

REGISTERED NUMBER: 03438042 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014
FOR
CHRYSTAL CONSULTING LTD**

WEDNESDAY



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FOR THE YEAR ENDED 31 DECEMBER 2014**

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CHRYSTAL CONSULTING LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS: A D Baker
R H Massingham
Mrs S G Merrygold
I A Sinclair-Ford

SECRETARY: A D Baker

REGISTERED OFFICE: 500 Styal Road
Manchester
Great Manchester
M22 5HQ

REGISTERED NUMBER: 03438042 (England and Wales)

AUDITORS: WatkinsonBlack
1st Floor
264 Manchester Road
Warrington
Cheshire
WA1 3RB

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their strategic report for the year ended 31 December 2014.

REVIEW OF BUSINESS

Chrystal Consulting offers consultancy services to local authorities and NHS Trust throughout the United Kingdom.

The business also offers both operating and finance leases to its client base, and over the past two years has expanded its offering to NHS trusts to include managed service contracts. Income from managed service contracts increased considerably in the year and this increase is envisaged to continue in the coming years.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A D Baker', with a stylized flourish at the end.

A D Baker - Secretary

29 September 2015

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their report with the financial statements of the company for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of leasing and leasing consultancy.

DIVIDENDS

Interim dividends per share were paid as follows:

40000	- 18 September 2014
40000	- 21 December 2014
<hr/>	
80000	
<hr/>	

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2014 will be £80,000.

FUTURE DEVELOPMENTS

The present intention is to continue the development of the existing business of the company.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

A D Baker
R H Massingham
Mrs S G Merrygold
I A Sinclair-Ford

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;
- state whether applicable 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.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2014**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

AUDITORS

The auditors, WatkinsonBlack, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



A D Baker - Secretary

29 September 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHRYSTAL CONSULTING LTD

We have audited the financial statements of Chrystal Consulting Ltd for the year ended 31 December 2014 on pages seven to eighteen. 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 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 pages three and four, 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 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 2014 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 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
CHRYSTAL CONSULTING LTD**

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.



David J Watkinson (Senior Statutory Auditor)
for and on behalf of WatkinsonBlack
1st Floor
264 Manchester Road
Warrington
Cheshire
WA1 3RB

29 September 2015

CHRYSTAL CONSULTING LTD (REGISTERED NUMBER: 03438042)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	31.12.14 £	31.12.13 £
TURNOVER		4,636,311	5,264,433
Cost of sales		<u>1,948,206</u>	<u>1,595,406</u>
GROSS PROFIT		2,688,105	3,669,027
Administrative expenses		<u>2,341,049</u>	<u>3,166,828</u>
		347,056	502,199
Other operating income		<u>836</u>	-
OPERATING PROFIT	3	347,892	502,199
Interest receivable and similar income		<u>8,880</u>	<u>14,642</u>
		356,772	516,841
Interest payable and similar charges	4	<u>1,641</u>	<u>29,753</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		355,131	487,088
Tax on profit on ordinary activities	5	<u>120,831</u>	<u>144,123</u>
PROFIT FOR THE FINANCIAL YEAR		<u>234,300</u>	<u>342,965</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

CHRYSTAL CONSULTING LTD (REGISTERED NUMBER: 03438042)

**BALANCE SHEET
31 DECEMBER 2014**

	Notes	31.12.14		31.12.13	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		4,113,594		3,156,129
CURRENT ASSETS					
Stocks	8	462,425		2,773	
Debtors	9	2,105,233		1,469,493	
Cash at bank		880,807		3,878,981	
		<u>3,448,465</u>		<u>5,351,247</u>	
CREDITORS					
Amounts falling due within one year	10	<u>1,165,560</u>		<u>2,245,676</u>	
NET CURRENT ASSETS			<u>2,282,905</u>		<u>3,105,571</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,396,499</u>		<u>6,261,700</u>
CREDITORS					
Amounts falling due after more than one year	11		<u>-</u>		<u>19,501</u>
NET ASSETS			<u><u>6,396,499</u></u>		<u><u>6,242,199</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		300		300
Profit and loss account	14		<u>6,396,199</u>		<u>6,241,899</u>
SHAREHOLDERS' FUNDS	18		<u><u>6,396,499</u></u>		<u><u>6,242,199</u></u>

The financial statements were approved by the Board of Directors on 29 September 2015 and were signed on its behalf by:



