 09262594)

**Report of the Directors
for the Period 14 October 2014 to 31 December 2015**

AUDITORS

The Auditors, Hunter Accountants will be proposed for re-appointment at the forthcoming board meeting in May.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

N Rabbets - Director

26 April 2016

Report of the Independent Auditors to the Members of Trics Consortium Limited

We have audited the financial statements of Trics Consortium Limited for the period ended 31 December 2015 on pages six to twelve. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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

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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors 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.

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 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

Report of the Independent Auditors to the Members of Trics Consortium Limited

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

David Hunter BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of Hunter Accountants
Chartered Accountants and Statutory Auditors
3 Kings Court
Little King Street
Bristol
Somerset
BS1 4HW

28 April 2016

Trics Consortium Limited (Registered number: 09262594)

**Profit and Loss Account
for the Period 14 October 2014 to 31 December 2015**

	Notes	£
TURNOVER		1,329,926
Cost of sales		<u>285,476</u>
GROSS PROFIT		1,044,450
Administrative expenses		<u>389,782</u>
OPERATING PROFIT	2	654,668
Interest receivable and similar income		<u>33</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		654,701
Tax on profit on ordinary activities	3	<u>132,125</u>
PROFIT FOR THE FINANCIAL PERIOD		<u><u>522,576</u></u>

The notes form part of these financial statements

Trics Consortium Limited (Registered number: 09262594)

**Balance Sheet
31 December 2015**

	Notes	£	£
FIXED ASSETS			
Intangible assets	5		378,308
Tangible assets	6		<u>4,866</u>
			383,174
CURRENT ASSETS			
Debtors	7	168,378	
Cash at bank		<u>408,085</u>	
		576,463	
CREDITORS			
Amounts falling due within one year	8	<u>335,643</u>	
NET CURRENT ASSETS			<u>240,820</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>623,994</u>
CAPITAL AND RESERVES			
Called up share capital	10		225,000
Share premium	11		364,500
Profit and loss account	11		<u>34,494</u>
SHAREHOLDERS' FUNDS			<u>623,994</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 26 April 2016 and were signed on its behalf by:

N Rabbets - Director

The notes form part of these financial statements

Trics Consortium Limited (Registered number: 09262594)

Notes to the Financial Statements for the Period 14 October 2014 to 31 December 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover represents net invoiced sale of goods from ordinary activities, stated after trade discounts, other sales taxes and net of value added tax

Intangible fixed assets

Amortisation is provided to write off the cost less estimated residual value of each asset over the following useful lives

Intellectual Property Rights (Surveys) - 7 years

Intellectual Property Rights (System) - 5 years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Computer Equipment and Fixtures and Fittings - 25% Reducing Balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. OPERATING PROFIT

The operating profit is stated after charging:

	£
Depreciation - owned assets	1,621
Patents and licences amortisation	183,514
Auditors' remuneration	3,000
Pension costs	<u>2,390</u>
Directors' remuneration and other benefits etc	<u>63,507</u>

Trics Consortium Limited (Registered number: 09262594)

**Notes to the Financial Statements - continued
for the Period 14 October 2014 to 31 December 2015**

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows:

	£
Current tax:	
UK corporation tax	<u>132,125</u>
Tax on profit on ordinary activities	<u>132,125</u>

4. DIVIDENDS

	£
Ordinary shares of £1.00 each	
Interim	<u>488,082</u>

5. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
Additions	<u>561,822</u>
At 31 December 2015	<u>561,822</u>
AMORTISATION	
Charge for period	<u>183,514</u>
At 31 December 2015	<u>183,514</u>
NET BOOK VALUE	
At 31 December 2015	<u>378,308</u>

Trics Consortium Limited (Registered number: 09262594)

**Notes to the Financial Statements - continued
for the Period 14 October 2014 to 31 December 2015**

6.	TANGIBLE FIXED ASSETS	Plant and machinery etc £
	COST	
	Additions	6,487
	At 31 December 2015	<u>6,487</u>
	DEPRECIATION	
	Charge for period	1,621
	At 31 December 2015	<u>1,621</u>
	NET BOOK VALUE	
	At 31 December 2015	<u><u>4,866</u></u>
7.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	£
	Trade debtors	141,892
	Other debtors	26,486
		<u><u>168,378</u></u>
8.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	£
	Trade creditors	67,123
	Taxation and social security	179,281
	Other creditors	89,239
		<u><u>335,643</u></u>
9.	OPERATING LEASE COMMITMENTS	
	The following operating lease payments are committed to be paid within one year:	
		£
	Expiring:	
	Within one year	26,172
	Between one and five years	26,172
		<u><u>52,344</u></u>

Trics Consortium Limited (Registered number: 09262594)

Notes to the Financial Statements - continued for the Period 14 October 2014 to 31 December 2015

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
225,000	Ordinary	£1.00	<u>225,000</u>

225,000 Ordinary shares of £1.00 each were allotted as fully paid at a premium of £1.62 per share during the period.

11. RESERVES

	Profit and loss account £	Share premium £	Totals £
Profit for the period	522,576		522,576
Dividends	(488,082)		(488,082)
Share issue in period	-	364,500	364,500
At 31 December 2015	<u>34,494</u>	<u>364,500</u>	<u>398,994</u>

12. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme for a directors and three employees

The total pension contribution for the period was £4700

The total pension contributions outstanding at the period end was £2084

Trics Consortium Limited (Registered number: 09262594)

Notes to the Financial Statements - continued for the Period 14 October 2014 to 31 December 2015

13. RELATED PARTY DISCLOSURES

Turnover for the year includes the following amounts in connection with councils that are associated with the company.

Dorset County Council - TRICS Licence - Income to TRICS - £3,520

East Sussex County Council - TRICS Licence - Income to TRICS - £3,520

West Sussex County Council - TRICS Licence - Income to TRICS - £3,520

Hampshire County Council - TRICS Licence - Income to TRICS - £3,520

Kent County Council - TRICS Licence - Income to TRICS - £3,520

Surrey County Council - TRICS Licence - Income to TRICS - £5,990

TRICS have also paid Surrey County Council and East Sussex County Council for services during our first year.

East Sussex County Council - HR Advice - £1,350

Surrey County Council - Office Rental & Officer time for company creation - £67,619

14. ULTIMATE CONTROLLING PARTY

By virtue of the shareholdings there is no controlling party.

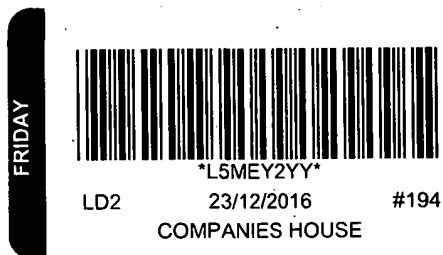
This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

REGISTRAR OF
COMPANIES

SHEARWATER SYSTEMS LIMITED

ABBREVIATED ACCOUNTS

31 MARCH 2016



BURGESS HODGSON LLP
Chartered Accountants & Statutory Auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN
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SHEARWATER SYSTEMS LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2016

CONTENTS	PAGE
Independent auditor's report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3

SHEARWATER SYSTEMS LIMITED
INDEPENDENT AUDITOR'S REPORT TO SHEARWATER SYSTEMS
LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of Shearwater Systems Limited for the year ended 31 March 2016 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

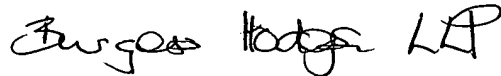
RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



COLIN REID (Senior Statutory Auditor)
For and on behalf of
BURGESS HODGSON LLP
Chartered Accountants
& Statutory Auditor

Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

23/12/16.....

SHEARWATER SYSTEMS LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 2016

	Note	2016	2015
		£	£
FIXED ASSETS	2		
Tangible assets		<u>71,833</u>	<u>90,574</u>
CURRENT ASSETS			
Debtors		1,138,082	459,844
Cash at bank and in hand		1,072,988	1,357,668
		<u>2,211,070</u>	<u>1,817,512</u>
CREDITORS: Amounts falling due within one year		<u>121,969</u>	<u>50,295</u>
NET CURRENT ASSETS		<u>2,089,101</u>	<u>1,767,217</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,160,934</u>	<u>1,857,791</u>
CREDITORS: Amounts falling due after more than one year		860,000	600,000
PROVISIONS FOR LIABILITIES		<u>14,367</u>	<u>18,115</u>
		<u>1,286,567</u>	<u>1,239,676</u>
CAPITAL AND RESERVES			
Called up equity share capital	4	40,417	40,417
Share premium account		2,413,016	2,413,016
Profit and loss account		<u>(1,166,866)</u>	<u>(1,213,757)</u>
SHAREHOLDERS' FUNDS		<u>1,286,567</u>	<u>1,239,676</u>

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved by the directors and authorised for issue on ...21.12.2016..., and are signed on their behalf by:



.....
Dr I S Denley

Company Registration Number: 08353777

The notes on pages 3 to 5 form part of these abbreviated accounts.

SHEARWATER SYSTEMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

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

Research and development

Research and development expenditure is written off in the year in which it is incurred.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Leasehold Property	-	5 year straight line
Fixtures & Fittings	-	5 year straight line
Equipment	-	1 to 3 year straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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 tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

SHEARWATER SYSTEMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES *(continued)*

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

SHEARWATER SYSTEMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2016

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 April 2015	150,963
Additions	<u>29,628</u>
At 31 March 2016	<u><u>180,591</u></u>
 DEPRECIATION	
At 1 April 2015	60,389
Charge for year	<u>48,369</u>
At 31 March 2016	<u><u>108,758</u></u>
 NET BOOK VALUE	
At 31 March 2016	<u><u>71,833</u></u>
 At 31 March 2015	<u><u>90,574</u></u>

3. OPERATING LEASE COMMITMENTS

Shearwater Systems Limited is committed to paying the following amounts per annum in relation to their property rental:

	£
Between one and five years	53,000

4. SHARE CAPITAL

Allotted, called up and fully paid:

	2016		2015	
	No.	£	No.	£
A Ordinary shares of £0.01 each	2,333,333	23,333	2,333,333	23,333
B Ordinary shares of £0.01 each	900,000	9,000	900,000	9,000
Preferred Ordinary shares of £0.01 each	<u>808,333</u>	<u>8,083</u>	<u>808,333</u>	<u>8,083</u>
	<u><u>4,041,666</u></u>	<u><u>40,417</u></u>	<u><u>4,041,666</u></u>	<u><u>40,417</u></u>

ABBREVIATED UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2016
FOR
TRN - THE RESEARCH NETWORK LIMITED

**CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2016**

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TRN - THE RESEARCH NETWORK LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2016**

DIRECTOR: A McElroy

SECRETARY:

REGISTERED OFFICE: IPC 600 Discovery Park Enterprise Zone
Ramsgate Road
Sandwich
Kent
CT13 9NJ

REGISTERED NUMBER: 07592520 (England and Wales)

ACCOUNTANTS: Higson APS Limited
45 Queen Street
Deal
Kent
CT14 6EY

ABBREVIATED BALANCE SHEET
30 APRIL 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	2		235		291
Investments	3		<u>3,107</u>		<u>-</u>
			3,342		291
CURRENT ASSETS					
Debtors		257,878		166,007	
Cash at bank		<u>59,215</u>		<u>104,534</u>	
		317,093		270,541	
CREDITORS					
Amounts falling due within one year		<u>232,683</u>		<u>199,564</u>	
NET CURRENT ASSETS			<u>84,410</u>		<u>70,977</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			87,752		71,268
CREDITORS					
Amounts falling due after more than one year			<u>12,000</u>		<u>24,000</u>
NET ASSETS			<u>75,752</u>		<u>47,268</u>
CAPITAL AND RESERVES					
Called up share capital	4		23,325		23,325
Share premium			50,275		50,275
Profit and loss account			<u>2,152</u>		<u>(26,332)</u>
SHAREHOLDERS' FUNDS			<u>75,752</u>		<u>47,268</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2016 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

ABBREVIATED BALANCE SHEET - continued
30 APRIL 2016

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 20 September 2016 and were signed by:

A McElroy - Director

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of services, excluding VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 May 2015	1,359
Additions	<u>301</u>
At 30 April 2016	<u>1,660</u>
DEPRECIATION	
At 1 May 2015	1,068
Charge for year	<u>357</u>
At 30 April 2016	<u>1,425</u>
NET BOOK VALUE	
At 30 April 2016	<u>235</u>
At 30 April 2015	<u>291</u>

3. FIXED ASSET INVESTMENTS

	Investments other than loans £
COST	
Additions	<u>3,107</u>
At 30 April 2016	<u>3,107</u>
NET BOOK VALUE	
At 30 April 2016	<u>3,107</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 APRIL 2016

3. **FIXED ASSET INVESTMENTS - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Associated company

Sigmathera

Country of incorporation: France

Nature of business: Biotech R&D

Class of shares:	%
Ordinary	holding 20.00

During the year, the Company purchased 20% of the share capital in Sigmathera, a start up biotech research and development company registered in France.

4. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
20,000	Ordinary	£1	20,000	20,000
1,925	Ordinary B shares	£1	<u>3,325</u>	<u>3,325</u>
			<u>23,325</u>	<u>23,325</u>

TRN - THE RESEARCH NETWORK LIMITED

**REPORT OF THE ACCOUNTANTS TO THE DIRECTOR OF
TRN - THE RESEARCH NETWORK LIMITED**

The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages two to five) have been prepared.

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 April 2016 set out on pages nil to nil and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Higson APS Limited
45 Queen Street
Deal
Kent
CT14 6EY

20 September 2016

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

Financial Statements Michelson Diagnostics Limited

For the year ended 30 September 2015



Registered number: 05732681

Michelson Diagnostics Limited

Company Information

Directors	J Holmes M Johns (resigned 15 October 2015) G McKenzie (resigned 11 September 2015) D Anderson (resigned 25 September 2015) S Andrews B Howlett (resigned 31 August 2015) X Yon A Hill (appointed 21 May 2015) R Platz (appointed 14 September 2015)
Company secretary	P Grafham
Registered number	05732681
Registered office	Ground Floor Eclipse House Eclipse Park Maidstone Kent ME14 3EN
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor The Explorer Building Fleming Way Crawley RH10 9GT

Michelson Diagnostics Limited

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Consolidated profit and loss account	6
Consolidated balance sheet	7
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Michelson Diagnostics Limited

Directors' Report

For the year ended 30 September 2015

The directors present their report and the audited financial statements for the year ended 30 September 2015.

Principal activities and review of the business

The group's principal activities continue to be the development, manufacture and supply of patented Optical Coherence Tomography (OCT) instrumentation (the Vivosight Scanner) to the dermatology markets and the supply of associated support services.

Turnover fell to £630,000 in the period, a decrease of 50% on the previous period (twelve months to September 2014: turnover £1,250,000), although sales into the clinical setting rose in the comparative period. The group loss after tax was £2,549,000 for the period (twelve months to September 2014: loss £1,813,000).

The group has continued to make significant progress in the period with further growth in the installed base of Vivosight scanners. This year has seen the publication of results from multi-centre clinical trials in both Germany and the US, further validating the use of the VivoSight scanner in the diagnosis of non-melanoma skin cancer. The US study also demonstrated that use of VivoSight in this setting reduces the need for invasive biopsies to confirm diagnosis.

During the second half of the year the Company's third generation scanner, VivoSight Dx, was launched at DDG, the largest German dermatology conference. VivoSight Dx features an enhanced user interface and ergonomics and has been well received in Germany. This period also saw the introduction of Dynamic OCT, a new software package that enables the user to view the vascular structure beneath the surface of the skin. This is a particularly important development for the company, as it broadens significantly the potential applications for VivoSight.

The period also saw the company relocate its headquarters to a purpose-built facility in Maidstone, which has had a positive impact on productivity, and provides the platform for future growth. This move was facilitated by a loan from Kent County Council's Escalate Regional Growth Fund.

In order to fund the further commercialisation and development of the business new ordinary shares were issued during December 2014 and January 2015 raising a total of £2,500,000. A further £1,500,000 was raised in a Series 'C' rights issue in October 2015.

Finance and Going Concern

In October 2015 the Company raised funding of £1,500,000.

The directors have considered, approved and are implementing a strategic plan for the company which incorporates a three year financial forecast. That plan and forecast assumes significant continued investment and development by the company in its instrumentation product and international sales channels, which will result in continued operating losses in the medium term. The financial forecasts assume additional fund raising rounds during 2016 to finance that strategic plan. While the directors are of the opinion that such future fund raising will be successful, that success cannot be considered certain until the planned fund raising has been finalised. Given the stage of the company's development, in the event that such fund raising was not successful or was delayed, the company could extinguish its cash reserves during 2016, subject to significant curtailment of the strategic plan.

The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing these financial statements. This matter is further disclosed in note 1.2 to the financial statements.

Michelson Diagnostics Limited

Directors' Report

For the year ended 30 September 2015

Directors

The directors who served during the year were:

J Holmes
M Johns (resigned 15 October 2015)
G McKenzie (resigned 11 September 2015)
D Anderson (resigned 25 September 2015)
S Andrews
B Howlett (resigned 31 August 2015)
X Yon
A Hill (appointed 21 May 2015)
R Platz (appointed 14 September 2015)

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director 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 and the group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 21 December 2015 and signed on its behalf.


A Hill
Director

Directors' Responsibilities Statement

For the year ended 30 September 2015

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 the group and the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Independent Auditor's Report to the Members of Michelson Diagnostics Limited

We have audited the financial statements of Michelson Diagnostics Limited for the year ended 30 September 2015, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, 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 group's and of the parent company's affairs as at 30 September 2015 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern.

The group and parent company incurred net losses of £2,548,688 and £2,439,823 respectively during the year ended 30 September 2015.



Independent Auditor's Report to the Members of Michelson Diagnostics Limited

As explained in note 1.2 to the financial statements, the company has raised additional funding of £1,500,000 in October 2015. The financial forecasts include planned fund raising in 2016 to finance the strategic plan. The success of the planned fund raising cannot be considered certain until finalised.

