

COMPANY REGISTRATION NUMBER 5778390

MSK HOLDINGS LIMITED AND SUBSIDIARIES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2015

OPASS BILLINGS WILSON & HONEY LLP

Chartered Certified Accountants & Statutory Auditor

Numeric House
98 Station Road
Sidcup
Kent
DA15 7BY

TUESDAY



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COMPANIES HOUSE

MSK HOLDINGS LIMITED AND SUBSIDIARIES

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

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MSK HOLDINGS LIMITED AND SUBSIDIARIES

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	A R Stone M J Doughty D J Guildford R M Stone
Company secretary	M E Stone
Registered office	Numeric House 98 Station Road Sidcup Kent United Kingdom DA15 7BY
Auditor	Opass Billings Wilson & Honey LLP Chartered Certified Accountants & Statutory Auditor Numeric House 98 Station Road Sidcup Kent DA15 7BY
Bankers	Barclays Bank plc PO Box No 544 54 Lombard Street London EC3V 9EX
Solicitors	Woolsey Morris & Kennedy 100 Station Road Sidcup Kent DA15 7DT

MSK HOLDINGS LIMITED AND SUBSIDIARIES

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2015

Strategic Management

The objective of the group is to be the leading provider of services to the construction industry in the UK.

To achieve this objective the group's strategy is to deliver the following wide range of bespoke services to exceptional standards.

- Waste management
- Security and access control
- Logistics
- Strip out
- Rail infrastructure services
- Management and consolidation expertise

All group companies employ traditional values and methods and are committed to delivering services tailored to client's requirements and has a wealth of knowledge and skills in the construction industry.

Business Environment

The group is subject to various health and safety risks due to the nature of business of the different group companies. The group is totally committed to achieving the highest level of health and safety provision throughout all areas of the group and aim to work towards achieving a working environment that is free from work-related accidents and ill health, which is regarded as an ongoing process.

All employees of the group are encouraged to actively participate in working towards these aims and provide a robust in house training programme.

The group is fully aware of their environmental responsibilities and has developed their own environmental management system in accordance with the international standards ISO14001:2004.

Key Performance Indicators

1 Gross Profit Percentage

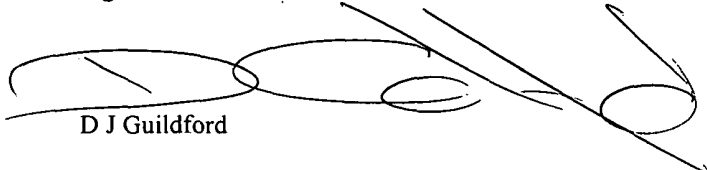
The group's Gross Profit Percentage achieved in 2015 had remained consistent to that in 2014.

2 Level of Net Profit

The group's Net Profit achieved in 2015 had increased to that in 2014.

The board are very pleased with the results given that the group operate in a very competitive construction industry where margins are reducing due to rising subcontractor and material costs.

Signed on behalf of the directors



D J Guildford

Director

Approved by the directors on 21/12/2015

MSK HOLDINGS LIMITED AND SUBSIDIARIES

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2015

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

Results and dividends

The profit for the year, after taxation, amounted to £1,515,825. The directors have not recommended a dividend.

Financial risk management objectives and policies

1. Liquidity Risk

The Group manages its cash flow requirements such as to maximise interest income and minimise interest expense whilst ensuring that the Group has sufficient liquid resources to meet the operating needs of its business.

2. Interest Rate Risk

The Group is exposed to variable interest rates on its borrowings and cash flow requirements through overdraft facilities.

3. Credit Risk

All customers who wish to trade on credit terms are subject to credit verification procedures. The Group uses a credit insurance scheme to mitigate any bad debt exposure. Receivable balances are monitored on an ongoing basis and provision is made for any doubtful debts where necessary.

Directors

The directors who served the company during the year were as follows:

A R Stone
M J Doughty
D J Guildford
R M Stone

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 the group and of the profit or loss of the group for that year.

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 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 group will continue in business.
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MSK HOLDINGS LIMITED AND SUBSIDIARIES

DIRECTORS' REPORT *(continued)*


YEAR ENDED 31 MARCH 2015

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the directors



D J Guildford

Director

Approved by the directors on *21/12/2015*

MSK HOLDINGS LIMITED AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MSK HOLDINGS LIMITED AND SUBSIDIARIES

YEAR ENDED 31 MARCH 2015

We have audited the group and parent company financial statements ("the financial statements") of MSK Holdings Limited and Subsidiaries for the year ended 31 March 2015. 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 shareholders, 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 shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 to 4, 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 group's and the parent 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 annual 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 group's and parent company's affairs as at 31 March 2015 and of the group's 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MSK HOLDINGS LIMITED AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MSK HOLDINGS LIMITED AND SUBSIDIARIES *(continued)*

YEAR ENDED 31 MARCH 2015

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

N A SCOTT (Senior Statutory Auditor)
For and on behalf of
OPASS BILLINGS WILSON & HONEY LLP
Chartered Certified Accountants & Statutory Auditor

Numeric House
98 Station Road
Sidcup
Kent
DA15 7BY

21/12/2015

MSK HOLDINGS LIMITED AND SUBSIDIARIES

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
Group turnover	2	32,013,588	25,471,515
Cost of sales		<u>25,726,327</u>	<u>20,299,576</u>
Gross profit		6,287,261	5,171,939
Administrative expenses		4,230,422	3,865,189
Other operating income	3	<u>(7,020)</u>	<u>(7,020)</u>
Operating profit	4	2,063,859	1,313,770
Interest receivable		51	520
Interest payable and similar charges	7	<u>(149,511)</u>	<u>(183,395)</u>
Profit on ordinary activities before taxation		1,914,399	1,130,895
Tax on profit on ordinary activities	8	398,574	251,710
Profit for the financial year	9	<u>1,515,825</u>	<u>879,185</u>

All of the activities of the group are classed as continuing.

