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Registered number: 05858178

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**COMMERCIAL SERVICES TRADING LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

WEDNESDAY



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23/12/2015

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COMPANIES HOUSE

**Barnes Roffe LLP, Chartered Accountants**  
**Charles Lake House, Claire Causeway, Crossways Business Park, Dartford, Kent, DA2 6QA**  
**10 December 2015**

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**COMMERCIAL SERVICES TRADING LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

C McCoy Esq (appointed 10 June 2014)  
S G Heywood Esq  
R J F Martin Esq  
Mrs K M Short  
G P C Parsons Esq (resigned 28 April 2015)  
J D Burr Esq (appointed 26 February 2015)  
R L Pimenta Esq (appointed 26 February 2015)  
Ms N Major (appointed 26 February 2015)  
Mrs E L Mitchell (appointed 22 October 2015)  
J Evans Esq (appointed 22 October 2015)

**COMPANY SECRETARY**

Mrs K M Short .

**REGISTERED NUMBER**

05858178

**REGISTERED OFFICE**

1 Abbey Wood Road  
Kings Hill  
West Malling  
Kent  
ME19 4YT

**INDEPENDENT AUDITORS**

Barnes Roffe LLP  
Chartered Accountants & Statutory Auditor  
Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford  
Kent  
DA2 6QA

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**COMMERCIAL SERVICES TRADING LIMITED**

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**COMMERCIAL SERVICES TRADING LIMITED**

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2015**

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**INTRODUCTION**

The directors present their strategic report accompanying the financial statements for the year ended 31 March 2015.

**BUSINESS REVIEW**

The directors note that the company traded at a satisfactory level during the 2014-15 year.

Trade levels continue to be satisfactory and a similar performance is expected for 2015/16.

**PRINCIPAL RISKS AND UNCERTAINTIES**

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.

Failure to compete in terms 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 brand could lead to a loss of trust and confidence and a decline in our customer base.

**FINANCIAL KEY PERFORMANCE INDICATORS**

The company tracks financial performance indicators based on the consolidated results of the group. No other key performance indicators would benefit any reader of the accounts.

This report was approved by the board on

17/12/15

and signed on its behalf.

**J D Burr Esq.**  
Director

*JDB - 11*

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## COMMERCIAL SERVICES TRADING LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

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The directors present their report and the financial statements for the year ended 31 March 2015.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

#### PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review include fleet procurement, landscape services, engineering, recruitment, energy supply, and venue hire.

#### DIRECTORS

The directors who served during the year were:

C McCoy Esq (appointed 10 June 2014)  
S G Heywood Esq  
R J F Martin Esq  
Mrs K M Short  
G P C Parsons Esq (resigned 28 April 2015)  
J D Burr Esq (appointed 26 February 2015)  
R L Pimenta Esq (appointed 26 February 2015)  
Ms N Major (appointed 26 February 2015)

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**COMMERCIAL SERVICES TRADING LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2015**

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**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 business group is managed by a corporate centre, which sets the strategic direction of the group 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 group aims to deliver shareholder value by:

- Delivering organic sales growth through new services that complement the group's portfolio and expansion into new high growth markets.
- Enhancing margins through operational efficiencies.
- Managing operations and working capital proficiently to generate strong cash-flows.
- Improving productivity through investment in technology and training.

**DISCLOSURE OF INFORMATION TO AUDITORS**

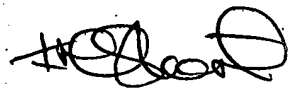
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- 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.

This report was approved by the board on

17/12/15

and signed on its behalf.



**Mrs K M Short**  
Director

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## COMMERCIAL SERVICES TRADING LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COMMERCIAL SERVICES TRADING LIMITED

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We have audited the financial statements of Commercial Services Trading Limited for the year ended 31 March 2015, set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 strategic report and 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 2015 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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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COMMERCIAL SERVICES TRADING LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COMMERCIAL SERVICES TRADING  
LIMITED

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**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.