These conditions along with the other matters explained in Note 1.2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group and Parent Company's ability to continue as a going concern. The financial statements do not include the adjustments which would result if the group and parent company was unable to continue as a going concern.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report.

Grant Thornton UK LLP

Jonathan Maile (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Gatwick

21 December 2015

Michelson Diagnostics Limited

Consolidated Profit and Loss Account

For the year ended 30 September 2015

	Note	2015 £	2014 £
Turnover	1	630,218	1,250,250
Cost of sales		<u>(347,551)</u>	<u>(212,945)</u>
Gross profit		282,667	1,037,305
Administrative expenses		(3,275,848)	(3,195,754)
Other operating income	3	<u>296,044</u>	<u>213,458</u>
Operating loss	4	(2,697,137)	(1,944,991)
Interest receivable and similar income		259	1,829
Interest payable and similar charges		<u>(24,904)</u>	<u>(17,067)</u>
Loss on ordinary activities before taxation		(2,721,782)	(1,960,229)
Tax on loss on ordinary activities	6	<u>173,094</u>	<u>147,544</u>
Loss for the financial year	13	<u><u>(2,548,688)</u></u>	<u><u>(1,812,685)</u></u>

The notes on pages 10 to 18 form part of these financial statements.

Michelson Diagnostics Limited
Registered number: 05732681

Consolidated Balance Sheet

As at 30 September 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	7		580,119		379,307
Current assets					
Stocks		556,598		488,143	
Debtors	9	893,843		900,205	
Cash at bank		1,392,526		393,680	
		<u>2,842,967</u>		<u>1,782,028</u>	
Creditors: amounts falling due within one year	10	<u>(1,524,828)</u>		<u>(1,134,388)</u>	
Net current assets			<u>1,318,139</u>		<u>647,640</u>
Total assets less current liabilities			<u>1,898,258</u>		<u>1,026,947</u>
Creditors: amounts falling due after more than one year	11		<u>(371,915)</u>		<u>(479,567)</u>
Net assets			<u><u>1,526,343</u></u>		<u><u>547,380</u></u>
Capital and reserves					
Called up share capital	12		319,619		319,349
Share premium account	13		10,759,418		8,458,113
Foreign exchange reserve	13		14,064		67,646
Shares to be issued	13		1,279,658		-
Profit and loss account	13		<u>(10,846,416)</u>		<u>(8,297,728)</u>
Shareholders' funds			<u><u>1,526,343</u></u>		<u><u>547,380</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 December 2015.


A Hill
Director

The notes on pages 10 to 18 form part of these financial statements.

Company Balance Sheet

As at 30 September 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	7		369,544		246,656
Investments	8		22,001		22,001
			<u>391,545</u>		<u>268,657</u>
Current assets					
Stocks		556,323		510,094	
Debtors	9	939,032		870,700	
Cash at bank		<u>1,283,369</u>		<u>310,075</u>	
		2,778,724		1,690,869	
Creditors: amounts falling due within one year	10	<u>(1,311,353)</u>		<u>(1,172,020)</u>	
Net current assets			<u>1,467,371</u>		<u>518,849</u>
Total assets less current liabilities			<u>1,858,916</u>		<u>787,506</u>
Creditors: amounts falling due after more than one year	11		<u>(280,000)</u>		<u>(350,000)</u>
Net assets			<u><u>1,578,916</u></u>		<u><u>437,506</u></u>
Capital and reserves					
Called up share capital	12		319,619		319,349
Share premium account	13		10,759,418		8,458,113
Shares to be issued	13		1,279,658		-
Profit and loss account	13		<u>(10,779,779)</u>		<u>(8,339,956)</u>
Shareholders' funds			<u><u>1,578,916</u></u>		<u><u>437,506</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 December 2015.


A Hill
Director

The notes on pages 10 to 18 form part of these financial statements.

Michelson Diagnostics Limited

Consolidated Cash Flow Statement

For the year ended 30 September 2015

	£	2015 £	£	2014 £
Cash generated from operations				
Operating loss	(2,697,137)		(1,944,991)	
Depreciation of tangible fixed assets	148,282		158,227	
Loss on disposal of tangible fixed assets	6,037		-	
Increase in stocks	(68,455)		(324,189)	
Decrease/(increase) in trade debtors	168,759		(174,957)	
Increase in other debtors	(119,535)		(517,597)	
Increase/ (decrease) in trade creditors	338,669		246,629	
Increase in other creditors, taxation and social security	(72,438)		245,567	
Foreign exchange on consolidation	(57,473)		41,745	
Transfer of fixed assets to stock	377,207		336,275	
		(1,976,084)		(1,933,291)
Cash from other sources				
Interest received	259		1,829	
Issue of shares net of transaction costs	2,301,575		1,875,634	
New unsecured loans	192,000		350,000	
R&D tax credits	130,232		168,168	
Shares to be issued	1,279,658		-	
		3,903,724		2,395,631
Application of cash				
Interest paid	(24,904)		(17,067)	
Tax paid	-		(4,261)	
Repayment of loan notes	(175,444)		(6,986)	
Purchase of tangible fixed assets	(728,446)		(294,745)	
		(928,794)		(323,059)
Net increase in cash		998,846		139,281
Cash at bank and in hand less overdrafts at beginning of the year		393,680		254,399
Cash at bank and in hand less overdrafts at end of the year		1,392,526		393,680
Consisting of:				
Cash at bank and in hand		1,392,526		393,680
		1,392,526		393,680

The notes on pages 10 to 18 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 September 2015

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 the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

The group and parent company's (the 'company') business activities, together with the factors which are likely to affect its future development, performance and position are set out within the Review of the Business within the Directors' Report. The company is in its development phase and has the support of its investors during this phase. In October 2015 the Company raised funding of £1,500,000. The directors have considered, approved and are implementing a strategic plan for the company. That plan and forecast assumes significant continued investment and development by the company in its product and international sales channels, which will result in continued operating losses in the medium term. The financial forecasts assume additional fund raising during 2016 to finance the strategic plan. While the directors are of the opinion that such future fund raising will be successful, that success cannot be considered certain until the planned fund raising has been finalised. Given the stage of the company's development, in the event that such fund raising is not successful or was delayed, the company could exhaust its cash reserves during 2016, subject to significant curtailment of the strategic plan.

The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern and that, therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Michelson Diagnostics Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Profit and loss account.

The loss for the year, recorded by the company was £2,439,823 (2014: loss £1,778,217)

1.4 Turnover

Turnover represents the value, net of value added tax and discounts, of out right sales, rental and use of Optical Coherence Tomography instrumentation. Income is recognised on the out right sale of a system when the instrument is delivered to the customers. In the case of rental income, turnover is recognised over the period of the rental. Turnover related to the use of the instrumentation is recognised as that usage occurs.

Notes to the Financial Statements

For the year ended 30 September 2015

1. Accounting Policies (continued)

1.5 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:

Plant and machinery	-	at variable rates on reducing balance
Fixtures and fittings	-	at variable rates on reducing balance
Prototype demo & rental units	-	20% on cost

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.7 Operating leases

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

1.8 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

1.9 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 not discounted.

1.10 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.

Notes to the Financial Statements

For the year ended 30 September 2015

1. Accounting Policies (continued)

1.11 Research and development

Expenditure on research and development is written off in the year in which it is incurred.

1.12 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.

1.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Turnover

The proportion of turnover that is attributable to geographical markets outside the United Kingdom was 31% (2014 - 37%)

3. Other operating income

	2015	2014
	£	£
Government grants received and receivable	296,044	213,458

4. Operating loss

The operating loss is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the group	148,282	158,227
Auditor's remuneration	16,500	13,000
Auditor's remuneration - non-audit	17,450	5,750

Auditors fees for the company were £16,500 (2014 - £13,000)

Notes to the Financial Statements

For the year ended 30 September 2015

5. Directors' remuneration

	2015	2014
	£	£
Aggregate remuneration	<u>446,868</u>	<u>351,345</u>

6. Taxation

	2015	2014
	£	£
Analysis of tax charge in the year		
UK corporation tax credit on loss for the year	(176,782)	(151,805)
	<u>(176,782)</u>	<u>(151,805)</u>
Foreign tax on income for the year	3,688	4,261
	<u>(173,094)</u>	<u>(147,544)</u>

7. Tangible fixed assets

Group	Plant and machinery £	Fixtures and fittings £	Prototype demo & rental units £	Total £
Cost				
At 1 October 2014	68,813	5,775	586,742	661,330
Additions	-	87,634	640,812	728,446
Transfer to stock	(3,018)	-	(496,432)	(499,450)
Foreign exchange movement	-	-	5,186	5,186
At 30 September 2015	<u>65,795</u>	<u>93,409</u>	<u>736,308</u>	<u>895,512</u>
Depreciation				
At 1 October 2014	62,137	4,082	215,804	282,023
Charge for the year	3,358	10,366	134,558	148,282
Transfer to stock	(2,269)	-	(113,939)	(116,208)
Foreign exchange movement	-	-	1,296	1,296
At 30 September 2015	<u>63,226</u>	<u>14,448</u>	<u>237,719</u>	<u>315,393</u>
Net book value				
At 30 September 2015	<u>2,569</u>	<u>78,961</u>	<u>498,589</u>	<u>580,119</u>
At 30 September 2014	<u>6,676</u>	<u>1,693</u>	<u>370,938</u>	<u>379,307</u>

Notes to the Financial Statements

For the year ended 30 September 2015

Company	Plant and machinery £	Fixtures and fittings £	Prototype demo & rental units £	Total £
Cost				
At 1 October 2014	59,799	3,893	393,589	457,281
Additions	-	87,634	299,006	386,640
Transfer to stock	-	-	(247,686)	(247,686)
At 30 September 2015	<u>59,799</u>	<u>91,527</u>	<u>444,909</u>	<u>596,235</u>
Depreciation				
At 1 October 2014	57,165	3,893	149,567	210,625
Charge for the year	1,707	10,100	59,688	71,495
On transfer to stock	-	-	(55,429)	(55,429)
At 30 September 2015	<u>58,872</u>	<u>13,993</u>	<u>153,826</u>	<u>226,691</u>
Net book value				
At 30 September 2015	<u>927</u>	<u>77,534</u>	<u>291,083</u>	<u>369,544</u>
At 30 September 2014	<u>2,634</u>	<u>-</u>	<u>244,022</u>	<u>246,656</u>

Notes to the Financial Statements

For the year ended 30 September 2015

8. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2014 and 30 September 2015	22,001
Net book value	
At 30 September 2015	22,001
At 30 September 2014	22,001

Details of the principal subsidiaries can be found under note number 16.

9. Debtors

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	33,489	202,248	12,059	118,724
Amounts owed by group undertakings	-	-	93,711	74,547
Other debtors	683,855	564,320	656,763	543,792
Tax recoverable	176,499	133,637	176,499	133,637
	<u>893,843</u>	<u>900,205</u>	<u>939,032</u>	<u>870,700</u>

10. Creditors:

Amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Loan notes	124,209	-	-	-
Trade creditors	667,763	329,094	532,602	317,346
Amounts owed to group undertakings	-	-	82,772	79,018
Other taxation and social security	39,742	29,683	38,105	25,467
Other creditors	693,114	775,611	657,874	750,189
	<u>1,524,828</u>	<u>1,134,388</u>	<u>1,311,353</u>	<u>1,172,020</u>

The loan notes are unsecured and interest is charged at an annual interest rate of 11%.

Notes to the Financial Statements

For the year ended 30 September 2015

11. Creditors:

Amounts falling due after more than one year

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Unsecured Loans	280,000	350,000	280,000	350,000
Loan notes	91,915	129,567	-	-
	<u>371,915</u>	<u>479,567</u>	<u>280,000</u>	<u>350,000</u>

The loan notes are unsecured and interest is charged at an annual interest rate of 11%.

12. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
189,898 Ordinary shares of £1 each	189,898	189,898
116,630 Ordinary A shares of £1 each	116,630	116,630
125,677 Ordinary A1 shares of £0.10 each	12,568	12,568
253,399 Ordinary A2 shares of £0.001 each	253	253
269,862 Ordinary B shares of £0.001 each	270	-
	<u>319,619</u>	<u>319,349</u>

During the year 269,862 £0.01 Ordinary 'B' shares were issued for a premium of £9.263. This generated a share premium net of issue costs of £2,298,780.

13. Reserves

Group	Share premium account £	Foreign exchange reserve £	Shares to be issued £	Profit and loss account £
At 1 October 2014	8,460,638	67,646	-	(8,297,728)
Loss for the financial year	-	-	-	(2,548,688)
Premium on shares issued during the year	2,298,780	-	-	-
Movement on foreign exchange	-	(53,582)	-	-
Cash received for shares to be issued	-	-	1,279,658	-
At 30 September 2015	<u>10,759,418</u>	<u>14,064</u>	<u>1,279,658</u>	<u>(10,846,416)</u>

Notes to the Financial Statements

For the year ended 30 September 2015

13. Reserves (continued)

Company	Share premium account £	Shares to be issued £	Profit and loss account £
At 1 October 2014	8,460,638	-	(8,339,956)
Loss for the financial year	-	-	(2,439,823)
Premium on shares issued during the year	2,298,780	-	-
Cash received for shares to be issued	-	1,279,658	-
At 30 September 2015	<u>10,759,418</u>	<u>1,279,658</u>	<u>(10,779,779)</u>

Cash received for shares to be issued represents monies received in respect of the Series 'C' rights issue which was completed in October 2015.

14. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8 from the requirement to disclose transactions with group companies on the grounds that the companies are wholly owned subsidiaries of the company.

15. Post balance sheet events

In order to fund the future development of the business, new ordinary shares were issued post year end, raising a total of £1,500,000. £1,279,658 of the proceeds of this issue was received before the year end and has been reflected in 'Shares to be issued' within reserves.

16. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Michelson Diagnostics Inc	USA	100%	Supply and marketing of medical devices
Michelson Diagnostics Finance Limited	Isle of Man	100%	Supply and marketing of medical devices
Michelson Diagnostics GmbH	Germany	100%	Supply and marketing of medical devices
Michelson Diagnostics Finance UK Limited	United Kingdom	100%	Supply and marketing of medical devices

Notes to the Financial Statements

For the year ended 30 September 2015

17. Share based payments

At 30 September 2015, the company has issued approved and unapproved options to 9 and 4 directors and staff respectively to acquire ordinary shares in the company as follows:

	Date Granted	Number of Shares	Exercise Price £
Approved options	02/05/2008	2,880	1.00
	31/03/2011	3,790	1.00
	20/03/2012	318	1.00
	03/04/2013	21,864	1.00
	14/05/2014	23,631	1.00
Unapproved options	24/03/2011	5,234	1.00
	31/03/2011	2,000	1.00
	06/11/2011	670	1.00
	17/05/2012	5,596	1.00
	14/05/2014	19,288	1.00

There are no performance conditions attached to these options.

The options do not expire while an individual remains an employee of the company.

During the year 21,588 approved share options were issued on 1 February 2015 with an exercise price of £9.26. These options were cancelled prior to the year end in preparation of the share issue which occurred in October 2015.

Digital Contact Limited

Company Registration Number
08035366

Report of the Directors and
Abbreviated Unaudited Financial Statements

Period of accounts

Start date 01/05/2015

End date 30/04/2016

Digital Contact Limited

Contents of the Financial Statements
for the Period Ended 30 April 2016

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Report of the Accountants	4
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Digital Contact Limited

Company Information

for the Period Ended 30 April 2016

Directors

Mr G Mann
Mr L Harstad
Mr A Ware
Mr M Jenkins
Mr T Gaunt

Registered office

Unit 42 The Coach House
St Mary's Business Centre
Bexley Kent
DA5 1LU

Company Registration Number

08035366

Address

Unit 42 The Coach House
St Mary's Business Centre
Bexley Kent
DA5 1LU

Digital Contact Limited

Accountants' Report

for the Period Ended 30 April 2016

Independent accountants' report

Report to the directors on the preparation of the unaudited statutory accounts of the company for the period ended 30 April 2016. In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of the company for the period ended 30 April 2016 as set out on pages 3 to 10 which comprise of the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us. This report is made solely to the Board of Directors of the company, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the

accounts of the company and state those matters that we have agreed to state to the Board of Directors of the company, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors as a body for our work or for this report.

It is your duty to ensure the company has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit/(loss) of the company. You consider the company is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Pomfrey Accountants Limited
Unit 42 The Coach House
St Mary's Business Centre
Bexley Kent
DA5 1LU

Date

2016-07-13

Page 4

Digital Contact Limited

Balance Sheet

for the Period Ended 30 April 2016

Company registration number 08035366

	Notes	2016 £	2015 £
Fixed assets			
Tangible fixed assets	2	18,779	20,959
Total fixed assets		<u>18,779</u>	<u>20,959</u>
Current assets			
Debtors	3	230,781	218,300
Cash at bank and in hand		583,065	1,236,018
Total current assets/(liabilities)		<u>813,846</u>	<u>1,454,318</u>
Creditors			
Creditors - amounts falling due within one year	4	87,084	72,886
Net current assets		<u>726,762</u>	<u>1,381,432</u>
Total assets less current liabilities		<u>745,541</u>	<u>1,402,391</u>
Creditors - amounts falling due after more than one year	5	731,488	731,868
Long term creditors		<u>731,488</u>	<u>731,868</u>
Net assets/(liabilities)		<u>14,053</u>	<u>670,523</u>
Capital and reserves			
Called up share capital	6	13,889	13,889
Share premium		1,632,762	1,632,762
Profit and loss account	7	(1,632,598)	(976,128)
Total shareholders funds		<u>14,053</u>	<u>670,523</u>

Digital Contact Limited

Balance Sheet

for the Period Ended 30 April 2016

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

For the year ending 30 April 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Directors on

2016-07-13

SIGNED ON BEHALF OF THE BOARD BY

Name

Mr G Mann

The notes form part of these financial statements

Digital Contact Limited

Notes to the Financial Statements

for the Period Ended 30 April 2016

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective January 2015).

