
COMMERCIAL SERVICES KENT LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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COMMERCIAL SERVICES KENT LIMITED

COMPANY INFORMATION

DIRECTORS

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

COMPANY SECRETARY

Mrs K Short

REGISTERED NUMBER

05858177

REGISTERED OFFICE

1 Abbey Wood Road
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

COMMERCIAL SERVICES KENT LIMITED

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COMMERCIAL SERVICES KENT LIMITED

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

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 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.


JD Burr Esq
Director

COMMERCIAL SERVICES KENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

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 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 included recruitment services, waste disposal services and facilities management services.

DIRECTORS

The directors who served during the year were:

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

COMMERCIAL SERVICES KENT LIMITED

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

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 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.

The business has also undertaken development of a new computer operating system during the year for one of its key activities and this development programme will continue into the following financial year. Development expenditure in respect of the new system has been capitalised in the current year and amortised in accordance with the group accounting policy.

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 Short
Secretary

COMMERCIAL SERVICES KENT LIMITED

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

We have audited the financial statements of Commercial Services Kent Limited for the year ended 31 March 2015, set out on pages 6 to 18. 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.

UNQUALIFIED 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.

COMMERCIAL SERVICES KENT LIMITED

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

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.



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: 11. October 2013.

COMMERCIAL SERVICES KENT LIMITED

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

	Note	2015 £	As restated 2014 £
TURNOVER	1,2		
Continuing operations		55,121,831	-
Acquisitions		-	58,383,424
		<u>55,121,831</u>	<u>58,383,424</u>
Discontinued operations		-	935,283
		<u>55,121,831</u>	<u>59,318,707</u>
Cost of sales	3	<u>(44,226,300)</u>	<u>(46,955,032)</u>
GROSS PROFIT		10,895,531	12,363,675
Administrative expenses	3	<u>(10,209,956)</u>	<u>(12,174,830)</u>
OPERATING PROFIT			
Continuing operations		685,575	-
Acquisitions		-	553,933
Discontinued operations		-	(365,088)
		<u>685,575</u>	<u>188,845</u>
Interest receivable and similar income		10,409	12,745
Interest payable and similar charges	8	<u>(209,285)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		486,699	201,590
Tax on profit on ordinary activities	9	<u>(139,545)</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	18	<u><u>347,154</u></u>	<u><u>201,590</u></u>

The notes on pages 9 to 18 form part of these financial statements.

COMMERCIAL SERVICES KENT LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 £	As restated 2014 £
PROFIT FOR THE FINANCIAL YEAR		347,154	201,590
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		347,154	201,590
Prior year adjustment	19	1,275,000	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST FINANCIAL STATEMENTS		1,622,154	

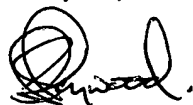
The notes on pages 9 to 18 form part of these financial statements.

COMMERCIAL SERVICES KENT LIMITED
REGISTERED NUMBER: 05858177

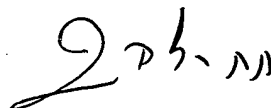
BALANCE SHEET
AS AT 31 MARCH 2015

	Note	2015		As restated 2014	
		£	£	£	£
FIXED ASSETS					
Intangible assets	10		1,893,928		703,559
Tangible assets	11		869,805		1,015,329
			<u>2,763,733</u>		<u>1,718,888</u>
CURRENT ASSETS					
Stocks	12	412		2,618	
Debtors	13	9,710,264		10,417,990	
Cash at bank and in hand		1,010,818		101,550	
			<u>10,721,494</u>		<u>10,522,158</u>
CREDITORS: amounts falling due within one year	14		<u>(8,398,658)</u>		<u>(8,235,993)</u>
NET CURRENT ASSETS			<u>2,322,836</u>		<u>2,286,165</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,086,569</u>		<u>4,005,053</u>
CREDITORS: amounts falling due after more than one year	15		(4,400,000)		(3,805,183)
PROVISIONS FOR LIABILITIES					
Deferred tax	16		(139,545)		-
NET ASSETS			<u>547,024</u>		<u>199,870</u>
CAPITAL AND RESERVES					
Called up share capital	17		2		2
Profit and loss account	18		547,022		199,868
SHAREHOLDERS' FUNDS	20		<u>547,024</u>		<u>199,870</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 9 to 18 form part of these financial statements.

COMMERCIAL SERVICES KENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 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 applicable accounting standards.