A D Baker - Director

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

		31.12.14		31.12.13	
	Notes	£	£	£	£
Net cash (outflow)/inflow from operating activities	1		(724,451)		2,240,364
Returns on investments and servicing of finance	2		7,239		(15,111)
Taxation	2		(142,638)		(266,256)
Capital expenditure	2		(2,019,978)		(965,327)
Equity dividends paid			(80,000)		-
			<u>(2,959,828)</u>		<u>993,670</u>
Financing	2		(38,346)		(538,445)
(Decrease)/increase in cash in the period			<u>(2,998,174)</u>		<u>455,225</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/increase in cash in the period		(2,998,174)		455,225	
Cash outflow from decrease in debt		<u>38,346</u>		<u>538,445</u>	
Change in net funds resulting from cash flows			<u>(2,959,828)</u>		<u>993,670</u>
Movement in net funds in the period			<u>(2,959,828)</u>		<u>993,670</u>
Net funds at 1 January			<u>3,821,134</u>		<u>2,827,464</u>
Net funds at 31 December			<u><u>861,306</u></u>		<u><u>3,821,134</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31.12.14	31.12.13
	£	£
Operating profit	347,892	502,199
Depreciation charges	1,062,513	1,888,777
Increase in stocks	(459,652)	(2,773)
(Increase)/decrease in debtors	(774,828)	470,753
Decrease in creditors	(900,376)	(618,592)
Net cash (outflow)/inflow from operating activities	(724,451)	2,240,364

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.12.14	31.12.13
	£	£
Returns on investments and servicing of finance		
Interest received	8,880	14,642
Interest paid	(1,641)	(29,753)
Net cash inflow/(outflow) for returns on investments and servicing of finance	7,239	(15,111)
Taxation		
Taxation paid	(142,638)	(235,711)
Prior tax underpayments	-	(30,545)
Net cash outflow for taxation	(142,638)	(266,256)
Capital expenditure		
Purchase of tangible fixed assets	(2,410,666)	(2,003,889)
Sale of tangible fixed assets	390,688	1,038,562
Net cash outflow for capital expenditure	(2,019,978)	(965,327)
Financing		
Loan repayments in year	(38,346)	(538,445)
Net cash outflow from financing	(38,346)	(538,445)

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.14	Cash flow	At
	£	£	31.12.14
			£
Net cash:			
Cash at bank	3,878,981	(2,998,174)	880,807
	<u>3,878,981</u>	<u>(2,998,174)</u>	<u>880,807</u>
Debt:			
Debts falling due within one year	(38,346)	18,845	(19,501)
Debts falling due after one year	(19,501)	19,501	-
	<u>(57,847)</u>	<u>38,346</u>	<u>(19,501)</u>
Total	<u>3,821,134</u>	<u>(2,959,828)</u>	<u>861,306</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

Lease Income:

The profit and loss account is credited with income, net of direct expenses, including commissions from finance leases using a method to give a constant periodic rate of return on the net investment in the lease and from operating leases using a straight line basis which apportions income evenly over the period of the lease.

For finance leases, residual values are estimated at lease inception and are included in the calculation of lease income and in net investment in finance leases.

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.

Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost
Office equipment	- 33% on cost

Depreciation is provided on operating lease and managed service assets at rates calculated to write off the cost of the assets, less estimated residual value, over their useful economic lives using methods which allocate their depreciation charges on a systematic basis to the periods which are expected to benefit from their use.

Stocks

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

Deferred tax

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

Operating leases

Rentals paid under operating leases are charged to the profit and loss account as incurred.

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.

Finance lease agreements

The net investment in finance leases consists of future rentals receivable and residual values, less unearned income relating to future periods.

Unearned income represents the unamortised portion of total finance charges on lease agreements relating to future accounting periods.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. ACCOUNTING POLICIES - continued

Operating lease agreements

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

Assets on hire under operating leases are classified as tangible fixed assets and are depreciated at rates calculated to write off the cost of the assets, less estimated residual value, over their estimated useful lives using methods which allocate depreciation charges on a systematic basis to periods expected to benefit from their use.

Managed service contracts

Rentals received under managed service contracts are charged to the profit and loss account on a straight line basis over the period of the lease.

Assets on hire under managed service contracts are classified as tangible fixed assets and are depreciated at rates calculated to write off the cost of the assets, less estimated residual value, over their estimated useful lives using methods which allocate depreciation charges on a systematic basis to periods expected to benefit from their use.