Going Concern

The company has a deficit on shareholders' funds and relies upon the support of its shareholders and creditors, which has been confirmed for a period of at least twelve months from the approval of the financial statements. Accordingly the directors have prepared the financial statements on the going concern basis.

Tangible fixed assets Depreciation

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

Research and Development

Expenditure on research and development is written off in the year in which it is incurred.

Digital Contact Limited
Notes to the Financial Statements
for the Period Ended 30 April 2016
2. Tangible fixed assets

	Office equipment	Motor vehicles	Total
Cost	£	£	£
At 1 May 2015	6,116	19,816	25,932
Additions	1,773		1,773
	<hr/>	<hr/>	<hr/>
At 30 April 2016	7,889	19,816	27,705
Depreciation			
At 1 May 2015	2,992	1,981	4,973
Charge for year	1,972	1,981	3,953
	<hr/>	<hr/>	<hr/>
At 30 April 2016	4,964	3,962	8,926
Net book value			
At 30 April 2016	2,925	15,854	18,779
At 30 April 2015	3,124	17,835	20,959

Digital Contact Limited
Notes to the Financial Statements
for the Period Ended 30 April 2016

3. Debtors	2016	2015
Trade debtors	17,040	
Other debtors	207,627	180,029
Prepayments and accrued income	6,114	38,271
	<u> </u>	<u> </u>
Total	230,781	218,300
4. Creditors amounts falling due within one year	2016	2015
Trade creditors	39,424	50,769
Other taxation and social security	7,661	9,118
Accruals and deferred income	39,999	12,999
	<u> </u>	<u> </u>
Total	87,084	72,886
5. Creditors amounts falling due after more than one year	2016	2015
Other creditors	731,488	731,868
	<u> </u>	<u> </u>
Total	731,488	731,868

Digital Contact Limited
Notes to the Financial Statements
for the Period Ended 30 April 2016

		2016	2015
6. Share capital			
Authorised type	Par value	£	£
Ordinary	1	13,889	13,889
Total		<u>13,889</u>	<u>13,889</u>
Allotted, called up and paid			
Ordinary		£ 13,889	£ 13,889
Total		<u>13,889</u>	<u>13,889</u>
7. Reserves/Retained profit			
Retained profit reconciliation		£	
Reserves at 1 May 2015		(976,128)	
Profit/(Loss) for year		(656,470)	
Dividends paid			
Retained Profit/(Loss) at 30 April 2016		<u>(1,632,598)</u>	

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

Registered number: 07191036

Venomtech Limited

Unaudited

Abbreviated accounts

For the year ended 31 August 2015



Venomtech Limited

The following reproduces the text of the Chartered accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 4) have been prepared.

Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Venomtech Limited for the year ended 31 August 2015

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Venomtech Limited for the year ended 31 August 2015 which comprise the Profit and loss account, the Balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/regulations.

This report is made solely to the Board of directors of Venomtech Limited, as a body, in accordance with the terms of our engagement letter dated 23 May 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Venomtech Limited and state those matters that we have agreed to state to the Board of directors of Venomtech Limited, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Venomtech Limited and its Board of directors, as a body, for our work or for this report.

It is your duty to ensure that Venomtech Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and loss. You consider that Venomtech Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Venomtech Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Kreston Reeves LLP

Chartered Accountants

Office 20, Second Floor
Innovation House
Ramsgate Road
Sandwich
Kent
CT13 9FF

29 January 2016

Venomtech Limited
Registered number: 07191036

Abbreviated balance sheet
As at 31 August 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	2		16,145		12,743
Current assets					
Stocks		14,285		6,360	
Debtors		17,992		14,307	
Cash at bank and in hand		23,007		14,385	
			<u>55,284</u>	<u>35,052</u>	
Creditors: amounts falling due within one year	3	(16,823)		(20,476)	
Net current assets			<u>38,461</u>		<u>14,576</u>
Total assets less current liabilities			<u>54,606</u>		<u>27,319</u>
Creditors: amounts falling due after more than one year			<u>(87,896)</u>		<u>(76,867)</u>
Net liabilities			<u><u>(33,290)</u></u>		<u><u>(49,548)</u></u>
Capital and reserves					
Called up share capital	4		162		133
Share premium account			473,244		268,809
Profit and loss account			(506,696)		(318,490)
Shareholders' deficit			<u><u>(33,290)</u></u>		<u><u>(49,548)</u></u>

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 August 2015 and of its loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 29 January 2016.



Mr S A Trim
 Director

The notes on pages 3 to 4 form part of these financial statements.

**Notes to the abbreviated accounts
For the year ended 31 August 2015**

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance

1.4 Operating leases

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

1.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 Research and development

Research and development expenditure is written off in the year in which it is incurred.

Venomtech Limited

Notes to the abbreviated accounts For the year ended 31 August 2015

2. Tangible fixed assets

	£
Cost	
At 1 September 2014	30,367
Additions	8,784
	<hr/>
At 31 August 2015	39,151
	<hr/>
Depreciation	
At 1 September 2014	17,624
Charge for the year	5,382
	<hr/>
At 31 August 2015	23,006
	<hr/>
Net book value	
At 31 August 2015	16,145
	<hr/> <hr/>
At 31 August 2014	12,743
	<hr/> <hr/>

3. Creditors: Amounts falling due within one year

The bank overdraft of £136 is secured by way of a debenture.

4. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
16,097 (2014 - 13,241) Ordinary shares of £0.01 each	160.97	132.41
56 Non-diluting shares of £0.01 each	0.56	0.56
	<hr/>	<hr/>
	162	133
	<hr/> <hr/>	<hr/> <hr/>

During the year, 2,856 Ordinary shares of £0.01 each were allotted with an aggregate nominal value of £28.56. The shares were fully paid up during the period.

Registered Number 08939210

MEAD VT GROUP HOLDINGS LIMITED

Dormant Accounts

31 March 2015

Balance Sheet as at 31 March 2015

	2015
	£
Current assets	
Cash at bank and in hand	200
Net assets	200
Issued share capital	
200 Ordinary Shares of £1 each	200
Total Shareholder funds	200

STATEMENTS

- a. For the year ending 31 March 2015 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.
- b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- c. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- d. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 14 December 2015

And signed on their behalf by:

BARRY CLIFFORD MEAD, Director

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Registered Number 08188033

Flute Office Limited

Abbreviated Accounts

31 August 2015

Balance Sheet as at 31 August 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets	2				
Intangible			165,895		116,527
Tangible			12,609		6,649
			<u>178,504</u>		<u>123,176</u>
Current assets					
Stocks		52,161		33,787	
Debtors		21,947		33,556	
Cash at bank and in hand		98,416		28,986	
Total current assets		<u>172,524</u>		<u>96,329</u>	
Creditors: amounts falling due within one year		(699,696)		(604,996)	
Net current assets (liabilities)			(527,172)		(508,667)
Total assets less current liabilities			<u>(348,668)</u>		<u>(385,491)</u>
Total net assets (liabilities)			<u>(348,668)</u>		<u>(385,491)</u>
Capital and reserves					
Called up share capital	4		1,474		1,333

Share premium account	647,322	349,492
Profit and loss account	(997,464)	(736,316)
Shareholders funds	<u>(348,668)</u>	<u>(385,491)</u>

- a. For the year ending 31 August 2015 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- c. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- d. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board on 05 February 2016

And signed on their behalf by:

Mrs M S L Fountain, Director

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1068 of the Companies Act 2006.

Notes to the Abbreviated Accounts

For the year ending 31 August 2015

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

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

Research and development

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition, subject to the constraint that, unless the asset has a readily ascertainable market value, the fair value is limited to an amount that does not create or increase any negative goodwill arising on the acquisition. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred. Intangible assets are amortised on a straight line basis over their estimated useful lives up to a maximum of 20 years. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

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

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant & Machinery	25% Straight Line
Office & Computer Equipment	25% Straight Line

2 **Fixed Assets**

	Intangible Assets	Tangible Assets	Total
	£	£	£
Cost or valuation			
At 01 September 2014	116,527	11,320	127,847
Additions	49,368	11,160	60,528
At 31 August 2015	<u>165,895</u>	<u>22,480</u>	<u>188,375</u>
 Depreciation			
At 01 September 2014		4,671	4,671
Charge for year		5,200	5,200
At 31 August 2015		<u>9,871</u>	<u>9,871</u>
 Net Book Value			
At 31 August 2015	165,895	12,609	178,504
At 31 August 2014	<u>116,527</u>	<u>6,649</u>	<u>123,176</u>

3 **Creditors: amounts falling due after more than one year**

4 **Share capital**

	2015	2014
	£	£
Authorised share capital:		
14741 Ordinary of £0.10 each	1,474	1,333
 Allotted, called up and fully paid:		
14741 Ordinary of £0.10 each	1,474	1,333
 Ordinary shares issued in the year:		

1414 Ordinary Shares of £0.10 each were issued in the year with a nominal value of £141, for a consideration of £141

The company issued a further:- 145 Ordinary 10p shares on 30th October 2014 for £206.353931 per share and 709 Ordinary 10p shares on 5th March 2015 for £141.043724 per share and 560 Ordinary 10p shares on 18th August for £300.09 per share.

Company Registration No. SC453579 (Scotland)

TC BIOPHARM LIMITED
UNAUDITED ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2015

TC BIOPHARM LIMITED

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TC BIOPHARM LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 JULY 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	2		532,634		231,387
Current assets					
Debtors		104,514		87,658	
Cash at bank and in hand		640,970		511,879	
		<u>745,484</u>		<u>599,537</u>	
Creditors: amounts falling due within one year		<u>(363,019)</u>		<u>(25,230)</u>	
Net current assets			382,465		574,307
Total assets less current liabilities			<u>915,099</u>		<u>805,694</u>
Creditors: amounts falling due after more than one year			(329,853)		(250,000)
Accruals and deferred income			<u>(77,000)</u>		<u>(88,000)</u>
			<u>508,246</u>		<u>467,694</u>
Capital and reserves					
Called up share capital	3		981,522		735,000
Share premium account			694,004		-
Profit and loss account			<u>(1,167,280)</u>		<u>(267,306)</u>
Shareholders' funds			<u>508,246</u>		<u>467,694</u>

TC BIOPHARM LIMITED

ABBREVIATED BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2015

For the financial year ended 31 July 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on 29 April 2016

Dr Michael David Leek
Director

Company Registration No. SC453579

TC BIOPHARM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

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

Plant and machinery	10% straight line
Computer equipment	20% straight line
Fixtures, fittings & equipment	25% straight line

2 Fixed assets

	Tangible assets
	£
Cost	
At 1 August 2014	259,615
Additions	366,440
	<hr/>
At 31 July 2015	626,055
	<hr/>
Depreciation	
At 1 August 2014	28,228
Charge for the year	65,193
	<hr/>
At 31 July 2015	93,421
	<hr/>
Net book value	
At 31 July 2015	532,634
	<hr/> <hr/>
At 31 July 2014	231,387
	<hr/> <hr/>

TC BIOPHARM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

3	Share capital	2015	2014
		£	£
	Allotted, called up and fully paid		
	981,522 Ordinary Shares of £1 each	981,522	735,000
		<u>981,522</u>	<u>735,000</u>

During the year ordinary shares of £1 each were issued as follows - 165,925 at £4.08 per share and 80,597 at £3.27 per share.

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Company Registration No. 08485006 (England and Wales)

VIRAMAL LIMITED
UNAUDITED ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2016



VIRAMAL LIMITED

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VIRAMAL LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30 APRIL 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Intangible assets	2		560,368		633,782
Tangible assets	2		1,472		956
			<u>561,840</u>		<u>634,738</u>
Current assets					
Debtors		184,464		138,516	
Cash at bank and in hand		707,306		13,085	
		<u>891,770</u>		<u>151,601</u>	
Creditors: amounts falling due within one year		<u>(424,533)</u>		<u>(200,028)</u>	
Net current assets/(liabilities)			<u>467,237</u>		<u>(48,427)</u>
Total assets less current liabilities			<u>1,029,077</u>		<u>586,311</u>
Creditors: amounts falling due after more than one year			<u>-</u>		<u>(179,289)</u>
			<u>1,029,077</u>		<u>407,022</u>
			<u><u>1,029,077</u></u>		<u><u>407,022</u></u>
Capital and reserves					
Called up share capital	3		26,989		25,135
Share premium account			3,081,347		1,321,654
Profit and loss account			(2,079,259)		(939,767)
Shareholders' funds			<u>1,029,077</u>		<u>407,022</u>
			<u><u>1,029,077</u></u>		<u><u>407,022</u></u>

VIRAMAL LIMITED

ABBREVIATED BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2016

For the financial year ended 30 April 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on ...6/1/2017


.....
Mr P Fitzwilliam
Director

Company Registration No. 08485006

VIRAMAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Intellectual property

Intellectual property is valued at cost less amortisation. Amortisation is calculated to write off the cost over the estimated useful lives of intellectual property acquired.

1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.5 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:

Computer equipment	33.33% straight line
--------------------	----------------------

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

VIRAMAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 May 2015	740,794	1,871	742,665
Additions	100,000	1,185	101,185
At 30 April 2016	840,794	3,056	843,850
Depreciation			
At 1 May 2015	107,012	915	107,927
Charge for the year	173,414	669	174,083
At 30 April 2016	280,426	1,584	282,010
Net book value			
At 30 April 2016	560,368	1,472	561,840
At 30 April 2015	633,782	956	634,738

3 Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
2,698,968 (2015: 2,513,542) Ordinary shares of 1p each	26,989	25,135

During the year 185,426 Ordinary shares of £0.01 per share were allotted and fully paid for a premium of £9.49 per share.

Registered Number 08477656

FUTURENOVA LIMITED

Micro-entity Accounts

30 April 2016

Micro-entity Balance Sheet as at 30 April 2016

	<i>Notes</i>	<i>2016</i>	<i>2015</i>
		£	£
Called up share capital not paid		-	-
Fixed Assets		126,635	57,694
Current Assets		133,024	279,558
Prepayments and accrued income		-	-
Creditors: amounts falling due within one year		(46,560)	(37,934)
Net current assets (liabilities)		<u>86,464</u>	<u>241,624</u>
Total assets less current liabilities		<u>213,099</u>	<u>299,318</u>
Creditors: amounts falling due after more than one year		(168,571)	(198,572)
Provisions for liabilities		0	0
Accruals and deferred income		(67,300)	(19,652)
Total net assets (liabilities)		<u>(22,772)</u>	<u>81,094</u>
Capital and reserves		<u>(22,772)</u>	<u>81,094</u>

- For the year ending 30 April 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the 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 accounts.
- The accounts have been prepared in accordance with the micro-entity provisions and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 30 January 2017

And signed on their behalf by:

Michael Casey, Director

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

Abbreviated Unaudited Accounts
for the Year Ended 31 July 2016
for
ANCON TECHNOLOGIES LTD

Contents of the Abbreviated Accounts
for the Year Ended 31 July 2016

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ANCON TECHNOLOGIES LTD

Company Information
for the Year Ended 31 July 2016

DIRECTORS:	Dr B Gorbunov Dr R B Muir Mr W J Baker Ms S C Wild
REGISTERED OFFICE:	Canterbury Innovation Centre University Road Canterbury Kent CT2 7FG
REGISTERED NUMBER:	04645054 (England and Wales)
ACCOUNTANTS:	Michael Martin Partnership Limited Chartered Certified Accountants 18 Canterbury Road Whitstable Kent CT5 4EY
BANKERS:	Nat West 11 The Parade Canterbury Kent CT1 2SQ

ANCON TECHNOLOGIES LTD (REGISTERED NUMBER: 04645054)

Abbreviated Balance Sheet
31 July 2016

	Notes	31.7.16 £	£	31.7.15 £	£
FIXED ASSETS					
Tangible assets	2		78,251		6,692
CURRENT ASSETS					
Stocks		-		82,240	
Debtors		386,018		156,510	
Cash at bank and in hand		<u>621,703</u>		<u>182,116</u>	
		1,007,721		420,866	
CREDITORS					
Amounts falling due within one year		<u>230,862</u>		<u>61,427</u>	
NET CURRENT ASSETS			<u>776,859</u>		<u>359,439</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			855,110		366,131
CREDITORS					
Amounts falling due after more than one year			<u>117,500</u>		<u>430,000</u>
NET ASSETS/(LIABILITIES)			<u>737,610</u>		<u>(63,869)</u>
CAPITAL AND RESERVES					
Called up share capital	3		243		200
Share premium			964,957		-
Profit and loss account			<u>(227,590)</u>		<u>(64,069)</u>
SHAREHOLDERS' FUNDS			<u>737,610</u>		<u>(63,869)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The notes form part of these abbreviated accounts

Abbreviated Balance Sheet - continued
31 July 2016

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 13 October 2016 and were signed on its behalf by:

Dr R B Muir - Director

Notes to the Abbreviated Accounts
for the Year Ended 31 July 2016

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 25% on cost
Computer equipment - 25% on reducing balance

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. **TANGIBLE FIXED ASSETS**

	Total £
COST	
At 1 August 2015	10,462
Additions	<u>92,710</u>
At 31 July 2016	<u>103,172</u>
DEPRECIATION	
At 1 August 2015	3,770
Charge for year	<u>21,151</u>
At 31 July 2016	<u>24,921</u>
NET BOOK VALUE	
At 31 July 2016	<u>78,251</u>
At 31 July 2015	<u>6,692</u>

3. **CALLED UP SHARE CAPITAL**

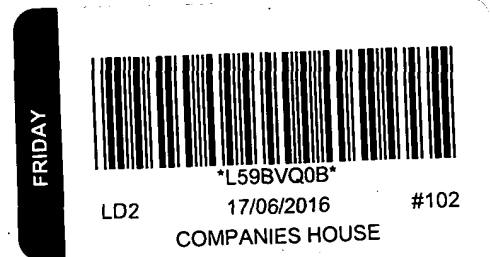
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:		
2,428,888	Ordinary A	0.01p	31.7.16 £ <u>243</u>	31.7.15 £ <u>-</u>

428,888 Ordinary A shares of 0.01p were issued during the year for cash of £ 43 .