Mario Ciantanni (senior statutory auditor)  
for and on behalf of  
**Barnes Roffe LLP**  
Chartered Accountants  
Statutory Auditor  
Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford  
Kent  
DA2 6QA

Date: 21. October. 2015.



**COMMERCIAL SERVICES TRADING LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
<b>TURNOVER</b>	1,2		
Continuing operations		19,057,516	1,613,948
Acquisitions		-	18,867,393
		<u>19,057,516</u>	<u>20,481,341</u>
Discontinued operations		-	250,974
		<u>19,057,516</u>	<u>20,732,315</u>
Cost of sales	4	<u>(14,386,447)</u>	<u>(16,625,154)</u>
<b>GROSS PROFIT</b>		<b>4,671,069</b>	<b>4,107,161</b>
Administrative expenses	4	<b>(5,364,282)</b>	<b>(5,169,228)</b>
Other operating income	3	<u>1,035,274</u>	<u>1,242,890</u>
<b>OPERATING PROFIT</b>	5		
Continuing operations		<b>342,061</b>	<b>18,418</b>
Acquisitions		-	658,355
Discontinued operations		-	(495,950)
		<u>342,061</u>	<u>180,823</u>
Interest receivable and similar income		<b>6,369</b>	<b>5,234</b>
Interest payable and similar charges	7	<u>(100,917)</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>247,513</b>	<b>186,057</b>
Tax on profit on ordinary activities	8	<u>(11,295)</u>	<u>(56,175)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	16	<u><b>236,218</b></u>	<u><b>129,882</b></u>

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

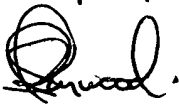
**COMMERCIAL SERVICES TRADING LIMITED**  
**REGISTERED NUMBER: 05858178**

**BALANCE SHEET**  
**AS AT 31 MARCH 2015**

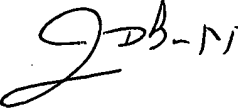
	Note	2015		2014	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		4,175,114		4,131,182
<b>CURRENT ASSETS</b>					
Stocks	10	222,882		271,546	
Debtors	11	6,510,398		7,908,434	
Cash at bank and in hand		1,509,376		418,145	
		<u>8,242,656</u>		<u>8,598,125</u>	
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(5,581,990)</u>		<u>(4,806,189)</u>	
<b>NET CURRENT ASSETS</b>			<u>2,660,666</u>		<u>3,791,936</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>6,835,780</u>		<u>7,923,118</u>
<b>CREDITORS: amounts falling due after more than one year</b>	13		(4,500,000)		(5,834,851)
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred Tax	14		(145,089)		(133,794)
<b>NET ASSETS</b>			<u>2,190,691</u>		<u>1,954,473</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		1,000,002		1,000,002
Profit and loss account	16		1,190,689		954,471
<b>SHAREHOLDERS' FUNDS</b>	17		<u>2,190,691</u>		<u>1,954,473</u>

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

17/12/15



**S G Heywood Esq**  
 Director



**J D Burr Esq**  
 Director

The notes on pages 8 to 16 form part of these financial statements.

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**COMMERCIAL SERVICES TRADING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

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**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 applicable accounting standards.

**1.2 CASH FLOW**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

**1.3 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.

**1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	Straight line over 50 years
Plant & Machinery	-	Straight line over 5 years
Fixtures & Fittings	-	Straight line over 10 years
Office Equipment	-	Straight line over 5 years

**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 STOCK AND WORK-IN-PROGRESS**

Stocks 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.

**1.7 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 current tax rates.

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COMMERCIAL SERVICES TRADING LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

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1. ACCOUNTING POLICIES (continued)

1.8 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

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
Landscape services	6,328,815	7,364,840
Vehicle rental	5,339,281	9,133,607
Recruitment services	4,062,095	1,211,626
Engineering	2,352,747	2,503,861
Other	974,578	518,381
	<u>19,057,516</u>	<u>20,732,315</u>

All turnover arose within the United Kingdom.

The whole of the turnover and profit before taxation from continuing activities is attributable to the principal activities of the company.

