

Registration number 2292443

Martin Services Ltd
Directors' Report and Financial Statements
for the Year Ended 31 August 2007

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Martin Services Ltd

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Martin Services Ltd
Officers and Advisers

Directors	M O Calvert C A Griffin
Secretary	C A Griffin
Registered office	Thorpe Underwood Hall PO Box 100 Great Ouseburn YORK North Yorkshire YO26 9SZ
Bankers	Lloyds TSB Bank Plc Harrogate 8-11 Cambridge Crescent Harrogate North Yorkshire HG1 1PQ
Auditors	MGI Watson Buckle LLP Chartered Accountants & Registered Auditors York House Cottingley Business Park Bradford BD16 1PE

Martin Services Ltd
Directors' Report for the Year Ended 31 August 2007

The directors present their report and the audited financial statements for the year ended 31 August 2007

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of

Principal activity

The principal activity of the company is the management and leasing of property

Directors

The directors who held office during the year were as follows

- M O Calvert
- C A Griffin

Auditors

The auditors, MGI Watson Buckle LLP, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985

Small company provisions

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Martin Services Ltd
Directors' Report for the Year Ended 31 August 2007

continued

Approved by the Board on 17 June 2008 and signed on its behalf by

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by 'A' and 'G', all enclosed within a horizontal oval shape.

C A Griffin
Company Secretary

Independent Auditors' Report to the Members of Martin Services Ltd

We have audited the financial statements of Martin Services Ltd for the year ended 31 August 2007 set out on pages 6 to 13. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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 described in the statement of Directors' responsibilities on page 2, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent Auditors' Report to the Members of
Martin Services Ltd**

continued

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 August 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

MGI Watson Buckle LLP

MGI Watson Buckle LLP
Chartered Accountants & Registered Auditors
Bradford

17 June 2008

Martin Services Ltd
Profit and Loss Account for the Year Ended 31 August 2007

	Note	2007 £	2006 £
Turnover		174,468	182,000
Administrative expenses		(120,332)	(95,064)
Operating profit	2	<u>54,136</u>	<u>86,936</u>
Other interest receivable and similar income		2,012	2,349
Profit on ordinary activities before taxation		<u>56,148</u>	<u>89,285</u>
Tax on profit on ordinary activities	4	(14,400)	(23,600)
Profit for the financial year	9	<u><u>41,748</u></u>	<u><u>65,685</u></u>

Turnover and operating profit derive wholly from continuing operations

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

The notes on pages 8 to 13 form an integral part of these financial statements

Martin Services Ltd
Balance Sheet as at 31 August 2007

		2007		2006	
	Note	£	£	£	£
Current assets					
Debtors	5	228,429		343,837	
Cash at bank and in hand		<u>203,773</u>		<u>15,085</u>	
			432,202		358,922
Creditors: Amounts falling due within one year	6		<u>(35,832)</u>		<u>(5,200)</u>
Net current assets			396,370		353,722
Provisions for liabilities	7		<u>2,800</u>		<u>3,700</u>
Net assets			<u>399,170</u>		<u>357,422</u>
Capital and reserves					
Called up share capital	8		600,100		600,100
Profit and loss reserve	9		<u>(200,930)</u>		<u>(242,678)</u>
Equity shareholders' funds	10		<u>399,170</u>		<u>357,422</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, section 246(8)

Approved by the Board on 17 June 2008 and signed on its behalf by



C A Griffin
Director

The notes on pages 8 to 13 form an integral part of these financial statements

Martin Services Ltd

Notes to the Financial Statements for the Year Ended 31 August 2007

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement

Going concern

These financial statements have been prepared on a going concern basis which assumes that ongoing support will be provided by other companies in the group and accordingly do not take account of adjustments, if any, which may be necessary if the company is unable to continue as a going concern

Turnover

Turnover represents amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers

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

Deferred taxation

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted

Operating leases

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

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme

Capital instruments

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying amount

Martin Services Ltd
Notes to the Financial Statements for the Year Ended 31 August 2007

continued

2 Operating profit

Operating profit is stated after charging

	2007 £	2006 £
Rent	-	4,250
Auditors' remuneration	<u>3,000</u>	<u>3,000</u>

3 Directors' emoluments

No emoluments were paid to the directors during the year (2006 - £nil)

Martin Services Ltd

Notes to the Financial Statements for the Year Ended 31 August 2007

continued

4 Taxation

Analysis of current period tax charge

	2007 £	2006 £
Current tax		
Corporation tax charge	5,300	5,200
Group relief payable/(receivable)	8,200	18,900
UK Corporation tax	13,500	24,100
Deferred tax		
Origination and reversal of timing differences	900	850
Effect of changes in tax rates	-	(1,350)
Total deferred tax	900	(500)
Total tax on profit on ordinary activities	<u>14,400</u>	<u>23,600</u>

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is lower than (2006 - lower than) the standard rate of corporation tax in the UK of 30.00% (2006 - 30.00%)

The differences are reconciled below

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>56,148</u>	<u>89,285</u>
Standard rate corporation tax charge	16,844	26,786
Accelerated capital allowances	(927)	(1,236)
Roundings and marginal rates	(2,417)	(1,450)
Total current tax for the year	<u>13,500</u>	<u>24,100</u>

5 Debtors

	2007 £	2006 £
Amounts owed by group undertakings	<u>228,429</u>	<u>343,837</u>

Martin Services Ltd

Notes to the Financial Statements for the Year Ended 31 August 2007

continued

6 Creditors: Amounts falling due within one year

	2007 £	2006 £
Corporation tax	5,300	5,200
Other creditors	30,532	-
	<u>35,832</u>	<u>5,200</u>

7 Provisions for liabilities

	Deferred tax provision £
As at 1 September 2006	(3,700)
Deferred tax provision charged to the profit and loss account	900
As at 31 August 2007	<u>(2,800)</u>

Deferred tax

Deferred tax is provided at 30.00% (2006 - 30.00%)

	2007 £	2006 £
Accelerated capital allowances	<u>(2,800)</u>	<u>(3,700)</u>

8 Share capital

	2007 £	2006 £
Authorised		
Equity		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
Equity		
600,100 Ordinary shares of £1 each	<u>600,100</u>	<u>600,100</u>

Martin Services Ltd

Notes to the Financial Statements for the Year Ended 31 August 2007

continued

9 Reserves

	Profit and loss reserve £
Balance at 1 September 2006	(242,678)
Transfer from profit and loss account for the year	<u>41,748</u>
Balance at 31 August 2007	<u><u>(200,930)</u></u>

10 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Profit attributable to members of the company	41,748	65,685
Opening equity shareholders' funds	<u>357,422</u>	<u>291,737</u>
Closing equity shareholders' funds	<u><u>399,170</u></u>	<u><u>357,422</u></u>

11 Operating lease commitments

As at 31 August 2007 the company had annual commitments under non-cancellable operating leases as follows

	Land and Buildings	
	2007	2006
	£	£
Over five years	-	4,250

Martin Services Ltd

Notes to the Financial Statements for the Year Ended 31 August 2007

continued

12 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £2,000 (2006 - none).

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

13 Related parties

Controlling entity

The directors regard Foxlow Limited, a company registered in the British Virgin Islands, as the ultimate parent undertaking.

Related party transactions

During the year the company received £174,468 (2006 £100,000) for services and received rent of £Nil (2006 £72,850) from Foxlow Limited. The company also paid rent of £Nil (2006 £4,250) to Foxlow Limited during the year. There were no balances outstanding with Foxlow Limited at 31st August 2007 or 31st August 2006.