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 Going concern

The company relies on the support of its parent undertaking, Kent County Council. The parent undertaking has given assurances that its support will not be withdrawn. It is on this basis that the accounts have been prepared under the going concern concept, and do not reflect any adjustment that may be necessary should that support be withdrawn.

1.4 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.

1.5 Intangible fixed assets and amortisation

Intangible assets are development costs capitalised in accordance with SSAP 13. They represent expenditure on viable projects in the course of development, which are deferred until the project has attained a commercial basis. Intangible assets are amortised on a straight line basis over 5 years.

1.6 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	-	Straight line over 3 - 7 years
Office equipment	-	Straight line over 5 years

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

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 and an appropriate proportion of fixed and variable overheads.

COMMERCIAL SERVICES KENT LIMITED

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

1. ACCOUNTING POLICIES (continued)

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 current tax rates.

1.10 Pensions

The company operates a defined contribution pension scheme for staff employed on Commercial Services terms, and the pension charged to the profit and loss account represents the amounts payable by the company to the fund in respect of the year.

The company also makes defined contributions for employees transferred from Kent County Council on 1 April 2013 under a TUPE arrangement. These staff 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.

2. TURNOVER

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

	2015 £	As restated 2014 £
Temporary staff	39,693,568	44,247,545
Facilities management	4,542,685	6,177,046
Other	231,133	1,289,158
Recharges	6,211,959	5,721,897
Waste	4,442,486	1,883,061
	<u>55,121,831</u>	<u>59,318,707</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.

COMMERCIAL SERVICES KENT LIMITED

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

3. ANALYSIS OF OPERATING PROFIT

	2015		As restated 2014	
	Continuing £	Discontinued £	Continuing £	Discontinued £
Turnover	55,121,831	-	58,383,424	935,283
Cost of sales	(44,226,300)	-	(46,208,071)	(746,961)
Gross profit	10,895,531	-	12,175,353	188,322
Administrative expenses	(10,209,956)	-	(11,621,420)	(553,410)
	<u>685,575</u>	<u>-</u>	<u>553,933</u>	<u>(365,088)</u>

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

	2015 £	As restated 2014 £
Turnover	-	58,383,424
Cost of sales	-	(46,208,071)
Gross profit	-	12,175,353
Administrative expenses	-	(11,621,420)
Operating profit	<u>-</u>	<u>553,933</u>

4. OPERATING PROFIT/(LOSS)

	2015 £	2014 £
The operating profit/(loss) is stated after charging:		
Amortisation - intangible fixed assets	13,986	3,221
Depreciation of tangible fixed assets: - owned by the company	258,009	162,455
Total	<u>271,995</u>	<u>165,676</u>

5. AUDITORS' REMUNERATION

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>12,500</u>	<u>12,000</u>

COMMERCIAL SERVICES KENT LIMITED

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

6. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015	As restated 2014
	£	£
Wages and salaries	21,699,582	24,107,724
Social security costs	1,655,335	1,954,533
Other pension costs	1,770,983	1,810,387
	<u>25,125,900</u>	<u>27,872,644</u>

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

	2015 No.	2014 No.
Temporary staff	464	532
Administration staff	82	95
Facilities management	38	63
Direct staff	377	418
Recruitment	32	34
Other	80	58
	<u>1,073</u>	<u>1,200</u>

7. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>384,165</u>	<u>529,656</u>
Company pension contributions to defined contribution pension schemes	<u>35,629</u>	<u>62,645</u>

During the year retirement benefits were accruing to 4 directors (2014 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £153,015 (2014 - £203,261).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £15,302 (2014 - £20,634).

COMMERCIAL SERVICES KENT LIMITED

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

8. INTEREST PAYABLE

	2015 £	2014 £
On other loans	<u>209,285</u>	<u>-</u>

9. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see below)		
UK corporation tax charge on profit for the year	-	-
Deferred tax (see note 16)		
Origination and reversal of timing differences	<u>139,545</u>	<u>-</u>
Tax on profit on ordinary activities	<u>139,545</u>	<u>-</u>

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>486,699</u>	<u>201,590</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	97,340	40,318
Effects of:		
Expenses not deductible for tax purposes	53,428	85,759
Capital allowances for year in excess of depreciation	(15,093)	(9,909)
Adjustment in research and development tax credit leading to a decrease in the tax charge	(287,533)	(161,131)
Unrelieved tax losses carried forward	129,490	31,518
Group relief	22,368	13,445
Current tax charge for the year (see above)	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has a tax loss carried forward of £805,037 (2014: £157,588) to offset against future taxable profits.