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Company Registration No. 08879741 (England and Wales)

CENTAURI THERAPEUTICS LIMITED
FORMERLY ALTERMUNE LIMITED
UNAUDITED ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016



**CENTAURI THERAPEUTICS LIMITED
FORMERLY ALTERMUNE LIMITED
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CENTAURI THERAPEUTICS LIMITED
FORMERLY ALTERMUNE LIMITED
ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Intangible assets	2		126,665		-
Tangible assets	2		49,679		2,948
Investments	2		501		-
			<u>176,845</u>		<u>2,948</u>
Current assets					
Debtors		525,007		65,086	
Cash at bank		190,980		19,426	
		<u>715,987</u>		<u>84,512</u>	
Creditors: amounts falling due within one year		<u>(202,029)</u>		<u>(114,997)</u>	
Net current assets/(liabilities)			<u>513,958</u>		<u>(30,485)</u>
Total assets less current liabilities			<u>690,803</u>		<u>(27,537)</u>
Creditors: amounts falling due after more than one year			-		(128,966)
			<u>690,803</u>		<u>(156,503)</u>
Capital and reserves					
Called up share capital	3		121		100
Share premium account			2,028,380		-
Profit and loss account			(1,337,698)		(156,603)
Shareholders' funds			<u>690,803</u>		<u>(156,503)</u>

**CENTAURI THERAPEUTICS LIMITED
FORMERLY ALTERMUNE LIMITED
ABBREVIATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2016**

For the financial year ended 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on 9/6/16....



S J Lawson
Director

Company Registration No. 08879741

**CENTAURI THERAPEUTICS LIMITED
FORMERLY ALTERMUNE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

1.3 Turnover

Revenue is recognised when the service is performed to the extent that it is probable that economic benefits will flow into the Company, excludes value added tax and arises solely in the United Kingdom.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on a straight line basis at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	25%
Fixtures, fittings & equipment	25%

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

CENTAURI THERAPEUTICS LIMITED
FORMERLY ALTERMUNE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
At 1 April 2015	-	3,127	-	3,127
Additions	144,760	56,124	501	201,385
At 31 March 2016	144,760	59,251	501	204,512
Depreciation				
At 1 April 2015	-	179	-	179
Charge for the period	18,095	9,393	-	27,488
At 31 March 2016	18,095	9,572	-	27,667
Net book value				
At 31 March 2016	126,665	49,679	501	176,845
At 31 March 2015	-	2,948	-	2,948

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Avvinity Therapeutics Limited	England and Wales	A Ordinary	66.67
Centauri RX, Inc.	U.S.	Common Stock	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2016 £	Profit/(loss) for the year 2016 £
	Principal activity		
Avvinity Therapeutics Limited	Development of therapeutics	-	-
Centauri RX, Inc.	Development of therapeutics	(13,797)	(13,797)

No accounts have been prepared in relation to Avvinity Therapeutics Limited as at the date of signing these accounts.

**CENTAURI THERAPEUTICS LIMITED
FORMERLY ALTERMUNE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

3 Share capital	2016	2015
	£	£
Allotted, called up and fully paid		
50,187 Ordinary shares of £0.002411 each	121	100
	<u> </u>	<u> </u>

On 15 June 2015, the company sub-divided 100 Ordinary shares of £1 each for 41,480 Ordinary shares of £0.002411.

On 30 July 2015, the company issued 474 Ordinary shares of £0.002411 each for £168.759 per Ordinary share.

On 12 November 2015, the company issued 4,129 Ordinary shares of £0.002411 each for £241.080 per Ordinary share.

On 24 December 2015, the company issued 2,916 Ordinary shares of £0.002411 each for £241,080 per Ordinary share.

On 23 March 2016, the company issued 1,037 Ordinary shares of £0.002411 each for £241.080 per Ordinary share.

Registered Number 07514422

COOMTECH LTD

Abbreviated Accounts

29 February 2016

Abbreviated Balance Sheet as at 29 February 2016

	<i>Notes</i>	<i>2016</i>	<i>2015</i>
		£	£
Called up share capital not paid		-	-
Fixed assets			
Intangible assets	2	61,862	14,686
Tangible assets	3	22,132	22,132
Investments	4	-	-
		<u>83,994</u>	<u>36,818</u>
Current assets			
Stocks		-	-
Debtors	5	-	-
Investments		-	-
Cash at bank and in hand		580,831	30,778
		<u>580,831</u>	<u>30,778</u>
Prepayments and accrued income		-	-
Creditors: amounts falling due within one year	6	(29,107)	0
Net current assets (liabilities)		<u>551,724</u>	<u>30,778</u>
Total assets less current liabilities		<u>635,718</u>	<u>67,596</u>
Creditors: amounts falling due after more than one year	6	(440,000)	0
Provisions for liabilities		0	0
Accruals and deferred income		0	(11,263)
Total net assets (liabilities)		<u>195,718</u>	<u>56,333</u>
Capital and reserves			
Called up share capital	7	70,675	41,232
Share premium account		716,434	120,877
Revaluation reserve		0	0
Other reserves		0	0
Profit and loss account		(591,391)	(105,776)
Shareholders' funds		<u>195,718</u>	<u>56,333</u>

- For the year ending 29 February 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 30 November 2016

And signed on their behalf by:

Peter Anderson, Director

Christopher Every, Director

Notes to the Abbreviated Accounts for the period ended 29 February 2016

1 Accounting Policies

Basis of measurement and preparation of accounts

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities effective April 2008.

2 Intangible fixed assets

	£
Cost	
At 1 March 2015	15,838
Additions	49,931
Disposals	0
Revaluations	0
Transfers	0
At 29 February 2016	<u>65,769</u>
Amortisation	
At 1 March 2015	1,152
Charge for the year	2,755
On disposals	-
At 29 February 2016	<u>3,907</u>
Net book values	
At 29 February 2016	<u>61,862</u>
At 28 February 2015	<u>14,686</u>

3 Tangible fixed assets

	£
Cost	
At 1 March 2015	22,132
Additions	0
Disposals	0
Revaluations	0
Transfers	0
At 29 February 2016	<u>22,132</u>
Depreciation	
At 1 March 2015	0
Charge for the year	0
On disposals	0
At 29 February 2016	<u>0</u>
Net book values	
At 29 February 2016	<u>22,132</u>

At 28 February 2015

22,132

4 **Fixed assets Investments**

None made

5 **Debtors**

	<i>2016</i>	<i>2015</i>
	£	£

Debtors include the following amounts due after more than one year	19,647	0
--	--------	---

VAT Returns repayable to Coomtech

6 **Creditors**

	<i>2016</i>	<i>2015</i>
	£	£

Secured Debts	440,000	0
Instalment debts due after 5 years	0	0
Non-instalment debts due after 5 years	0	0

7 **Called Up Share Capital**

Allotted, called up and fully paid:

	<i>2016</i>	<i>2015</i>
	£	£

70,675 Ordinary shares of £1 each (41,232 shares for 2015)	70,675	41,232
--	--------	--------

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

REGISTERED NUMBER: 06523286 (England and Wales)

**Report of the Directors and
Financial Statements
for the Year Ended 31 March 2016
for
Kent PFI Holdings Company 1 Limited**



**Contents of the Financial Statements
for the year ended 31 March 2016**

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Kent PFI Holdings Company 1 Limited

**Company Information
for the year ended 31 March 2016**

DIRECTORS:

P Andrews
J A Hansen
C M Head
S R Shah

REGISTERED OFFICE:

Two London Bridge
London
SE1 9RA

REGISTERED NUMBER:

06523286 (England and Wales)

AUDITOR:

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

**Report of the Directors
for the year ended 31 March 2016**

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company. The Company has been established for the single purpose of holding shares in a subsidiary company and generating a pledge over such shares to a third party lender. The Company provides subordinated debt to its subsidiary undertaking, Kent PFI Company 1 Limited.

REVIEW OF BUSINESS

The profit for the financial year of £200,000 (2015: £400,000) has been transferred to reserves.

Both the level of business and the year end financial positions were in line with budgets and expectations.

FUTURE DEVELOPMENTS

The company will continue to act as holding company to Kent PFI Company 1 Limited.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the business are that the value of investment in the undertaking, which is dependent on the success of the underlying project, might be less than anticipated and the risk that Kent PFI Company 1 Limited might have to inject cash into the undertaking to maintain its value. The directors manage this risk through close involvement in the management of the underlying project and regular monitoring of its performance.

DIVIDENDS

The directors have authorised the payment of a dividend of £200,000 (2015: £400,000).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

P Andrews
J A Hansen
C M Head
S R Shah

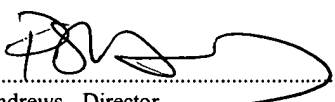
DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the company's auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the 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:


.....
P Andrews - Director

Date: 17 May 2016

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

**Statement of Directors' Responsibilities
for the year ended 31 March 2016**

The directors are responsible for preparing the Report of the Directors 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard in the UK and Republic of Ireland.

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 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; 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 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
Kent PFI Holdings Company 1 Limited**

We have audited the financial statements of Kent PFI Holdings Company 1 Limited for the year ended 31 March 2016 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 March 2016 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.

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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



James Tracey (Senior Statutory Auditor)
for and on behalf of KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Date: 20 May 2016

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

**Statement of Comprehensive Income
for the year ended 31 March 2016**

	Notes	2016 £'000	2015 £'000
TURNOVER		<u>-</u>	<u>-</u>
OPERATING PROFIT	2	-	-
Income from subsidiary undertaking	3	200	400
Interest receivable and similar income	4	<u>893</u>	<u>898</u>
		1,093	1,298
Interest payable and similar charges	5	<u>(893)</u>	<u>(898)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		200	400
Tax on profit on ordinary activities	6	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		200	400
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>200</u></u>	<u><u>400</u></u>

Continuing Operations

All items in the above derive from continuing operations.

The notes form part of these financial statements

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

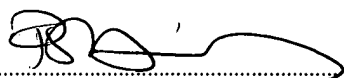
Balance Sheet
31 March 2016

	Notes	2016 £'000	2015 £'000
FIXED ASSETS			
Investments	8	10	10
CURRENT ASSETS			
Debtors: amounts falling due within one year	9	586	557
Debtors: amounts falling due after more than one year	9	<u>7,260</u>	<u>7,365</u>
		7,846	7,922
CREDITORS			
Amounts falling due within one year	10	<u>(586)</u>	<u>(557)</u>
NET CURRENT ASSETS		<u>7,260</u>	<u>7,365</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,270	7,375
CREDITORS			
Amounts falling due after more than one year	11	<u>(7,260)</u>	<u>(7,365)</u>
NET ASSETS		<u>10</u>	<u>10</u>
CAPITAL AND RESERVES			
Called up share capital	12	<u>10</u>	<u>10</u>
SHAREHOLDERS' FUNDS	17	<u>10</u>	<u>10</u>

The financial statements were approved by the Board of Directors on
by:

17 May 2016

and were signed on its behalf



P Andrews - Director

The notes form part of these financial statements

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

**Statement of Changes in Equity
for the year ended 31 March 2016**

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2014	10	-	10
Dividends (note 7)	-	(400)	(400)
Total comprehensive income	-	400	400
Balance at 31 March 2015	<u>10</u>	<u>-</u>	<u>10</u>
Changes in equity			
Dividends (note 7)	-	(200)	(200)
Total comprehensive income	-	200	200
Balance at 31 March 2016	<u>10</u>	<u>-</u>	<u>10</u>

The notes form part of these financial statements

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

**Notes to the Financial Statements
for the year ended 31 March 2016**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared under the historical cost convention and in accordance with UK Accounting Standards, and are presented in pound sterling which is the functional currency of the company.

Statement of compliance

Kent PFI Holdings Company 1 Limited is a limited company incorporated in England. The Registered Office is Two London Bridge, London SE1 9RA. The financial statements have been prepared in compliance with FRS 102 and the Companies Act 2006 for the year ended 31 March 2015.

The company transitioned from previously UK GAAP to FRS 102 as at 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 16.

Financial reporting standard 102 - reduced disclosure exemptions

The company is a qualifying entity as defined by FRS 102. Consequently, the company has taken advantage of the disclosure exemption set out in Section 1.12 not to prepare a statement of cashflows.

Preparation of consolidated financial statements

The financial statements contain information about Kent PFI Holdings Company 1 Limited, as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in consolidated financial statements of its International Public Partnerships Limited Partnership.

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 believe the going concern basis to be appropriate as Kent PFI Company 1 Limited has committed banking facilities to cover all projected expenditure during construction and is sufficiently cash generative thereafter to fully repay the debt and other expenses.

Investments

Investments are stated at cost less provision for any impairment in value.

Related party disclosures

The company has taken advantage of the exemption in Section 33.1 A Related Party Disclosures not to disclose related party transactions between two or more members of a group provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in the administrative expenses.

Interest receivable and similar income

Interest receivable is credited to the profit and loss account as it is earned.

Interest payable and similar charges

Interest payable is charged to the profit and loss account as it is incurred.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

2. OPERATING PROFIT

The directors received no salary, fees or other benefits in the performance of their duties in respect of their services to the company (2015: £nil). The audit fee of £700 (2015: £700) for the company is borne by Kent PFI Company 1 Limited.

3. INCOME FROM SUBSIDIARY UNDERTAKING

	2016	2015
	£'000	£'000
Dividends received from subsidiary undertaking	<u>200</u>	<u>400</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2016

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016 £'000	2015 £'000
Interest receivable from subsidiary undertaking	<u>893</u>	<u>898</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £'000	2015 £'000
Interest payable to parent undertaking	<u>893</u>	<u>898</u>
	<u>893</u>	<u>898</u>

6. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2016 nor for the year ended 31 March 2015.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £'000	2015 £'000
Profit on ordinary activities before tax	<u>200</u>	<u>400</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	40	84
Effects of: Income not taxable for tax purposes	<u>(40)</u>	<u>(84)</u>
Total tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The UK corporation tax rate reduced to 20% from April 2015. The rate will reduce to 19% from April 2017, and will reduce further to 18% from April 2020. As at the balance sheet date, these future tax reductions had been "substantively enacted" and hence in accordance with accounting standards, this has been reflected in the company's financial statements at 31 March 2016. The rate changes will impact the amount of future tax payments to be made by the company. There is no recognised or unrecognised deferred tax asset (2015: £nil).

7. DIVIDENDS

	2016 £'000	2015 £'000
Ordinary shares of £1 each Final	<u>200</u>	<u>400</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2016

8. **FIXED ASSET INVESTMENTS**

	Interest in subsidiary undertakings £'000
COST	
At 1 April 2015 and 31 March 2016	<u>10</u>
NET BOOK VALUE	
At 31 March 2016	<u>10</u>
At 31 March 2015	<u>10</u>

Shares in subsidiary undertaking represent a holding of 100% of the ordinary share capital of Kent PFI Company 1 Limited. This company is incorporated in the United Kingdom, and its sole purpose is the design, build, maintenance and operation of a series of schools in the Kent area.

9. **DEBTORS**

	2016 £'000	2015 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	<u>586</u>	<u>557</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>7,260</u>	<u>7,365</u>
Aggregate amounts	<u>7,846</u>	<u>7,922</u>

Amounts owed by group undertakings are repayable in instalments on or before September 2035. The loan is unsecured and bears interest at 12%.

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £'000	2015 £'000
Amounts owed to group undertakings	340	323
Amounts owed to participating interests	<u>246</u>	<u>234</u>
	<u>586</u>	<u>557</u>

11. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2016 £'000	2015 £'000
Amounts owed to group undertakings	4,211	4,272
Amounts owed to participating interests	<u>3,049</u>	<u>3,093</u>
	<u>7,260</u>	<u>7,365</u>

Amounts owed to group undertakings comprise loan stock of £4,293,000 (2015: £4,334,000) from Building Schools for the Future Investments LLP. Amounts owed to participating interests comprise of £3,108,000 (2015: £3,139,000) from Kent County Council. These borrowings bear interest at 12% per annum and are repayable in instalments on or before September 2035. There was £445,000 (2015: £448,000) of accrued interest on these loans outstanding at the year end.

Notes to the Financial Statements - continued
for the year ended 31 March 2016

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2016	2015
Number:	Class:		£	£
10,000	ordinary shares	£1	10,000	10,000
			<u>10,000</u>	<u>10,000</u>

13. RESERVES

	Retained earnings £'000
Profit for the year	200
Dividends (note 7)	<u>(200)</u>
At 31 March 2016	<u>-</u>

14. RELATED PARTY DISCLOSURES

During the year ended 31 March 2016, the company recognised interest of £375,000 (2015: £431,000) during the year payable to Kent County Council, which has significant influence in the company. The company owed Kent County Council £187,000 (2015: £234,000) at the year end.

15. POST BALANCE SHEET EVENTS

There have been no material post balance sheet events which would require disclosure or adjustment to these financial statements.

16. ULTIMATE CONTROLLING PARTY

The directors regard Building Schools for the Future Investments LLP, an entity incorporated in England and Wales as the immediate parent undertaking and controlling party and International Public Partnerships Limited a company registered in Guernsey as the ultimate parent undertaking and controlling party. Copies of the consolidated financial statements of International Public Partnerships Limited Partnership (the smallest and largest group of which the company is a member and for which group financial statements are prepared) can be obtained from the registered address at Two London Bridge, London, SE1 9RA.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2016 £'000	2015 £'000
Profit for the financial year	200	400
Dividends (note 7)	(200)	(400)
Opening shareholders' funds	<u>10</u>	<u>10</u>
Closing shareholders' funds	<u>10</u>	<u>10</u>

18. FIRST YEAR ADOPTION

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 April 2015. There were no changes in accounting policies and no material impact on the company arising from the transition to FRS 102.

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By: John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement
 Andy Wood, Corporate Director of Finance & Procurement

To: Governance and Audit Committee Trading Activities Sub Committee - 28 February 2017

Subject: Consolidated Commercial Services 2015-16

Classification: Unrestricted

Summary: To present the consolidated Commercial Services position for 2015-16.