3. OTHER OPERATING INCOME

	2015 £	2014 £
Rent received	482,116	515,569
Service charge received	553,158	727,321
	<u>1,035,274</u>	<u>1,242,890</u>

**COMMERCIAL SERVICES TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**4. ANALYSIS OF OPERATING PROFIT**

	2015		2014	
	Continuing £	Discontinued £	Continuing £	Discontinued £
Turnover	19,057,516	-	20,481,341	250,974
Cost of sales	(14,386,447)	-	(16,377,688)	(247,466)
Gross profit	4,671,069	-	4,103,653	3,508
Administrative expenses	(5,364,282)	-	(4,669,770)	(499,458)
Other operating income	1,035,274	-	1,242,890	-
	<u>342,061</u>	<u>-</u>	<u>676,773</u>	<u>(495,950)</u>

The following amounts were included within continuing activities in relation to acquisitions during the year:

	2015 £	2014 £
Turnover	-	18,867,393
Cost of sales	-	(14,069,704)
Gross profit	-	4,797,689
Administrative expenses	-	(5,310,691)
Other operating income	-	1,171,357
Operating profit	<u>-</u>	<u>658,355</u>

**5. OPERATING PROFIT**

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	186,327	138,997
Auditors' remuneration	12,500	12,000
Operating lease rentals:		
- other operating leases	858,869	497,891
	<u>858,869</u>	<u>497,891</u>

During the year, no director received any emoluments (2014 - £NIL).

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COMMERCIAL SERVICES TRADING LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

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6. STAFF COSTS

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,854,862	2,025,103
Social security costs	167,906	169,016
Other pension costs	71,590	160,405
	<u>2,094,358</u>	<u>2,354,524</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Landscape services	41	41
Engineering	5	2
Administration	6	6
Recruitment	15	14
Other	15	15
	<u>82</u>	<u>78</u>

7. INTEREST PAYABLE

	2015 £	2014 £
On other loans	<u>100,917</u>	<u>-</u>

8. TAXATION

	2015 £	2014 £
<b>ANALYSIS OF TAX CHARGE IN THE YEAR</b>		
<b>DEFERRED TAX</b> (see note 14)		
Origination and reversal of timing differences	11,295	56,175
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<u>11,295</u>	<u>56,175</u>

**COMMERCIAL SERVICES TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**8. TAXATION (continued)**

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>247,513</u>	<u>186,057</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	49,503	37,211
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(4,372)	25,115
Capital allowances for year in excess of depreciation	(22,763)	(48,881)
Group loss relief	(22,368)	(13,445)
<b>CURRENT TAX CHARGE FOR THE YEAR</b> (see note above)	<u>-</u>	<u>-</u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

There were no factors that may affect future tax charges.

**9. TANGIBLE FIXED ASSETS**

	Leasehold property £	Plant & Machinery £	Fixtures & Fittings £	Office Equipment £	Total £
<b>COST</b>					
At 1 April 2014	2,408,097	-	1,843,346	27,632	4,279,075
Additions	98,892	72,398	9,810	52,179	233,279
Disposals	-	-	(3,417)	-	(3,417)
At 31 March 2015	<u>2,506,989</u>	<u>72,398</u>	<u>1,849,739</u>	<u>79,811</u>	<u>4,508,937</u>
<b>DEPRECIATION</b>					
At 1 April 2014	64,132	-	82,051	1,710	147,893
Charge for the year	54,463	2,686	112,552	16,626	186,327
On disposals	-	-	(397)	-	(397)
At 31 March 2015	<u>118,595</u>	<u>2,686</u>	<u>194,206</u>	<u>18,336</u>	<u>333,823</u>
<b>NET BOOK VALUE</b>					
At 31 March 2015	<u>2,388,394</u>	<u>69,712</u>	<u>1,655,533</u>	<u>61,475</u>	<u>4,175,114</u>
At 31 March 2014	<u>2,343,965</u>	<u>-</u>	<u>1,761,295</u>	<u>25,922</u>	<u>4,131,182</u>

**COMMERCIAL SERVICES TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**9. TANGIBLE FIXED ASSETS (continued)**

Included in leasehold property is land amounting to £592,632 (2014: £592,632) which is not depreciated.