2. STAFF COSTS

	31.12.14	31.12.13
	£	£
Wages and salaries	865,692	952,252
Social security costs	102,028	103,314
Other pension costs	80,461	66,563
	<u>1,048,181</u>	<u>1,122,129</u>

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

	31.12.14	31.12.13
Number of Directors	4	4
Number of Employees	3	4
	<u>7</u>	<u>8</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.12.14	31.12.13
	£	£
Other operating leases	13,830	10,500
Operating lease income	(2,304,241)	(3,862,988)
Finance lease income	(101,089)	(181,542)
Depreciation - owned assets	1,062,513	1,888,777
Auditors' remuneration	8,310	9,600
	<u></u>	<u></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

3. OPERATING PROFIT - continued

Directors' remuneration	525,771	555,344
Directors' pension contributions to money purchase schemes	35,461	19,480
	<u> </u>	<u> </u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	2	3
	<u> </u>	<u> </u>

Information regarding the highest paid director is as follows:

	31.12.14	31.12.13
	£	£
Emoluments etc	340,244	337,364
Pension contributions to money purchase schemes	-	15,000
	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.14	31.12.13
	£	£
Bank loan interest	1,641	29,753
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge

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

	31.12.14	31.12.13
	£	£
Current tax:		
UK corporation tax	120,831	113,578
Exceptional items	-	30,545
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	120,831	144,123
	<u> </u>	<u> </u>

6. DIVIDENDS

	31.12.14	31.12.13
	£	£
Ordinary shares of £1 each		
Interim	80,000	-
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

7. TANGIBLE FIXED ASSETS

	Managed service assets £	Operating lease assets £	Fixtures and fittings £
COST			
At 1 January 2014	172,103	5,844,892	16,105
Additions	1,999,241	409,359	1,801
Disposals	-	(1,730,620)	(1,148)
At 31 December 2014	2,171,344	4,523,631	16,758
DEPRECIATION			
At 1 January 2014	15,328	2,859,990	15,923
Charge for year	148,077	906,814	399
Eliminated on disposal	-	(1,339,932)	(1,148)
At 31 December 2014	163,405	2,426,872	15,174
NET BOOK VALUE			
At 31 December 2014	2,007,939	2,096,759	1,584
At 31 December 2013	156,775	2,984,902	182
	Motor vehicles £	Office equipment £	Totals £
COST			
At 1 January 2014	11,636	38,058	6,082,794
Additions	-	265	2,410,666
Disposals	(11,636)	(6,267)	(1,749,671)
At 31 December 2014	-	32,056	6,743,789
DEPRECIATION			
At 1 January 2014	11,636	23,788	2,926,665
Charge for year	-	7,223	1,062,513
Eliminated on disposal	(11,636)	(6,267)	(1,358,983)
At 31 December 2014	-	24,744	2,630,195
NET BOOK VALUE			
At 31 December 2014	-	7,312	4,113,594
At 31 December 2013	-	14,270	3,156,129

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

8. STOCKS

	31.12.14	31.12.13
	£	£
Stocks	462,425	2,773

9. DEBTORS

	31.12.14	31.12.13
	£	£
Amounts falling due within one year:		
Trade debtors	662,473	448,568
Other debtors	185,854	324,064
Humberclyde rental collection	10,748	2,372
Deferred taxation	228,055	367,143
VAT	34,842	-
Prepayments	11,298	12,113
Accrued income	791,700	41,962
	1,924,970	1,196,222
Amounts falling due after more than one year:		
Other debtors	180,263	273,271
Aggregate amounts	2,105,233	1,469,493

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.14	31.12.13
	£	£
Bank loans and overdrafts (see note 12)	19,501	38,346
Trade creditors	491,395	269,107
Tax	(18,327)	142,568
Social security and other taxes	53,467	65,723
VAT	-	148,507
Other creditors	248,412	550,738
Prepaid income	122,582	29,773
Accruals and deferred income	248,530	1,000,914
	1,165,560	2,245,676

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.14	31.12.13
	£	£
Bank loans (see note 12)	-	19,501

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

12. LOANS

An analysis of the maturity of loans is given below:

	31.12.14	31.12.13
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>19,501</u>	<u>38,346</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>19,501</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.14	31.12.13
			£	£
300	Ordinary	£1	<u>300</u>	<u>300</u>

14. RESERVES

	Profit and loss account £
At 1 January 2014	6,241,899
Profit for the year	234,300
Dividends	<u>(80,000)</u>
At 31 December 2014	<u>6,396,199</u>

15. ULTIMATE PARENT COMPANY

Chrystal Holdings Ltd is regarded by the directors as being the company's ultimate parent company.

16. RELATED PARTY DISCLOSURES

I A Sinclair-Ford

During the year a total of £49,225 was paid to Ian Sinclair-Ford via Waypoint Finance Ltd which he is a director and shareholder. These payments relate to 'Consultancy fees' and are shown as such in the profit and loss account.

17. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties of the company are A D Baker and K J Newsome, each of whom hold 50% of the issued share capital of Chrystal Holdings Ltd.

CHRYSTAL CONSULTING LTD (REGISTERED NUMBER: 03438042)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.14	31.12.13
	£	£
Profit for the financial year	234,300	342,965
Dividends	(80,000)	-
Net addition to shareholders' funds	154,300	342,965
Opening shareholders' funds	6,242,199	5,899,234
Closing shareholders' funds	6,396,499	6,242,199