FOR ASSURANCE

1 INTRODUCTION

- 1.1 As per its Terms of Reference, the Governance and Audit Committee Trading Activities Sub Committee has a responsibility each year to 'Receive and review the annual statutory financial accounts of any KCC limited companies and financial statements for other trading vehicles and to consider corrective action where appropriate'.
- 1.2 Copies of the latest Statutory Accounts for Commercial Services (for 2015-16) are included as an appendix to the report should the Members' wish to review and consider them.

2 CONSOLIDATED COMMERCIAL SERVICES POSITION

- 2.1 Table 1 below shows the key financial highlights for 2015-16 of KCC traded activities managed by Commercial Services (Kent) Limited, as shown in Note 33 of KCC's Statement of Accounts.

Table 1:

	Turnover	Expenditure	Surplus/ (deficit)
	£'000	£'000	£'000
KCS - education and office supplies	56,079	52,891	3,188
Brokerage services	259,760	258,602	1,158
Direct Services	885	871	14
Results for the year ended 31 March 2016	316,724	312,364	4,360

Loss on disposal of Fixed Assets			(29)
Contribution from reserves			2,369
Total Contribution to KCC y/e 31/3/16			6,700

2.2 For comparator purposes the 2014-15 results are shown in Table 2 below:

Table 2:

	Turnover £'000	Expenditure £'000	Surplus/ (deficit) £'000
KCS - education and office supplies	57,633	54,030	3,603
Brokerage services	257,492	255,435	2,057
Direct Services	300	435	(135)
Results for the year ended 31 March 2015	315,425	309,900	5,525
Contribution from reserves			575
Total Contribution to KCC y/e 31/3/15			6,100

2.3 It should be noted that the KCC – Commercial Services accounts are accounted for on the same basis as local authority accounts rather than on a commercial accounts basis. However, the total net worth provides a reasonable representation for the consolidated group.

2.4 Commercial Services declared a contribution of £6,700k for 2015-16 which was recognised in the Council's accounts as a debtor.

2.5 Table 3 below shows the 2015-16 Commercial Services Legal entity results and for comparator purposes the 2014-15 results are shown in Table 4.

Table 3:

2015-2016 Commercial Services Legal entity results

	Turnover £'000	Expenditure including interest and tax £'000	Surplus/ (Loss) after tax £'000
Commercial Services Kent Limited	53,720	53,528	192
Commercial Services Trading Limited	18,034	17,878	156
Kent Top Temps Limited		(151)	151

Table 4:

2014-2015 Commercial Services Legal entity results

	Turnover	Expenditure including interest and tax	Surplus/ (Loss) after tax
	£'000	£'000	£'000
Commercial Services Kent Limited	55,122	54,762	360
Commercial Services Trading Limited	19,057	18,822	235
Kent Top Temps Limited		17	(17)

- 2.6 Kent Top Temps is a dormant company and there are no plans to trade through Kent Top Temps in the foreseeable future. The activities previously traded through Kent Top Temps have transferred to Commercial Services Trading Ltd and Commercial Services Kent Ltd.

3 RECOMMENDATION

- 3.1 Members are recommended to note the contents of this report for assurance, and to review the latest available Statutory Accounts (attached) for Commercial Services.

Emma Feakins
Chief Accountant
Ext: 416082

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Commercial Services Kent Limited

**Financial Statements
for the year ended 31 March 2016**

Company Registration Number 05858177



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COMPANY INFORMATION

Directors	Mrs A C Baldwin J D Burr Esq J Evans Esq A Latimer Esq Mrs N Major Mrs E L Mitchell Mrs K M Short N P A Vickers Esq
Company Secretary	Mrs K M Short
Registered Office	1 Abbey Wood Road Kings Hill West Malling Kent ME19 4YT
Registered Number	05858177
Independent Auditor	Grant Thornton UK LLP Melton Street London NW1 2EP

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Introduction

The directors present their strategic report for the year ended 31 March 2016.

Business review

The directors note that the company has traded at a satisfactory level during the year ended 31 March 2016.

Trade levels continue to be satisfactory and a similar performance is expected for the year ended 31 March 2017.

The management of the business and execution of the company's strategy are subject to current economic uncertainty caused by the underlying economic environment and the impact of austerity measures on our customers (especially in the public sector).

Failure to compete in term of price and customer service in increasingly competitive local markets could adversely affect the company's financial results.

Also failure to protect the company's reputation and brands could lead to a loss of trust and confidence and a decline in our customer base.

The company tracks financial performance using a range of financial performance indicators to assess the business, including standard accounting ratios and budget variance analysis

This report was approved by the board on 21 July 2016 and signed on its behalf.



JD Burr Esq
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the audited financial statements of the company for the year ended 31 March 2016.

Future developments

Commercial Services Kent Limited is part of a diversified portfolio of businesses delivering a range of services with long term underlying growth prospects and some niche services to support the shareholder. This includes quality brands our customers recognise as leaders in their markets. The company is managed by a corporate centre, which sets the strategic direction of the company continually seeking opportunities to improve growth and drive returns in a manner consistent with the group's heritage of committed service to its customers, whilst promoting a culture of responsibility and integrity across the business.

The company aims to deliver shareholder value by:

- delivering organic sales growth through new services that complement the company's portfolio and expansion into new high growth markets;
- enhancing margins through operational efficiencies; and
- managing operations and working capital proficiently to generate strong cash flows.

The business has also continued the development of a new bill validation and invoicing system during the year for one of its key activities and this development programme will continue into the summer of 2016. Development expenditure in respect of the new system has been capitalised in the current year and amortised in accordance with the company accounting policy.

Financial instruments

The company's activities expose it to a variety of financial risks: liquidity risk and cash flow risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out on a group basis by the finance department of Kent County Trading Limited using principles provided by the board.

a) Liquidity risk

Liquidity risk arises from the company's management of working capital and the finance charges on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

Cash balances are managed through the central group finance department and cash outflows can be predicted with reasonable accuracy.

b) Cash flow risk

As the company has no significant interest bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

Directors

The directors, and those who served during the year and up to the date of signing these financial statements, were as follows:

Mrs A C Baldwin	(appointed 1 January 2016)
J D Burr Esq	
J Evans Esq	(appointed 22 October 2015)
S G Heywood Esq	(resigned 30 April 2016)
A Latimer Esq	(appointed 1 January 2016)
Mrs N Major	
R J F Martin Esq	(resigned 16 February 2016)
C McCoy Esq	(resigned 31 December 2015)
Mrs E L Mitchell	(appointed 22 October 2015)
G P C Parsons Esq	(resigned 28 April 2015)
R L Pimenta Esq	(resigned 30 April 2016)
Mrs K M Short	
N P A Vickers Esq	(appointed 1 May 2016)

Employees

The company's policy is to consult and discuss with employees, through unions, staff groups and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports, as well as informal fortnightly meetings, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

All necessary assistance with initial training courses is given to employees with disabilities. A career plan is developed to ensure suitable opportunities are available for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

Statement of director's responsibilities

The directors are responsible for preparing the annual 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 prepared 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 its profit or loss 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 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; 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, 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this report is approved has confirmed that:

- as far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



Mrs K M Short
Company Secretary
21 July 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMERCIAL SERVICES KENT LIMITED
FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of Commercial Services Kent Limited for the year ended 31 March 2016 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 6, 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 March 2016 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 Strategic Report and Directors' Report 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 COMMERCIAL SERVICES KENT LIMITED
FOR THE YEAR ENDED 31 MARCH 2016 (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.



Richard Hagley
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
21 July 2016

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £000	2015 £000
Turnover	4	53,720	55,122
Cost of sales		(44,678)	(44,226)
Gross profit		9,042	10,896
Administrative expenses		(8,505)	(10,194)
Operating profit	5	537	702
Interest receivable and similar income	7	2	10
Interest payable and similar charges	7	(312)	(209)
Profit on ordinary activities before taxation		227	503
Tax on profit on ordinary activities	8	(35)	(143)
Profit for the financial year		192	360
Profit for the financial year attributable to owners of the parent		192	360
Total comprehensive income for the year attributable to owners of the parent		192	360

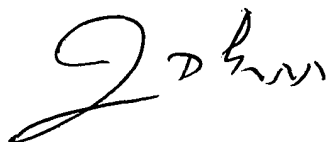
The above all relate to continuing operations of the company.

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £000	2015 000
Fixed assets			
Intangible assets	9	3,785	2,014
Tangible assets	10	559	750
		4,344	2,764
Current assets			
Inventories	11	1	-
Debtors	12	9,562	9,710
Cash at bank and in hand		1,685	1,011
		11,248	10,721
Creditors – amounts falling due within one year	13	(6,856)	(8,526)
Net current assets		4,392	2,195
Total assets less current liabilities		8,736	4,959
Creditors – amounts falling due after more than one year	14	(7,950)	(4,400)
Provision for other liabilities	16	(149)	(114)
Net assets		637	445
Capital and reserves			
Called up share capital	17	-	-
Retained earnings		637	445
Equity attributable to owners of the parent		637	445

The notes on pages 12 to 30 are an integral part of these financial statements.

The financial statements on pages 9 to 30 were authorised for issue by the board of directors on 21 July 2016 and were signed on its behalf.



J D Burr Esq
Director

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

	Called up Share capital £000	Retained earnings £000	Total £000
Balance at 1 April 2014	-	85	85
Profit for the year	-	360	360
Total comprehensive income for the year	-	360	360
Balance as at 31 March 2015	-	445	445
Profit for the year	-	192	192
Total comprehensive income for the year	-	192	192
Balance as at 31 March 2016	-	637	637

1. General information

Commercial Services Kent Limited ("the company") operates a diversified portfolio of businesses delivering a range of services within the UK and some niche services to support the shareholder. The company operates with a number of recognised brand names.

The company is a private company limited by shares and is incorporated in England. The address of its registered office is 1 Abbey Wood Road, Kings Hill, West Malling, Kent, ME19 4YT.

2. Statement of compliance

The financial statements of Commercial Services Kent Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies.

b) Going concern

The company relies on the support of its ultimate parent undertaking, Kent County Council. The ultimate parent undertaking has given assurances that its support will not be withdrawn. It is on this basis that the company continues to adopt the going concern basis in preparing its financial statements.

3. Summary of significant accounting policies (continued)

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholder.

The company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows under FRS 102 paragraph 1.12(b), on the basis that it is a qualifying entity and its immediate parent company, Kent County Trading Limited, includes the company's cash flows in its own consolidated financial statements;
- ii. from the financial instruments disclosure requirements of FRS 102 paragraphs 11.39 – 11.48A and 12.26 – 12.29 under FRS 102 paragraph 1.12(c), on the basis that it is a qualifying entity and its immediate parent company, Kent County Trading Limited, includes the company's financial instruments disclosures in its own consolidated financial statements; and
- iii. from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

d) Foreign currency

- i. Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

- ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions

At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts and rebates allowed by the company and valued added taxes.

3. Summary of significant accounting policies (continued)

f) Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

i. Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

ii. Defined contribution pension plans

The company operates defined contribution plans 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 when they are due. Amounts not paid are shown as accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

The company also makes defined contributions for employees transferred from Kent County Council on 1 April 2013 under a TUPE arrangement. These employees participate in the Kent County Council Pension Fund, part of the Local Government Pension Scheme, a defined benefit statutory scheme. The company's obligations to this scheme have been agreed at a fixed rate. The company accounts for the scheme as a defined contribution scheme. The pension charged to the profit and loss account represents the amounts payable by the company to the fund in respect of the year.

iii. Annual bonus plan

The company operates a number of annual bonus plans for employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

g) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

3. Summary of significant accounting policies (continued)

g) Taxation (continued)

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

h) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

- Computer software 5 years
- Software development 5 to 10 years

Amortisation is charged to administrative expenses in the profit and loss account.

Where factors such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

3. Summary of significant accounting policies (continued)

h) Intangible assets (continued)

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during the development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

i) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

i. Fixtures, fittings and equipment

Fixtures, fittings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

ii. Depreciation and residual values

Depreciation on assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- Fixtures, fittings and equipment 5 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

3. Summary of significant accounting policies (continued)

i) Tangible assets (continued)

iii. Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

iv. Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit and loss account and included in administrative expenses.

j) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

k) Leased assets

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

i. Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

ii. Lease incentives

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

3. Summary of significant accounting policies (continued)

l) Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

m) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks less bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

n) Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

3. Summary of significant accounting policies (continued)

n) Financial instruments (continued)

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and are subsequently measured at amortised cost using the effective interest method.

iii. Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

o) Share capital

Ordinary shares are classified as equity.

p) Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

q) Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

4. Turnover

Analysis of turnover by category:

	2016	2015
	£000	£000
Temporary staff	43,820	39,694
Facilities management	242	4,543
Recharges	6,727	6,212
Waste	2,709	4,442
Other	222	231
	53,720	55,122

5. Operating profit

Operating profit is stated after charging:

	2016	2015
	£000	£000
Wages and salaries	20,544	21,913
Social security costs	1,590	1,655
Other pension costs	1,582	1,725
Total staff costs	23,716	25,293
Amounts capitalised	(565)	(289)
Staff costs charged to profit and loss	23,151	25,004
Loss on disposal of tangible assets	-	13
Impairment of trade receivables	155	133
Audit fees payable to the company's auditor	14	13

In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditor for 'Other services' as this information is included in the consolidated financial statements of Kent County Trading Limited.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2016 (continued)

6. Employees and directors

Employees

The average monthly number of persons (including executive directors) employed by the company during the year was:

	2016 No.	2015 No.
Temporary staff	424	464
Administration staff	83	82
Facilities management	2	38
Direct services	397	377
Recruitment	35	32
Other	14	80
	955	1,073

Directors

The directors' emoluments were as follows:

	2016 £000	2015 £000
Aggregate emoluments	472	384
Post-employment benefits	39	36
Sums paid to third parties for directors' services	147	-
	658	420

Post employment benefits are accruing for 4 directors (2015: 4) under defined contribution schemes. No directors (2015: none) were members of company defined benefits schemes.

Highest paid director

The highest paid director's emoluments were as follows:

	2016 £000	2015 £000
Aggregate emoluments	156	153
Post-employment benefits	15	15
	171	168

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

7. Net interest expense

a) Interest receivable and similar income

	2016 £000	2015 £000
Bank interest received	2	10
Total interest receivable and similar income	2	10

b) Interest payable and similar charges

	2016 £000	2015 £000
Interest expense on related party loans	312	209
Total interest payable and similar charges	312	209

8. Income tax

a) Tax expense included in profit or loss

	2016 £000	2015 £000
Current tax:		
- UK corporation tax on profits for the year	-	-
- Adjustment in respect of prior periods	-	-
Total current tax	-	-
Deferred tax:		
- Origination and reversal of timing differences	37	143
- Adjustment in respect of prior periods	(2)	-
Total deferred tax	35	143
Tax on profit on ordinary activities	35	143

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

8. Income tax (continued)

b) Reconciliation of tax charge

Tax assessed for the period is lower (2015: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2016 of 20% (2015: 20%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	227	503
Profit multiplied by the standard rate of tax in the UK of 20% (2015: 20%)	45	101
Effects of:		
- Unrecognised deferred tax	-	-
- Expenses not deductible for tax purposes	(47)	(41)
- Adjustments to tax charge in respect of prior years	(2)	61
- Group relief	39	22
Tax charge for year	35	143

9. Intangible assets

	Computer software £000	Software development £000	Total £000
At 31 March 2015			
Cost	285	1,841	2,126
Accumulated amortisation	(112)	-	(112)
Net book amount	173	1,841	2,014
Year ended 31 March 2016			
Opening net book amount	173	1,841	2,014
Additions	408	867	1,275
Additions – internally generated	-	565	565
Amortisation	(69)	-	(69)
Closing net book amount	512	3,273	3,785
At 31 March 2016			
Cost	693	3,273	3,966
Accumulated amortisation	(181)	-	(181)
Net book amount	512	3,273	3,785

The company's bill validation and invoicing software is included in software development and has a carrying value of £2,859,000 and will be amortised over 10 years once completed.

The useful life of software is based on its expected utilisation by the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

10. Tangible assets

	Fixtures, fittings and equipment £000	Total £000
At 31 March 2015		
Cost	1,072	1,072
Accumulated depreciation	(322)	(322)
Net book amount	750	750
Year ended 31 March 2016		
Opening net book amount	750	750
Additions	27	27
Depreciation	(218)	(218)
Closing net book amount	559	559
At 31 March 2016		
Cost	1,099	1,099
Accumulated depreciation	(540)	(540)
Net book amount	559	559

11. Inventories

	2016 £000	2015 £000
Raw materials and consumables	1	-
	1	-

There is no significant difference between the replacement cost of the inventory and its carrying amount.

12. Debtors

	2016 £000	2015 £000
Trade debtors	4,577	6,781
Amounts owed by group undertakings	8	-
Other receivables	849	16
Prepayments	546	973
Accrued income	3,582	1,940
	9,562	9,710

Trade debtors are stated after provisions for impairment of £429,000 (2015: £274,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

13. Creditors: amounts falling due within one year

	2016	2015
	£000	£000
Trade creditors	1,239	1,215
Amounts owed to group undertakings	1,716	933
Other taxation and social security	981	1,508
Other creditors	1,109	718
Accruals and deferred income	1,811	4,152
	6,856	8,526

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

	2016	2015
	£000	£000
Amounts falling due between one and five years		
Related party loans (see note 18)	7,950	4,400
	7,950	4,400

15. Post-employment benefits

The company provides defined contribution schemes for its employees. This includes participation in the Local Government Pension Scheme for which the employer contributions have been set at a fixed rate.

The amount recognised as an expense for the defined contribution schemes was:

	2016	2015
	£000	£000
Current period contributions	1,582	1,725

16. Provision for other liabilities

The company had the following provisions during the year:

	Deferred tax provision £000	Total £000
At 1 April 2015	114	114
Actions dealt with in profit or loss	35	35
At 31 March 2016	149	149

16. Provision for other liabilities (continued)

Deferred tax

The provision for deferred tax consists of the following deferred tax liabilities/(assets):

	2016	2015
	£000	£000
Acquired intangible assets	645	363
Capital allowances	5	25
Unused tax losses	(404)	(160)
Other timing differences	(97)	(114)
	149	114

Unused tax losses amount to £2,022,000 (2015: £805,000).