**10. STOCKS**

	2015 £	2014 £
Stock and work-in-progress	<u>222,882</u>	<u>271,546</u>

**11. DEBTORS**

	2015 £	2014 £
Trade debtors	2,316,320	4,322,010
Amounts owed by group undertakings	932,933	978,695
Other debtors, accrued income and prepayments	3,261,145	2,607,729
	<u>6,510,398</u>	<u>7,908,434</u>

**12. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	1,320,688	1,137,173
Amounts owed to group undertakings	925,113	-
Other taxation and social security	40,110	390,457
Other creditors, accruals and deferred income	3,296,079	3,278,559
	<u>5,581,990</u>	<u>4,806,189</u>

**13. CREDITORS:  
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2015 £	2014 £
Other creditors	1,500,000	2,834,851
Share capital treated as debt (Note 15)	3,000,000	3,000,000
	<u>4,500,000</u>	<u>5,834,851</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 15.



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COMMERCIAL SERVICES TRADING LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

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14. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	133,794	77,619
Charge for year (P&L)	11,295	56,175
	<u>145,089</u>	<u>133,794</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	159,468	133,794
Short term timing differences	(14,379)	-
	<u>145,089</u>	<u>133,794</u>

15. SHARE CAPITAL

	2015 £	2014 £
<b>SHARES CLASSIFIED AS CAPITAL</b>		
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
1,000,002 Ordinary shares of £1 each	<u>1,000,002</u>	<u>1,000,002</u>
<b>SHARES CLASSIFIED AS DEBT</b>		
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
3,000,000 Redeemable shares of £1 each	<u>3,000,000</u>	<u>3,000,000</u>

There are two classes of redeemable shares in issue, both classes entitle the holder to one vote in any circumstance. The Redeemable shares of £1,000,000 and Redeemable 2017 shares of £2,000,000 can be redeemed at the option of the company or the shareholder at any time after 1 April 2016 and 1 April 2017 respectively. No premium is payable upon redemption.

**COMMERCIAL SERVICES TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**16. RESERVES**

	<b>Profit and loss account £</b>
At 1 April 2014	954,471
Profit for the financial year	236,218
	1,190,689
At 31 March 2015	1,190,689

**17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>2015 £</b>	<b>2014 £</b>
Opening shareholders' funds	1,954,473	1,824,591
Profit for the financial year	236,218	129,882
	2,190,691	1,954,473
Closing shareholders' funds	2,190,691	1,954,473

**18. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £71,590 (2014 - £160,405). Contributions totalling £7,380 (2014 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

**19. OPERATING LEASE COMMITMENTS**

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2015 £</b>	<b>2014 £</b>	<b>2015 £</b>	<b>2014 £</b>
<b>EXPIRY DATE:</b>				
Within 1 year	-	-	415,986	641,947
Between 2 and 5 years	-	-	2,049,462	2,100,923
After more than 5 years	757,350	757,350	-	-
	757,350	757,350	-	-

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**COMMERCIAL SERVICES TRADING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

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**20. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, 'Related party disclosures', not to disclose any transactions with members of the group headed by Kent County Trading Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in the consolidated financial statements.

The company has a loan from Kent County Council of £1,500,000 (2014: £2,834,851). The loan is repayable on demand and is included within creditors due after one year.

Interest payable on the loan from Kent County Council has been charged at £100,917 (2014: £Nil).

During the year, the company traded with Kent County Council, the ultimate controlling party. The following transactions occurred during the financial period:

	2015 £	2014 £
Sales	5,531,484	5,714,166
Purchases	2,697,757	987,730
Trade debtors	825,080	2,086,008
Trade creditors	(683,397)	(90,312)
Other debtors	10,057	34,922
Other creditors	(401,049)	-

**21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate controlling party is Kent County Council, which owns 100% of the issued share capital of the parent company, Kent County Trading Limited.