COMMERCIAL SERVICES KENT LIMITED

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

10. INTANGIBLE FIXED ASSETS

	Computer software £	Software development £	Total £
Cost			
At 1 April 2014	96,854	636,851	733,705
Additions	-	1,204,355	1,204,355
At 31 March 2015	96,854	1,841,206	1,938,060
Amortisation			
At 1 April 2014	30,146	-	30,146
Charge for the year	13,986	-	13,986
At 31 March 2015	44,132	-	44,132
Net book value			
At 31 March 2015	52,722	1,841,206	1,893,928
At 31 March 2014	66,708	636,851	703,559

11. TANGIBLE FIXED ASSETS

	Motor vehicles £	Office equipment £	Total £
Cost			
At 1 April 2014	100,859	1,076,925	1,177,784
Additions	-	182,858	182,858
Disposals	(100,859)	-	(100,859)
At 31 March 2015	-	1,259,783	1,259,783
Depreciation			
At 1 April 2014	17,797	144,658	162,455
Charge for the year	12,689	245,320	258,009
On disposals	(30,486)	-	(30,486)
At 31 March 2015	-	389,978	389,978
Net book value			
At 31 March 2015	-	869,805	869,805
At 31 March 2014	83,062	932,267	1,015,329

COMMERCIAL SERVICES KENT LIMITED

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

12. STOCKS

	2015 £	2014 £
Finished goods and goods for resale	412	2,618

13. DEBTORS

	2015 £	2014 £
Trade debtors	6,780,749	7,626,674
Other debtors	15,882	90,239
Prepayments and accrued income	2,913,633	2,701,077
	9,710,264	10,417,990

**14. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	1,215,204	2,625,160
Amounts owed to group undertakings	933,089	622,695
Other taxation and social security	1,508,429	1,703,940
Accruals and deferred income	4,741,936	3,284,198
	8,398,658	8,235,993

**15. CREDITORS:
Amounts falling due after more than one year**

	2015 £	2014 £
Other creditors	4,400,000	3,805,183

16. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	-	-
Charge for year (P&L)	139,545	-
	139,545	-
At end of year	139,545	-

COMMERCIAL SERVICES KENT LIMITED

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

16. DEFERRED TAXATION (continued)

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	25,003	-
Development software R&D allowance	362,791	-
Unused corporation tax losses	(160,264)	-
Short term timing differences	(87,985)	-
	139,545	-
	139,545	-

17. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	2	2

18. RESERVES

	Profit and loss account £
At 1 April 2014 (as previously stated)	(1,075,132)
Prior year adjustment (note 19)	1,275,000
	199,868
At 1 April 2014 (as restated)	199,868
Profit for the year	347,154
	547,022
At 31 March 2015	547,022

19. PRIOR YEAR ADJUSTMENT

A prior year adjustment has arisen due to a change in accounting policy following a reassessment of the company's accounting for its participation in the Local Government Pension Scheme.

Previously the company has accounted for its pension contributions as a defined benefit scheme, however it has been agreed by Kent County Council for the employer contributions to be set at a fixed rate for the duration of the contract. Accordingly the accounting policy has been amended to account for the scheme as a defined contribution scheme.

The net effect is to increase profit and loss reserves brought forward at 1 April 2014 by £1,275,000. As the adjustments relate to periods prior to the year ended 31 March 2015 there has been no adjustment to the profit and loss account for this period.

COMMERCIAL SERVICES KENT LIMITED

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

20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' deficit	(1,075,130)	(1,720)
Prior year adjustments (note 19)	1,275,000	
Opening shareholders' funds/(deficit) (as restated)	199,870	
Profit for the financial year	347,154	201,590
Closing shareholders' funds	547,024	199,870

21. PENSION COMMITMENTS

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £1,770,983 (2014: £1,810,387). Contributions totalling £190,370 (2014: £141,500) were payable to the funds at the balance sheet date and are included in creditors.

22. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
Expiry date:		
Within 1 year	-	4,345
Between 2 and 5 years	-	6,798

COMMERCIAL SERVICES KENT LIMITED

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

23. 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 £4,400,000 (2014: £3,805,183). 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 £209,285.

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	47,347,866	49,213,246
Purchases	1,730,629	1,281,731
Trade debtors	6,385,423	6,569,383
Trade creditors	(662)	(173,105)
Other debtors	1,331,996	1,288,344
Other creditors	(2,665,307)	(556,710)

24. 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.