The net deferred tax liability expected to reverse in 2017 is £20,000. This primarily relates to the reversal of timing differences on acquired intangible and tangible assets and capital allowances through depreciation and amortisation, offset by expected tax deductions when payments are made to utilise provisions.

17. Share capital and other reserves

Ordinary shares of £1 each Allotted and fully paid	Number	£
At 1 April 2015	2	2
At 31 March 2016	2	2

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

18. Related party transactions

The company has loans from Kent County Council of £7,950,000 (2015: £4,400,000). The loans are included within creditors due after one year. Interest payable on the loans from Kent County Council has been charged at £312,000 (2015: £209,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

18. Related party transactions (continued)

During the year, the company traded with Kent County Council, the ultimate controlling party. The following transactions occurred during the financial period:

	2016 £000	2015 £000
Sales	45,525	47,348
Trade debtors	4,690	6,385
Purchases	694	1,731
Trade creditors	(26)	(1)
Other debtors	951	1,332
Other creditors	(312)	(2,665)

See note 6 for disclosure of the directors' remuneration.

The company's other related party transactions were with other companies that are wholly owned within the group and so have not been disclosed under FRS 102 paragraph 33.1A.

19. Controlling party

The immediate parent undertaking and the smallest and largest group to consolidate these financial statements is Kent County Trading Limited. Copies of the Kent County Trading Limited consolidated financial statements can be obtained from the Company Secretary at 1 Abbey Wood Road, Kings Hill, West Malling, Kent, ME19 4YT.

The ultimate parent undertaking and ultimate controlling party is Kent County Council, whose principal place of business is County Hall, Maidstone, Kent, ME14 1XQ. The financial statements of Kent County Council can be obtained from County Hall, Maidstone, Kent, ME14 1XQ.

20. Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 March 2015 and the total equity as at 1 April 2014 and 31 March 2015 between UK GAAP as previously reported and FRS 102.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

20. Transition to FRS 102 (continued)

a) Balance sheet

	Note	At 1 April 2014		FRS 102 (as restated) £000	At 31 March 2015		FRS 102 (as restated) £000
		As previously stated £000	Effect of transition £000		As previously stated £000	Effect of transition £000	
Fixed assets							
Intangible assets	D	704	113	817	1,894	120	2,014
Tangible assets	D	1,015	(113)	902	870	(120)	750
		1,719	-	1,719	2,764	-	2,764
Current assets							
Inventories		3	-	3	-	-	-
Debtors		10,418	-	10,418	9,710	-	9,710
Cash at bank and in hand		101	-	101	1,011	-	1,011
		10,522	-	10,522	10,721	-	10,721
Creditors – amounts falling due within one year	A	(8,236)	(144)	(8,380)	(8,398)	(128)	(8,526)
Net current assets		2,286	(144)	2,142	2,323	(128)	2,195
Total assets less current liabilities		4,005	(144)	3,861	5,087	(128)	4,959
Creditors – amounts falling due after more than one year		(3,805)	-	(3,805)	(4,400)	-	(4,400)
Provision for other liabilities	C	-	29	29	(140)	26	(114)
Net assets		200	(115)	85	547	(102)	445
Capital and reserves							
Called up share capital		-	-	-	-	-	-
Retained earnings		200	(115)	85	547	(102)	445
Equity attributable to owners of the parent		200	(115)	85	547	(102)	445

20. Transition to FRS 102 (continued)

b) Profit and loss account

	Note	Year ended 31 March 2015		
		As previously stated £000	Effect of transition £000	FRS 102 (as restated) £000
Turnover		55,122	-	55,122
Cost of sales		(44,226)	-	(44,226)
Gross profit		10,896	-	10,896
Administrative expenses	A	(10,210)	16	(10,194)
Operating profit		686	16	702
Interest receivable and similar income		10	-	10
Interest payable and similar charges		(209)	-	(209)
Profit on ordinary activities before taxation		487	16	503
Tax on profit on ordinary activities	C	(140)	(3)	(143)
Profit for the financial year		347	13	360

A. Holiday pay accrual

FRS 102 requires short term employee benefits to be charged to the profit and loss account as the employee service is received. This has resulted in the company recognising a liability for holiday pay of £144,000 on transition to FRS 102. Previously holiday pay accruals were not recognised and were charged to the profit and loss account as they were paid. In the year to March 2015 a credit of £16,000 was recognised in the profit and loss account and the liability at 31 March 2015 was £128,000.

B. Rent free period for operating leases

Under previous UK GAAP operating lease incentives, including rent free periods and fit-out contributions, were spread over the shorter of the lease period or the period to when the rental was set to a fair market rent. FRS 102 requires that such incentives to be spread over the lease period. The company has undertaken advantage of the exemption for existing leases at the transition date to continue to recognise these lease incentives on the same basis as previous UK GAAP. Accordingly the FRS 102 accounting policy has been applied to new operating leases entered into since 1 April 2014 with no increase in the operating lease charge or accrued lease liability.

20. Transition to FRS 102 (continued)

C. Deferred taxation

The impact on deferred tax as a result of the adjustments above and subsequent effect of the change in tax rates was to decrease the deferred tax liability at 1 April 2014 by £29,000 and increase the profit and loss account charge by £3,000 for the year ended 31 March 2015. The deferred tax liability at 31 March 2015 was decreased by £26,000.

D. Other adjustments arising on transition to FRS 102

In addition to the transition adjustments identified above which affect profit for the financial year the following adjustment has arisen which has had no effect on net equity or profit and loss account but which has affected the presentation of these items on the balance sheet:

Computer software, with a net book value of £113,000 at 1 April 2014, has been reclassified from tangible to intangible assets as required under FRS 102. This has no effect on the company's net assets nor on the profit for the year, except that the previous depreciation charge is now described as amortisation. The amount reclassified at 31 March 2015 was £120,000.

Commercial Services Trading Limited

**Financial Statements
for the year ended 31 March 2016**

Company Registration Number 05858178



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COMPANY INFORMATION

Directors	Mrs A C Baldwin J D Burr Esq J Evans Esq A Latimer Esq Mrs N Major Mrs E L Mitchell Mrs K M Short N P A Vickers Esq
Company Secretary	Mrs K M Short
Registered Office	1 Abbey Wood Road Kings Hill West Malling Kent ME19 4YT
Registered Number	05858178
Independent Auditor	Grant Thornton UK LLP Melton Street London NW1 2EP

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Introduction

The directors present their strategic report for the year ended 31 March 2016.

Business review

The directors note that the company has traded at a satisfactory level during the year ended 31 March 2016.

Trade levels continue to be satisfactory and a similar performance is expected for the year ended 31 March 2017.

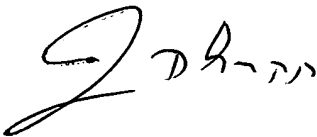
The management of the business and execution of the company's strategy are subject to current economic uncertainty caused by the underlying economic environment and the impact of austerity measures on our customers (especially in the public sector).

Failure to compete in term of price and customer service in increasingly competitive local markets could adversely affect the company's financial results.

Also failure to protect the company's reputation and brands could lead to a loss of trust and confidence and a decline in our customer base.

The company tracks financial performance using a range of financial performance indicators to assess the business, including standard accounting ratios and budget variance analysis.

This report was approved by the board on 21 July 2016 and signed on its behalf.



JD Burr Esq
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the audited financial statements of the company for the year ended 31 March 2016.

Future developments

Commercial Services Trading Limited is part of a diversified portfolio of businesses delivering a range of services with long term underlying growth prospects and some niche services to support the shareholder. This includes quality brands our customers recognise as leaders in their markets. The company is managed by a corporate centre, which sets the strategic direction of the company continually seeking opportunities to improve growth and drive returns in a manner consistent with the group's heritage of committed service to its customers, whilst promoting a culture of responsibility and integrity across the business.

The company aims to deliver shareholder value by:

- delivering organic sales growth through new services that complement the company's portfolio and expansion into new high growth markets;
- enhancing margins through operational efficiencies; and
- managing operations and working capital proficiently to generate strong cash flows.

Financial instruments

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk and cash flow risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out on a group basis by the finance department of Kent County Trading Limited using principles provided by the board.

a) Credit risk

Credit risk arises principally from the company's trade debtors. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument.

The company has implemented policies which require a credit assessment, and credit checks are made on potential clients as required in accordance with these assessments. The wide client base of the company also serves to mitigate the credit risk, reducing exposure from a failure of any single client.

b) Liquidity risk

Liquidity risk arises from the company's management of working capital and the finance charges on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

Cash balances are managed through the central group finance department and cash outflows can be predicted with reasonable accuracy.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

Financial instruments (continued)

c) Cash flow risk

As the company has no significant interest bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

Directors

The directors, and those who served during the year and up to the date of signing these financial statements, were as follows:

Mrs A C Baldwin	(appointed 1 January 2016)
J D Burr Esq	
J Evans Esq	(appointed 22 October 2015)
S G Heywood Esq	(resigned 30 April 2016)
A Latimer Esq	(appointed 1 January 2016)
Mrs N Major	
R J F Martin Esq	(resigned 16 February 2016)
C McCoy Esq	(resigned 31 December 2015)
Mrs E L Mitchell	(appointed 22 October 2015)
G P C Parsons Esq	(resigned 28 April 2015)
R L Pimenta Esq	(resigned 30 April 2016)
Mrs K M Short	
N P A Vickers Esq	(appointed 1 May 2016)

Employees

The company's policy is to consult and discuss with employees, through unions, staff groups and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports, as well as informal fortnightly meetings, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

All necessary assistance with initial training courses is given to employees with disabilities. A career plan is developed to ensure suitable opportunities are available for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

Statement of director's responsibilities

The directors are responsible for preparing the annual 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 prepared 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 its profit or loss 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

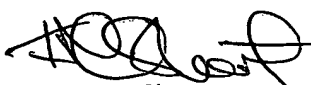
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company, and enable them to ensure that the financial statements comply with the Companies 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this report is approved has confirmed that:

- as far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



Mrs K M Short
Company Secretary
21 July 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMERCIAL SERVICES TRADING LIMITED
FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of Commercial Services Trading Limited for the year ended 31 March 2016 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 6, 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 March 2016 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 Strategic Report and Directors' Report 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 COMMERCIAL SERVICES TRADING LIMITED
FOR THE YEAR ENDED 31 MARCH 2016 (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

Richard Hagley
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
21 July 2016

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £000	2015 £000
Turnover	4	18,034	19,057
Cost of sales		(13,397)	(14,386)
Gross profit		4,637	4,671
Administrative expenses		(5,250)	(5,365)
Other operating income	5	899	1,035
Operating profit	6	286	341
Interest receivable and similar income	8	1	6
Interest payable and similar charges	8	(95)	(101)
Profit on ordinary activities before taxation		192	246
Tax on profit on ordinary activities	9	(36)	(11)
Profit for the financial year		156	235
Profit for the financial year attributable to owners of the parent		156	235
Total comprehensive income for the year attributable to owners of the parent		156	235

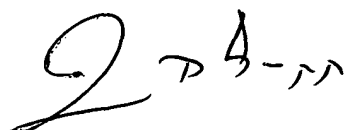
The above all relate to continuing operations of the company.

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £000	2015 000
Fixed assets			
Intangible assets	10	60	59
Tangible assets	11	4,102	4,116
		4,162	4,175
Current assets			
Inventories	12	156	223
Debtors	13	7,595	6,510
Cash at bank and in hand		408	1,509
		8,159	8,242
Creditors – amounts falling due within one year	14	(4,859)	(5,597)
Net current assets		3,300	2,645
Total assets less current liabilities		7,462	6,820
Creditors – amounts falling due after more than one year	15	(1,950)	(4,500)
Provision for other liabilities	17	(178)	(142)
Net assets		5,334	2,178
Capital and reserves			
Called up share capital	18	4,000	1,000
Retained earnings		1,334	1,178
Equity attributable to owners of the parent		5,334	2,178

The notes on pages 12 to 30 are an integral part of these financial statements.

The financial statements on pages 9 to 30 were authorised for issue by the board of directors on 21 July 2016 and were signed on its behalf.



J D Burr Esq
Director

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

	Called up Share capital £000	Retained earnings £000	Total £000
Balance at 1 April 2014	1,000	943	1,943
Profit for the year	-	235	235
Total comprehensive income for the year	-	235	235
Balance as at 31 March 2015	1,000	1,178	2,178
Profit for the year	-	156	156
Total comprehensive income for the year	-	156	156
Balance as at 31 March 2016	1,000	1,334	2,334

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. General information

Commercial Services Trading Limited ("the company") operates a diversified portfolio of businesses delivering a range of services within the UK and some niche services to support the shareholder. The company operates with a number of recognised brand names.

The company is a private company limited by shares and is incorporated in England. The address of its registered office is 1 Abbey Wood Road, Kings Hill, West Malling, Kent, ME19 4YT.

2. Statement of compliance

The financial statements of Commercial Services Trading Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies.

b) Going concern

The company relies on the support of its ultimate parent undertaking, Kent County Council. The ultimate parent undertaking has given assurances that its support will not be withdrawn. It is on this basis that the company continues to adopt the going concern basis in preparing its financial statements.

3. Summary of significant accounting policies (continued)

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholder.

The company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows under FRS 102 paragraph 1.12(b), on the basis that it is a qualifying entity and its immediate parent company, Kent County Trading Limited, includes the company's cash flows in its own consolidated financial statements;
- ii. from the financial instruments disclosure requirements of FRS 102 paragraphs 11.39 – 11.48A and 12.26 – 12.29 under FRS 102 paragraph 1.12(c), on the basis that it is a qualifying entity and its immediate parent company, Kent County Trading Limited, includes the company's financial instruments disclosures in its own consolidated financial statements; and
- iii. from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

d) Foreign currency

- i. Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

- ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions

At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts and rebates allowed by the company and valued added taxes.

3. Summary of significant accounting policies (continued)

f) Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

i. Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

ii. Defined contribution pension plans

The company operates defined contribution plans 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 when they are due. Amounts not paid are shown as accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

iii. Annual bonus plan

The company operates a number of annual bonus plans for employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

g) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3. Summary of significant accounting policies (continued)

g) Taxation (continued)

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

h) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

- Computer software 5 years

Amortisation is charged to administrative expenses in the profit and loss account.

Where factors such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Costs associated with maintaining computer software are recognised as an expense as incurred.

3. Summary of significant accounting policies (continued)

i) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

i. Land and buildings

Land and buildings include leasehold office property. Land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses.

ii. Plant and machinery and fixtures, fittings and equipment

Plant and machinery and fixtures, fittings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

iii. Depreciation and residual values

Land is not depreciated. Depreciation on assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- Land and buildings 20 to 50 years
- Plant and machinery 4 to 10 years
- Fixtures, fittings and equipment 3 to 20 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

iv. Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

v. Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit and loss account and included in administrative expenses.

3. Summary of significant accounting policies (continued)

j) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

k) Leased assets

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

i. Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

ii. Lease incentives

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

l) Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

m) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks less bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

3. Summary of significant accounting policies (continued)

n) Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and are subsequently measured at amortised cost using the effective interest method.

iii. Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

3. Summary of significant accounting policies (continued)

o) Share capital

Ordinary shares are classified as equity. Redeemable shares are classified as debt.

p) Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

q) Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

4. Turnover

Analysis of turnover by category:

	2016	2015
	£000	£000
Temporary staff	3,562	4,062
Facilities management	304	-
Vehicle rental	5,021	5,339
Landscape Services	5,337	6,329
Engineering	2,277	2,353
Recharges	757	185
Other	776	789
	18,034	19,057

5. Other operating income

	2016	2015
	£000	£000
Rent received	401	482
Service charge receivable	498	553
	899	1,035

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2016 (continued)

6. Operating profit

Operating profit is stated after charging:

	2016	2015
	£000	£000
Wages and salaries	2,128	1,878
Social security costs	180	168
Other pension costs	87	78
Staff costs charged to profit and loss	2,395	2,124
Loss on disposal of tangible assets	2	3
Impairment of trade receivables	31	(2)
Operating lease charges	3,526	3,918
Audit fees payable to the company's auditor	8	13

In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditor for 'Other services' as this information is included in the consolidated financial statements of Kent County Trading Limited.

7. Employees and directors

Employees

The average monthly number of persons (including executive directors) employed by the company during the year was:

	2016	2015
	No.	No.
Facilities management	14	6
Landscape services	37	41
Engineering	7	5
Recruitment	24	15
Other	16	15
	98	82

Directors

The directors' emoluments were paid by a fellow subsidiary undertaking.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

8. Net interest expense

a) Interest receivable and similar income

	2016	2015
	£000	£000
Bank interest received	1	6
Total interest receivable and similar income	1	6

b) Interest payable and similar charges

	2016	2015
	£000	£000
Interest expense on related party loans	95	101
Total interest payable and similar charges	95	101

9. Income tax

a) Tax expense included in profit or loss

	2016	2015
	£000	£000
Current tax:		
- UK corporation tax on profits for the year	-	-
- Adjustment in respect of prior periods	-	-
Total current tax	-	-
Deferred tax:		
- Origination and reversal of timing differences	31	11
- Adjustment in respect of prior periods	5	-
Total deferred tax	36	11
Tax on profit on ordinary activities	36	11

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

9. Income tax (continued)

b) Reconciliation of tax charge

Tax assessed for the period is lower (2015: lower) than the standard rate of corporation tax in the UK for the year ended 31 March 2016 of 20% (2015: 20%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	192	246
Profit multiplied by the standard rate of tax in the UK of 20% (2015: 20%)	38	49
Effects of:		
- Expenses not deductible for tax purposes	12	11
- Adjustments to tax charge in respect of prior years	5	(27)
- Group relief received	(19)	(22)
Tax charge for year	36	11

10. Intangible assets

	Computer software £000	Total £000
At 31 March 2015		
Cost	77	77
Accumulated amortisation	(18)	(18)
Net book amount	59	59
Year ended 31 March 2016		
Opening net book amount	59	59
Additions	16	16
Amortisation	(15)	(15)
Closing net book amount	60	60
At 31 March 2016		
Cost	93	93
Accumulated amortisation	(33)	(33)
Net book amount	60	60

The useful life of software is based on its expected utilisation by the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

11. Tangible assets

	Land and buildings £000	Plant and machinery £000	Fixtures, fittings and equipment £000	Total £000
At 31 March 2015				
Cost	2,507	72	1,853	4,432
Accumulated depreciation	(119)	(2)	(195)	(316)
Net book amount	2,388	70	1,658	4,116
Year ended 31 March 2016				
Opening net book amount	2,388	70	1,658	4,116
Additions	7	184	13	204
Disposals	(2)	-	-	(2)
Depreciation	(60)	(46)	(110)	(216)
Closing net book amount	2,333	208	1,561	4,102
At 31 March 2016				
Cost	2,512	256	1,866	4,634
Accumulated depreciation	(179)	(48)	(305)	(532)
Net book amount	2,333	208	1,561	4,102

The net book value of land, included in land and buildings above, comprises:

	2016 £000	2015 £000
Long leasehold	593	593
Carrying amount	593	593

12. Inventories

	2016 £000	2015 £000
Raw materials and consumables	36	89
Work in progress	120	134
	156	223

There is no significant difference between the replacement cost of the inventory and its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

13. Debtors

	2016	2015
	£000	£000
Trade debtors	2,267	2,316
Amounts owed by group undertakings	1,791	933
Other receivables	136	131
Prepayments	1,450	2,288
Accrued income	1,951	842
	7,595	6,510

Trade debtors are stated after provisions for impairment of £79,000 (2015: £52,000).

