

COMPANY REGISTRATION NUMBER: 07230841

KC Services Group Limited
Filleted Unaudited Financial Statements
31 December 2017



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KC Services Group Limited

Financial Statements

Year ended 31 December 2017

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KC Services Group Limited

Statement of Financial Position

31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	84,122	17,657
Current assets			
Debtors	6	1,136,246	1,076,686
Cash at bank and in hand		109,044	423
		<u>1,245,290</u>	<u>1,077,109</u>
Creditors: amounts falling due within one year	7	<u>781,756</u>	<u>759,419</u>
Net current assets		463,534	317,690
Total assets less current liabilities		547,656	335,347
Creditors: amounts falling due after more than one year	8	378,440	–
Provisions			
Taxation including deferred tax		11,182	3,350
Net assets		<u>158,034</u>	<u>331,997</u>
Capital and reserves			
Called up share capital	9	4	6
Capital redemption reserve		2	–
Profit and loss account		158,028	331,991
Shareholders funds		<u>158,034</u>	<u>331,997</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

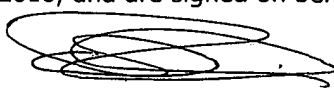
In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

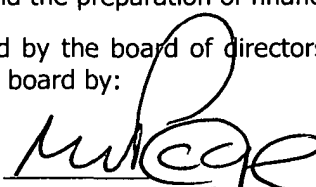
For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements were approved by the board of directors and authorised for issue on 16 July 2018, and are signed on behalf of the board by:


Mr. G. J. Rawlings
Director


Mr. M. Page
Director

Company registration number: 07230841

The notes on pages 2 to 7 form part of these financial statements.

KC Services Group Limited

Notes to the Financial Statements

Year ended 31 December 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 26, Vale Industrial Park, 170 Rowan Road, London, SW16 5BN, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period.

When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

KC Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 20% straight line
Fixtures & Fittings	- 20% straight line
Motor Vehicles	- 20% straight line
Equipment	- 25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

KC Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

KC Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

4. Employee numbers

The average number of persons employed by the company during the year amounted to 37 (2016: 36).

5. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 January 2017	10,256	4,629	25,086	16,673	56,644
Additions	14,000	820	63,795	2,645	81,260
Disposals	–	–	(3,086)	–	(3,086)
At 31 December 2017	<u>24,256</u>	<u>5,449</u>	<u>85,795</u>	<u>19,318</u>	<u>134,818</u>
Depreciation					
At 1 January 2017	2,738	3,509	21,457	11,283	38,987
Charge for the year	2,518	928	8,265	2,585	14,296
Disposals	–	–	(2,587)	–	(2,587)
At 31 December 2017	<u>5,256</u>	<u>4,437</u>	<u>27,135</u>	<u>13,868</u>	<u>50,696</u>
Carrying amount					
At 31 December 2017	<u>19,000</u>	<u>1,012</u>	<u>58,660</u>	<u>5,450</u>	<u>84,122</u>
At 31 December 2016	<u>17,518</u>	<u>1,120</u>	<u>3,629</u>	<u>5,390</u>	<u>17,657</u>

6. Debtors

	2017 £	2016 £
Trade debtors	945,509	974,230
Prepayments and accrued income	4,827	–
Other debtors	185,910	102,456
	<u>1,136,246</u>	<u>1,076,686</u>

KC Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	56,438	12,126
Trade creditors	176,479	328,689
Accruals and deferred income	72,914	36,141
Corporation tax	101,071	62,552
Social security and other taxes	74,065	23,460
Obligations under finance leases and hire purchase contracts	9,303	–
Director loan accounts	503	609
Other creditors	290,983	295,842
	<u>781,756</u>	<u>759,419</u>

Within other creditors is £290,983 (December 2017 - £295,842) secured by a floating charge and fixed charge over all the assets of the company in favour of The Royal Bank of Scotland Invoice Finance Limited.

Obligations under finance leases and hire purchase contracts are secured by the assets purchased under these contracts.

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

	2017 £	2016 £
Bank loans and overdrafts	361,905	–
Obligations under finance leases and hire purchase contracts	16,535	–
	<u>378,440</u>	<u>–</u>

Obligations under finance leases and hire purchase contracts are secured by the assets purchased under these contracts.

9. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary 'A' shares of £1 each	2	2	3	3
Ordinary 'B' shares of £1 each	1	1	1	1
Ordinary 'C' shares of £1 each	–	–	1	1
Ordinary 'D' shares of £1 each	1	1	1	1
	<u>4</u>	<u>4</u>	<u>6</u>	<u>6</u>

The 'B', 'C' and 'D' Ordinary shares have no voting rights or any right to participate in a distribution on the winding up of the company.

KC Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	2,808	3,369
Later than 1 year and not later than 5 years	–	2,808
	<u>2,808</u>	<u>6,177</u>

11. Related party transactions

During the year Mr. G. J. Rawlings received £124,000 (December 2016: £46,000) , Miss . L. A. Rawlings received £nil (December 2016: £46,000) and Mr. M. V. Page received £124,000 (December 2016: £46,000) dividends on their ordinary shares.

Transactions with companies, which are also under their control or influence, were as follows:

Keep Clean Drain Services Limited

At the balance sheet date £185,910 (December 2016-£102,699) was owed by Keep Clean Drain Services Limited in respect of a short-term interest free loan.

KC Pest Control Limited

At the balance sheet date £nil (December 2016-£406) was owed by KC Pest Control Limited in respect of a short-term interest free loan.