14. Creditors: amounts falling due within one year

	2016	2015
	£000	£000
Trade creditors	755	1,321
Amounts owed to group undertakings	1,000	925
Other taxation and social security	225	40
Other creditors	559	536
Accruals and deferred income	2,320	2,775
	4,859	5,597

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

	2016	2015
	£000	£000
Amounts falling due between one and five years		
Related party loans (see note 20)	1,950	1,500
Share capital treated as debt (see note 18)	-	3,000
	1,950	4,500

16. Post-employment benefits

The company provides defined contribution schemes for its employees. The amount recognised as an expense for the defined contribution schemes was:

	2016	2015
	£000	£000
Current period contributions	87	78

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

17. Provision for other liabilities

The company had the following provisions during the year:

	Deferred tax provision £000	Total £000
At 1 April 2015	142	142
Actions dealt with in profit or loss	36	36
At 31 March 2016	178	178

Deferred tax

The provision for deferred tax consists of the following deferred tax liabilities/(assets):

	2016 £000	2015 £000
Capital allowances	191	159
Other timing differences	(13)	(17)
	178	142

The net deferred tax liability expected to reverse in 2017 is £17,000. This primarily relates to the reversal of timing differences on acquired intangible and tangible assets and capital allowances through depreciation and amortisation, offset by expected tax deductions when payments are made to utilise provisions.

18. Share capital and other reserves

Ordinary shares of £1 each Allotted and fully paid	Number	£000
At 1 April 2015	1,000,002	1,000
Conversion of redeemable shares	3,000,000	3,000
At 31 March 2016	4,000,002	4,000

On 18th February 2016 the Redeemable shares of £1 each and the Redeemable 2017 shares of £1 each were converted into and redesignated as ordinary shares of £1 each with the same rights as the existing ordinary shares of £1 each.

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

18. Share capital and other reserves (continued)

Shares classified as debt		
Allotted and fully paid	Number	£000
At 1 April 2015	3,000,000	3,000
Conversion to ordinary shares	(3,000,000)	(3,000)
At 31 March 2016	-	-

There were two classes of redeemable shares in issue. Both classes entitled the holder to one vote in any circumstance. The Redeemable shares of £1,000,000 and Redeemable 2017 shares of £2,000,000 were redeemable at the option of the company or the shareholder at any time after 1 April 2016 and 1 April 2017 respectively. No premium was payable on redemption.

19. Capital and other commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Payments due	2016	2015
	£000	£000
Not later than one year	2,986	3,223
Later than one year and not later than five years	5,422	5,979
Later than five years	13,271	14,028
	21,679	23,230

The company had no other off-balance sheet arrangements.

20. Related party transactions

The company has loans from Kent County Council of £1,950,000 (2015: £1,500,000). The loans are included within creditors due after one year. Interest payable on the loans from Kent County Council has been charged at £95,000 (2015: £101,000).

During the year, the company traded with Kent County Council, the ultimate controlling party. The following transactions occurred during the financial period:

	2016	2015
	£000	£000
Sales	3,423	5,531
Trade debtors	296	825
Purchases	2,813	2,698
Trade creditors	(47)	(683)
Other debtors	-	10
Other creditors	(459)	(401)

20. Related party transactions (continued)

See note 7 for disclosure of the directors' remuneration.

The company's other related party transactions were with other companies that are wholly owned within the group and so have not been disclosed under FRS 102 paragraph 33.1A.

21. Controlling party

The immediate parent undertaking and the smallest and largest group to consolidate these financial statements is Kent County Trading Limited. Copies of the Kent County Trading Limited consolidated financial statements can be obtained from the Company Secretary at 1 Abbey Wood Road, Kings Hill, West Malling, Kent, ME19 4YT.

The ultimate parent undertaking and ultimate controlling party is Kent County Council, whose principal place of business is County Hall, Maidstone, Kent, ME14 1XQ. The financial statements of Kent County Council can be obtained from County Hall, Maidstone, Kent, ME14 1XQ.

22. Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 March 2015 and the total equity as at 1 April 2014 and 31 March 2015 between UK GAAP as previously reported and FRS 102.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

22. Transition to FRS 102 (continued)

a) Balance sheet

	Note	At 1 April 2014		FRS 102 (as restated) £000	At 31 March 2015		FRS 102 (as restated) £000
		As previously stated £000	Effect of transition £000		As previously stated £000	Effect of transition £000	
Fixed assets							
Intangible assets	D	-	50	50	-	59	59
Tangible assets	D	4,131	(50)	4,081	4,175	(59)	4,116
		4,131	-	4,131	4,175	-	4,175
Current assets							
Inventories		272	-	272	223	-	223
Debtors		7,908	-	7,908	6,510	-	6,510
Cash at bank and in hand		418	-	418	1,509	-	1,509
		8,598	-	8,598	8,242	-	8,242
Creditors – amounts falling due within one year	A	(4,806)	(14)	(4,820)	(5,582)	(15)	(5,597)
Net current assets		3,792	(14)	3,778	2,660	(15)	2,645
Total assets less current liabilities		7,923	(14)	7,909	6,835	(15)	6,820
Creditors – amounts falling due after more than one year		(5,835)	-	(5,835)	(4,500)	-	(4,500)
Provision for other liabilities	C	(134)	3	(131)	(145)	3	(142)
Net assets		1,954	(11)	1,943	2,190	(12)	2,178
Capital and reserves							
Called up share capital		1,000	-	1,000	1,000	-	1,000
Retained earnings		954	(11)	943	1,190	(12)	1,178
Equity attributable to owners of the parent		1,954	(11)	1,943	2,190	(12)	2,178

22. Transition to FRS 102 (continued)

b) Profit and loss account

	Note	Year ended 31 March 2015		
		As previously stated £000	Effect of transition £000	FRS 102 (as restated) £000
Turnover		19,057	-	19,057
Cost of sales		(14,386)	-	(14,386)
Gross profit		4,671	-	4,671
Administrative expenses	A	(5,364)	(1)	(5,365)
Other operating income		1,035	-	1,035
Operating profit		342	(1)	341
Interest receivable and similar income		6	-	6
Interest payable and similar charges		(101)	-	(101)
Profit on ordinary activities before taxation		247	(1)	246
Tax on profit on ordinary activities	C	(11)	-	(11)
Profit for the financial year		236	(1)	235

A. Holiday pay accrual

FRS 102 requires short term employee benefits to be charged to the profit and loss account as the employee service is received. This has resulted in the company recognising a liability for holiday pay of £14,000 on transition to FRS 102. Previously holiday pay accruals were not recognised and were charged to the profit and loss account as they were paid. In the year to March 2015 an additional charge of £1,000 was recognised in the profit and loss account and the liability at 31 March 2015 was £15,000.

B. Rent free period for operating leases

Under previous UK GAAP operating lease incentives, including rent free periods and fit-out contributions, were spread over the shorter of the lease period or the period to when the rental was set to a fair market rent. FRS 102 requires that such incentives to be spread over the lease period. The company has undertaken advantage of the exemption for existing leases at the transition date to continue to recognise these lease incentives on the same basis as previous UK GAAP. Accordingly the FRS 102 accounting policy has been applied to new operating leases entered into since 1 April 2014 with no increase in the operating lease charge or accrued lease liability.

22. Transition to FRS 102 (continued)

C. Deferred taxation

The impact on deferred tax as a result of the adjustments above and subsequent effect of the change in tax rates was to decrease the deferred tax liability at 1 April 2014 by £3,000. The deferred tax liability at 31 March 2015 was decreased by £3,000.

D. Other adjustments arising on transition to FRS 102

In addition to the transition adjustments identified above which affect profit for the financial year the following adjustment has arisen which has had no effect on net equity or profit and loss account but which has affected the presentation of these items on the balance sheet:

Computer software, with a net book value of £50,000 at 1 April 2014, has been reclassified from tangible to intangible assets as required under FRS 102. This has no effect on the company's net assets nor on the profit for the year, except that the previous depreciation charge is now described as amortisation. The amount reclassified at 31 March 2015 was £59,000.

Kent Top Temps Limited
Financial Statements
for the year ended 31 March 2016

Company Registration Number 05242900



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COMPANY INFORMATION

Directors	Mrs A C Baldwin J D Burr Esq J Evans Esq A Latimer Esq Mrs N Major Mrs E L Mitchell Mrs K M Short N P A Vickers Esq
Company Secretary	Mrs K M Short
Registered Office	1 Abbey Wood Road Kings Hill West Malling Kent ME19 4YT
Registered Number	05242900
Independent Auditor	Grant Thornton UK LLP Melton Street London NW1 2EP

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Introduction

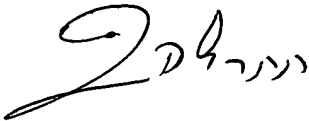
The directors present their strategic report for the year ended 31 March 2016.

Business review

The business ceased trading in December 2013.

The directors expect the company to remain non-trading for the foreseeable future. There are currently no principal risks and uncertainties facing the company.

This report was approved by the board on 21 July and signed on its behalf.



JD Burr Esq
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the audited financial statements of the company for the year ended 31 March 2016.

Future developments

Kent Top Temps Limited is part of a diversified portfolio of businesses delivering a range of services with long term underlying growth prospects and some niche services to support the shareholder. This includes quality brands our customers recognise as leaders in their markets. The company is managed by a corporate centre, which sets the strategic direction of the company continually seeking opportunities to improve growth and drive returns in a manner consistent with the group's heritage of committed service to its customers, whilst promoting a culture of responsibility and integrity across the business.

There is currently has no plan to trade through Kent Top Temps Limited, which will remain dormant for the foreseeable future.

Directors

The directors, and those who served during the year and up to the date of signing these financial statements, were as follows:

Mrs A C Baldwin	(appointed 1 January 2016)
J D Burr Esq	
J Evans Esq	(appointed 22 October 2015)
S G Heywood Esq	(resigned 30 April 2016)
A Latimer Esq	(appointed 1 January 2016)
Mrs N Major	
R J F Martin Esq	(resigned 16 February 2016)
C McCoy Esq	(resigned 31 December 2015)
Mrs E L Mitchell	(appointed 22 October 2015)
G P C Parsons Esq	(resigned 28 April 2015)
R L Pimenta Esq	(resigned 30 April 2016)
Mrs K M Short	
N P A Vickers Esq	(appointed 1 May 2016)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

Statement of director's responsibilities

The directors are responsible for preparing the annual 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 prepared 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 its profit or loss 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

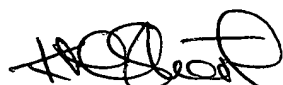
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company, and enable them to ensure that the financial statements comply with the Companies 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this report is approved has confirmed that:

- as far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



Mrs K M Short
Company Secretary
21 July 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KENT TOP TEMPS LIMITED
FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of Kent Top Temps Limited for the year ended 31 March 2016 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 5, 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 March 2016 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 Strategic Report and Directors' Report 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 KENT TOP TEMPS LIMITED
FOR THE YEAR ENDED 31 MARCH 2016 (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.



Richard Hagley
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
21 July 2016

STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £000	2015 £000
Administrative expenses		-	(7)
Other operating income		151	-
Operating profit/(loss)	4	151	(7)
Interest receivable and similar income	5	1	3
Interest payable and similar charges	5	(1)	-
Profit/(loss) on ordinary activities before taxation		151	(4)
Tax on profit/(loss) on ordinary activities	6	-	(13)
Profit/(loss) for the financial year		151	(17)
Profit/(loss) for the financial year attributable to owners of the parent		151	(17)
Total comprehensive income for the year attributable to owners of the parent		151	(17)

The above all relate to continuing operations of the company.

KENT TOP TEMPS LIMITED
COMPANY REGISTRATION NUMBER: 05242900

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £000	2015 000
Current assets			
Debtors	7	1,150	1,089
Cash at bank and in hand		287	300
		1,437	1,389
Creditors – amounts falling due within one year	8	(94)	(197)
Net current assets		1,343	1,192
Net assets		1,343	1,192
Capital and reserves			
Called up share capital	9	-	-
Retained earnings		1,343	1,192
Equity attributable to owners of the parent		1,343	1,192

The notes on pages 11 to 18 are an integral part of these financial statements.

The financial statements on pages 8 to 18 were authorised for issue by the board of directors on 21 July 2016 and were signed on its behalf.



J D Burr Esq
Director

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

	Called up Share capital £000	Retained earnings £000	Total £000
Balance at 1 April 2014	-	1,209	1,209
Loss for the year	-	(17)	(17)
Total comprehensive income for the year	-	(17)	(17)
Balance as at 31 March 2015	-	1,192	1,192
Profit for the year	-	151	151
Total comprehensive income for the year	-	151	151
Balance as at 31 March 2016	-	1,343	1,343

1. General information

Kent Top Temps Limited ("the company") is a non-trading company.

The company is a private company limited by shares and is incorporated in England. The address of its registered office is 1 Abbey Wood Road, Kings Hill, West Malling, Kent, ME19 4YT.

2. Statement of compliance

The financial statements of Kent top Temps Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies.

b) Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

3. Summary of significant accounting policies (continued)

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholder.

The company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows under FRS 102 paragraph 1.12(b), on the basis that it is a qualifying entity and its immediate parent company, Kent County Trading Limited, includes the company's cash flows in its own consolidated financial statements;
- ii. from the financial instruments disclosure requirements of FRS 102 paragraphs 11.39 – 11.48A and 12.26 – 12.29 under FRS 102 paragraph 1.12(c), on the basis that it is a qualifying entity and its immediate parent company, Kent County Trading Limited, includes the company's financial instruments disclosures in its own consolidated financial statements; and
- iii. from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

d) Foreign currency

- i. Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

- ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions

At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts and rebates allowed by the company and valued added taxes.

3. Summary of significant accounting policies (continued)

f) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

g) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

h) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks less bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

3. Summary of significant accounting policies (continued)

i) Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for *objective evidence of impairment*. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and are subsequently measured at amortised cost using the effective interest method.

iii. Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Summary of significant accounting policies (continued)

j) Share capital

Ordinary shares are classified as equity.

k) Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

l) Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

4. Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2016	2015
	£000	£000
Audit fees payable to the company's auditor	2	3

In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditor for 'Other services' as this information is included in the consolidated financial statements of Kent County Trading Limited.

5. Net interest expense

a) Interest receivable and similar income

	2016	2015
	£000	£000
Bank interest received	1	3
Total interest receivable and similar income	1	3

b) Interest payable and similar charges

	2016	2015
	£000	£000
Interest expense	1	-
Total interest payable and similar charges	1	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

6. Income tax

a) Tax expense included in profit or loss

	2016	2015
	£000	£000
Current tax:		
- UK corporation tax on profits for the year	-	-
- Adjustment in respect of prior periods	-	13
Total current tax	-	13
Deferred tax:		
- Origination and reversal of timing differences	-	-
- Adjustment in respect of prior periods	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	-	13

b) Reconciliation of tax charge

Tax assessed for the period is lower (2015: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2016 of 20% (2015: 20%). The differences are explained below:

	2016	2015
	£000	£000
Profit/(loss) on ordinary activities before tax	151	(4)
Profit/(loss) multiplied by the standard rate of tax in the UK of 20% (2015: 20%)	30	(1)
Effects of:		
- Unrecognised deferred tax	(10)	1
- Adjustments to tax charge in respect of prior years	-	13
- Group relief	(20)	-
Tax charge for year	-	13

Unused tax losses amount to £nil (2015: £52,000)

7. Debtors

	2016	2015
	£000	£000
Amounts owed by group undertakings	1,000	925
Related party receivables (see note 10)	149	149
Prepayments	1	15
	1,150	1,089

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016 (continued)

8. Creditors: amounts falling due within one year

	2016	2015
	£000	£000
Trade creditors	10	183
Amounts owed to group undertakings	83	-
Corporation tax	-	13
Other creditors	1	1
	94	197

9. Share capital and other reserves

Ordinary shares of £1 each Allotted and fully paid	Number	£
At 1 April 2015	2	2
At 31 March 2016	2	2

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

10. Related party transactions

The following transactions occurred during the financial period with Kent County Council, the ultimate controlling party:

	2016	2015
	£000	£000
Other debtors	149	149

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

11. Controlling party

The immediate parent undertaking and the smallest and largest group to consolidate these financial statements is Kent County Trading Limited. Copies of the Kent County Trading Limited consolidated financial statements can be obtained from the Company Secretary at 1 Abbey Wood Road, Kings Hill, West Malling, Kent, ME19 4YT.

The ultimate parent undertaking and ultimate controlling party is Kent County Council, whose principal place of business is County Hall, Maidstone, Kent, ME14 1XQ. The financial statements of Kent County Council can be obtained from County Hall, Maidstone, Kent, ME14 1XQ.

12. Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014. There are no changes in accounting policies which restate profit for the financial year ended 31 March 2015 and the total equity as at 1 April 2014 and 31 March 2015 between UK GAAP as previously reported and under FRS 102.

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By: John Simmonds, Cabinet Member for Finance & Procurement
Andy Wood, Corporate Director of Finance & Procurement

To: Governance and Audit Committee Trading Activities Sub Group – 28
February 2017

Subject: East Kent Opportunities LLP

Classification: Unrestricted

Summary: To provide an annual report on East Kent Opportunities LLP as requested by the Governance and Audit Committee Trading Activities Sub Group including an update on recent activity.

FOR ASSURANCE

INTRODUCTION

1. This report provides an annual review and update of East Kent Opportunities LLP.
2. East Kent Opportunities LLP's Annual Report and Financial Statements for 2015/16 are attached at **Appendix 1** for Members' review and consideration.

UPDATE ON EAST KENT OPPORTUNITIES

3. Background

Kent County Council (KCC) and Thanet District Council (TDC) wished to bring forward the economic development and regeneration of the sites known as Eurokent and Manston Business Park. A Member Agreement was signed on the 22 August 2008 and a joint arrangement vehicle was set up, the East Kent Opportunities LLP (EKO LLP), which was incorporated on the 4 March 2008. KCC and TDC have 50:50 ownership, control and economic participation in the joint arrangement. KCC and TDC contributed 38 acres of land each to EKO LLP. The land was valued for stamp duty land tax (SDLT) at £5.5m (KCC contribution) and £4.5m (TDC contribution). The powers used are the 'well-being powers' provided to local authorities in Part I of the Local Government Act 2000.

4. Current Position

The current position and outlook for EKO LLP and, therefore, KCC's interest therein continues to show an increasingly positive view having achieved a number of milestones since 2013:

- i. EKO LLP submitted a joint mixed use outline planning application in Autumn 2011. Following an Appeal by EKO LLP and Rosefarm Estates Ltd (the adjacent owners of the northern component part of Eurokent) and Public Inquiry in August 2014, the Eurokent site now benefits from an outline planning consent, subject to a Section 106 for a large scale mixed use development. During 2016 the Eurokent Masterplan has been extensively reviewed in conjunction with Rosefarm Estates Ltd, the adjacent landowner of the northern sector, and agreed and endorsed by the LPA to be in a more deliverable form. There are currently several parties interested in purchasing substantial areas of Eurokent and negotiations are ongoing.
 - ii. Development of the new Laleham Gap (Special Educational Needs) School on (Area 1) EKO LLP land at Eurokent, off Ozengell Place adjacent to the Royal Harbour Academy, was completed in February 2016 and is now fully occupied and functioning. This innovative and successful initiative has been achieved in conjunction with KCC Property Group and Department for Education with Government funding. It was triggered by a land swap agreement between KCC and EKO LLP. The old school site in Cliftonville has detailed planning permission for redevelopment for some 70 family dwellings. The site has been marketed and a sale agreed with a developer which is due to complete before the end of the financial year.
 - iii. The loan agreement for the Eurokent Link Road has been reviewed with agreement that 50% of the cost is now being shared with Thanet District Council. This payment should be received by 31st March 2017. The remainder of the loan will be repaid as the income stream from Eurokent materialises. This is anticipated to be in 2017/18.
 - iv. Manston Business Park has continued to see increasing development activity and occupancy. Further plots (Plots 3b, 4b, 4c and 4d) have been sold in 2016 to Manyweather Properties and have been developed for SME workspace for both freehold sale and rental, providing an extensive range of opportunities. With flexible and adaptable units for SME companies the plots developed have a high percentage of occupiers and pre-sales. Further land sales to the same developer are allowing more phases (Plot 3c) of similar accommodation. Due to the growing demand further provision of roadways and services, particularly foul sewage provisions with Southern Water, remains under consideration.
 - v. Next steps for the company will include:
 - i. Continued marketing for the Eurokent site as EKO LLP explores its wider market potential; and
 - ii. a revised business plan based on the evolving and various developments at Manston.
5. East Kent Opportunities LLP's Annual Report and Financial Statements for 2015/16 are attached at Appendix 1, and the key points can be summarised as follows:

- i. In 2015-16, in the EKO LLP accounts, the net assets of the joint arrangement are £14.2m. This has increased from £10m in 2014/15 due to the revaluation of the assets. This has created a Revaluation Reserve of £4.2m. The operating loss before members' remuneration and profit shares available for discretionary division among members is £0.23m.
- ii. The accounts have been approved by the EKO LLP Management Committee and lodged with Companies House.

RECOMMENDATION

Members are asked to note the contents of this report for assurance, and to note East Kent Opportunities LLP's Annual Report and Financial Statements for 2015/16, attached at **Appendix 1**.

Nigel Smith, GET, Economic Development
Bev Gibbs, ST, Finance & Procurement
28 February 2017

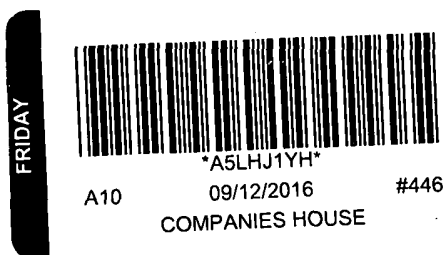
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Registered number: OC335231

East Kent Opportunities LLP

Annual report and financial statements

For the Year Ended 31 March 2016



East Kent Opportunities LLP

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East Kent Opportunities LLP

Information

Designated Members

Kent County Council
Thanet District Council

LLP registered number

OC335231

Registered office

Room S3.21, Session House, County Road, Maidstone, Kent, ME14 1XG

Independent auditors

Kreston Reeves LLP, 37 St Margaret's Street, Canterbury, Kent, CT1 2TU

East Kent Opportunities LLP

Members' report

For the Year Ended 31 March 2016

The members present their annual report together with the audited financial statements of East Kent Opportunities LLP (the LLP) for the year ended 31 March 2016.

Principal activities

The principal object of the LLP is to provide, acquire and develop Manston, KCC Eurokent and TDC Eurokent and any other properties in Kent the members believe appropriate investments.

Designated Members

Kent County Council and Thanet District Council were designated members of the LLP throughout the period.

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

Details of changes in members' capital in the year ended 31 March 2016 are set out in the financial statements.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

Members' responsibilities statement

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law, as applied to LLP's, requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLP's, the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

East Kent Opportunities LLP

**Members' report (continued)
For the Year Ended 31 March 2016**

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The Designated members will propose a motion re-appointing the auditors at a meeting of the members.

This report was approved by the members on 24/11/16 and signed on their behalf by



Kent County Council
Designated member



Thanet District Council
Designated member

East Kent Opportunities LLP

Independent auditors' report to the members of East Kent Opportunities LLP

We have audited the financial statements of East Kent Opportunities LLP for the year ended 31 March 2016, set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' 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 LLP and the LLP's members 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 Members' responsibilities statement, the members 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 Financial Reporting Council'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 LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2016 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

East Kent Opportunities LLP

Independent auditors' report to the members of East Kent Opportunities LLP

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, as applied to limited liability partnerships, 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
- we have not received all the information and explanations we require for our audit.

Kreston Reeves LLP

Nigel Fright FCCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

37 St Margaret's Street
Canterbury
Kent
CT1 2TU
Date:

East Kent Opportunities LLP

Statement of comprehensive income For the Year Ended 31 March 2016

	Note	2016 £	2015 £
Turnover	4	<u>3,024</u>	<u>27,800</u>
Gross profit		3,024	27,800
Administrative expenses		<u>(230,805)</u>	<u>(400,382)</u>
Operating loss	5	(227,781)	(372,582)
Interest receivable and similar income	7	<u>365</u>	<u>220</u>
Loss for the year before members' remuneration and profit shares available for discretionary division among members		(227,416)	(372,362)
Loss for the year before members' remuneration and profit shares		<u>(227,416)</u>	<u>(372,362)</u>
Other comprehensive income for the year			
Unrealised surplus on revaluation of tangible fixed assets		<u>4,218,438</u>	<u>-</u>
Other comprehensive income for the year		4,218,438	-
Total comprehensive income for the year		<u>3,991,022</u>	<u>(372,362)</u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the profit and loss account.

The notes on pages 10 to 17 form part of these financial statements.

East Kent Opportunities LLP
Registered number: OC335231

Balance sheet
As at 31 March 2016

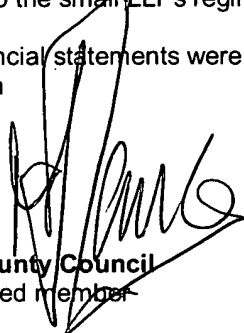
	Note	2016 £	2015 £
Fixed assets			
Tangible assets	8	<u>13,515,000</u>	<u>9,511,143</u>
		13,515,000	9,511,143
Current assets			
Debtors: amounts falling due within one year	9	6,764,222	6,551,883
Cash at bank and in hand	10	<u>398,159</u>	<u>295,698</u>
		7,162,381	6,847,581
Creditors: amounts falling due within one year	11	<u>(665,948)</u>	<u>(696,784)</u>
Net current assets		<u>6,496,433</u>	<u>6,150,797</u>
Total assets less current liabilities		<u>20,011,433</u>	<u>15,661,940</u>
Creditors: amounts falling due after more than one year		<u>(5,831,971)</u>	<u>(5,700,940)</u>
		14,179,462	9,961,000
Net assets attributable to members		<u><u>14,179,462</u></u>	<u><u>9,961,000</u></u>
Represented by:			
Members' other interests			
Members' capital classified as equity		9,961,000	9,961,000
Other reserves classified as equity		<u>4,218,462</u>	<u>-</u>
		14,179,462	9,961,000
		<u>14,179,462</u>	<u>9,961,000</u>
Total members' interests			
Amounts due to members (included in debtors)		(6,760,622)	(6,533,182)
Members' other interests		<u>14,179,462</u>	<u>9,961,000</u>
		<u>7,418,840</u>	<u>3,427,818</u>

East Kent Opportunities LLP
Registered number: OC335231

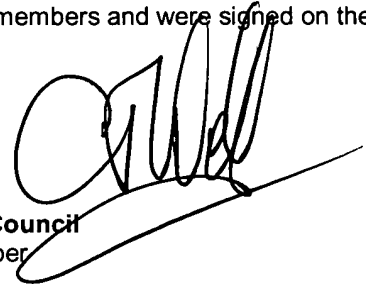
Balance sheet (continued)
As at 31 March 2016

The LLP's financial statements have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on



Kent County Council
Designated member



Thanet District Council
Designated member

The notes on pages 10 to 17 form part of these financial statements.

East Kent Opportunities LLP

**Statement of changes in equity
For the Year Ended 31 March 2016**

	Members capital (classified as equity)	Other reserves	Total equity
	£	£	£
At 1 April 2015	9,961,000	-	9,961,000
Comprehensive income for the year			
Loss for year for discretionary division among members	-	(227,416)	(227,416)
Unrealised surplus on revaluation of tangible fixed assets	-	4,218,438	4,218,438
Other comprehensive income for the year	-	4,445,878	4,445,878
Total comprehensive income for the year	-	4,218,462	4,218,462
Total transactions with members	-	-	-
At 31 March 2016	9,961,000	4,218,462	14,179,462

**Statement of changes in equity
For the Year Ended 31 March 2015**

	Members capital (classified as equity)	Other reserves	Total equity
	£	£	£
At 1 April 2014	9,961,000	-	9,961,000
Comprehensive income for the year			
Loss for year for discretionary division among members	-	(372,362)	(372,362)
Other comprehensive income for the year	-	372,362	372,362
Total comprehensive income for the year	-	-	-
Total transactions with members	-	-	-
At 31 March 2015	9,961,000	-	9,961,000

The notes on pages 10 to 17 form part of these financial statements.

East Kent Opportunities LLP

Notes to the financial statements For the Year Ended 31 March 2016

1. LLP information

East Kent Opportunities LLP is a limited liability partnership incorporated in England. The address of the registered office is Room S3.21, Session House, County Road, Maidstone, Kent, ME14 1XG. The principal activities of the LLP can be found within the Members' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

There is no impact of first-time adoption of FRS 102 and the effect of transition.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the entity's accounting policies (see note 3).

The following principal accounting policies at 2.2 to 2.10 have been applied.

2.2 Going concern

The LLP has £398,159 included in cash at the bank. The LLP meets its day to day working capital requirements through these reserves. In addition to this the LLP has received significant funding from its members, Thanet District Council and Kent County Council. As a consequence, the members believe that the LLP is well placed to manage its business risks successfully.

After making enquiries, the members have a reasonable expectation that the LLP has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP 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:

Grants received are recognised in the profit and loss account in the period in which the expenditure towards which they relate is incurred.

Licensing and rent provided in the period, exclusive of value added tax.

East Kent Opportunities LLP

Notes to the financial statements For the Year Ended 31 March 2016

2. Accounting policies (continued)

2.4 Tangible fixed assets

Land is recorded at fair value at the date of the revaluation less any accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income.

Land is not depreciated.

At each reporting date the LLP assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 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.

East Kent Opportunities LLP

Notes to the financial statements For the Year Ended 31 March 2016

2. Accounting policies (continued)

2.7 Financial instruments

The LLP only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, 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 payables or receivables, 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 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 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.

2.9 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.10 Borrowing costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

East Kent Opportunities LLP

Notes to the financial statements For the Year Ended 31 March 2016

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgements have had the most significant impact on amounts recognised in the financial statements:

Tangible fixed assets

The LLP has recognised tangible fixed assets with a carrying value of £13,515,000 at the reporting date (see note 8). The LLP has adopted the revaluation model for the measurement of land.

In order to determine the fair value of land the LLP has engaged independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. Valuations are obtained with sufficient regularity to ensure that the carrying value of revalued assets reflects current market conditions.

Where there are indicators that the carrying value of tangible assets may be impaired the LLP undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the LLP's forecasts for the foreseeable future which do not include any restructuring activities that the LLP is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

4. Analysis of turnover

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

	2016 £	2015 £
Rental income	3,024	27,800
	<u>3,024</u>	<u>27,800</u>

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2016 £	2015 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual accounts	4,750	4,600
	<u>4,750</u>	<u>4,600</u>

East Kent Opportunities LLP

Notes to the financial statements For the Year Ended 31 March 2016

6. Employees

The entity has no employees other than the members, who did not receive any remuneration (2015 - £NIL).

7. Interest receivable

	2016 £	2015 £
Other interest receivable	365	220
	<u>365</u>	<u>220</u>

8. Tangible fixed assets

	Freehold land £
Cost or valuation	
At 1 April 2015	9,511,143
Disposals	(214,581)
Revaluations	4,218,438
	<u>13,515,000</u>
At 31 March 2016	<u>13,515,000</u>
At 31 March 2015	<u>9,511,143</u>

The 2016 valuations were made by the Members, on an open market value basis, based on valuations undertaken by Savills (UK) Limited Chartered Surveyors as at 21 May 2015.

9. Debtors

	2016 £	2015 £
Trade debtors	3,600	-
Other debtors	-	18,702
Amounts due from members	6,760,622	6,533,181
	<u>6,764,222</u>	<u>6,551,883</u>

East Kent Opportunities LLP

**Notes to the financial statements
For the Year Ended 31 March 2016**

10. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	398,159	295,698
	<u>398,159</u>	<u>295,698</u>

11. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	33,717	71,463
Amounts owed to members	619,297	619,297
Taxation and social security	3,659	-
Accruals and deferred income	9,275	6,024
	<u>665,948</u>	<u>696,784</u>

12. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Other loans	5,831,971	5,700,940
	<u>5,831,971</u>	<u>5,700,940</u>

Included within other loans is £5,831,971 (2015: £5,700,940) due to Kent County Council for reimbursement of costs associated with a building project.

13. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due 2-5 years		
Other loans	5,831,971	5,700,940
	<u>5,831,971</u>	<u>5,700,940</u>

East Kent Opportunities LLP

**Notes to the financial statements
For the Year Ended 31 March 2016**

14. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>6,764,222</u>	6,551,883
	<u>6,764,222</u>	<u>6,551,883</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(6,494,260)</u>	(6,397,700)
	<u>(6,494,260)</u>	<u>(6,397,700)</u>

Financial assets measured at amortised cost comprise of trade debtors and amounts due from members.

Financial Liabilities measured at amortised cost comprise of trade creditors, accruals, amounts owed to members, and other loans.

East Kent Opportunities LLP

15. Reconciliation of members' interests

	Members' capital (Classified as equity) £	Other reserves £	Total members' other interests £	Loans and debts due to members less any amounts due from members in debtors £	Total equity £
Members' interests: balance at 1 April 2014	9,961,000	-	9,961,000	(6,160,819)	3,800,181
Loss for the year available for discretionary division among members	-	(372,362)	(372,362)	-	(372,362)
Members' interests after Profit for the year	9,961,000	(372,362)	9,588,638	(6,160,819)	3,427,819
Allocated Profit for the year	-	372,362	372,362	(372,362)	-
MEMBERS' INTERESTS: BALANCE AT 31 March 2015	9,961,000	-	9,961,000	(6,533,181)	3,427,819
Loss for the year available for discretionary division among members	-	(227,416)	(227,416)	-	(227,416)
Members' interests after Profit for the year	9,961,000	(227,416)	9,733,584	(6,533,181)	3,200,403
Allocated Profit for the year	-	227,440	227,440	(227,440)	-
Movement in reserves	-	4,218,438	4,218,438	-	4,218,438
MEMBERS' INTERESTS: BALANCE AT 31 March 2016	9,961,000	4,218,462	14,179,462	(6,760,621)	7,418,841

Included within the other reserve is £4,218,438 (2015: £nil) of accumulated non-distributable reserves in respect of revaluations of freehold land.

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