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account.

The notes on pages 13 to 23 form part of these financial statements.

MSK HOLDINGS LIMITED AND SUBSIDIARIES

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

YEAR ENDED 31 MARCH 2015

	2015	2014
	£	£
Profit for the financial year	1,515,825	879,185
Opening shareholders' funds	<u>12,389,226</u>	<u>11,510,041</u>
Closing shareholders' funds	<u>13,905,051</u>	<u>12,389,226</u>

The notes on pages 13 to 23 form part of these financial statements.

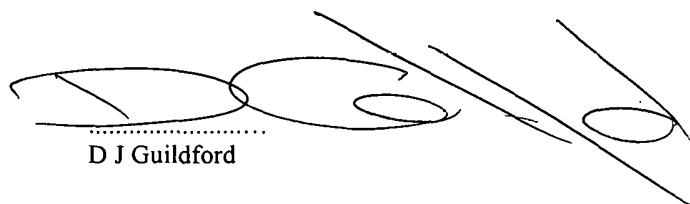
MSK HOLDINGS LIMITED AND SUBSIDIARIES

GROUP BALANCE SHEET

31 MARCH 2015

	Note	2015 £	2014 £
Fixed assets			
Intangible assets	10	4,668,147	4,668,147
Tangible assets	11	9,840,118	9,599,064
		<u>14,508,265</u>	<u>14,267,211</u>
Current assets			
Stocks	13	293,136	269,972
Debtors	14	8,341,152	6,966,658
Cash at bank and in hand		538	176,098
		<u>8,634,826</u>	<u>7,412,728</u>
Creditors: Amounts falling due within one year	15	<u>8,064,845</u>	<u>7,704,306</u>
Net current assets/(liabilities)		<u>569,981</u>	<u>(291,578)</u>
Total assets less current liabilities		<u>15,078,246</u>	<u>13,975,633</u>
Creditors: Amounts falling due after more than one year	16	<u>1,173,195</u>	<u>1,586,407</u>
		<u>13,905,051</u>	<u>12,389,226</u>
Capital and reserves			
Called up equity share capital	19	8,850,000	8,850,000
Profit and loss account	20	5,055,051	3,539,226
Shareholders' funds		<u>13,905,051</u>	<u>12,389,226</u>

These accounts were approved by the directors and authorised for issue on 21/12/2015, and are signed on their behalf by:


D J Guildford

The notes on pages 13 to 23 form part of these financial statements.

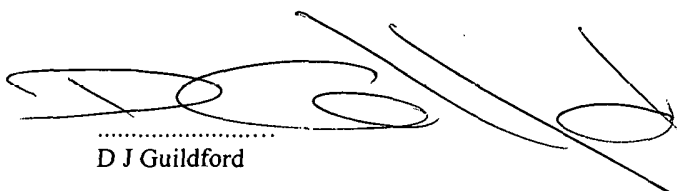
MSK HOLDINGS LIMITED AND SUBSIDIARIES

BALANCE SHEET

31 MARCH 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	11	5,442,989	5,442,989
Investments	12	8,852,200	8,852,200
		<u>14,295,189</u>	<u>14,295,189</u>
Current assets			
Debtors	14	359,088	187,636
Cash at bank		—	2,387
		<u>359,088</u>	<u>190,023</u>
Creditors: Amounts falling due within one year	15	<u>641,918</u>	<u>683,116</u>
Net current liabilities		(282,830)	(493,093)
Total assets less current liabilities		14,012,359	13,802,096
Creditors: Amounts falling due after more than one year	16	<u>3,909,745</u>	<u>3,990,597</u>
		<u>10,102,614</u>	<u>9,811,499</u>
Capital and reserves			
Called up equity share capital	19	8,850,000	8,850,000
Profit and loss account	20	1,252,614	961,499
Shareholders' funds		<u>10,102,614</u>	<u>9,811,499</u>

These accounts were approved by the directors and authorised for issue on 21/12/2015, and are signed on their behalf by:


D J Guildford

Company Registration Number: 5778390

The notes on pages 13 to 23 form part of these financial statements.

MSK HOLDINGS LIMITED AND SUBSIDIARIES

GROUP CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2015

		2015	2014
	Note	£	£
Net cash inflow from operating activities	21	1,886,117	1,232,945
Returns on investments and servicing of finance	21	(149,460)	(182,875)
Taxation		(542,805)	(28,706)
Capital expenditure and financial investment	21	(1,050,238)	(1,382,249)
Cash inflow/(outflow) before financing		143,614	(360,885)
Financing			
Repayment of bank loans		(479,783)	(389,502)
Capital element of hire purchase		154,102	(310,417)
Net cash outflow from financing		(325,681)	(699,919)
Decrease in cash		(182,067)	(1,060,804)
Reconciliation of net cash flow to movement in net debt			
		2015	2014
		£	£
Decrease in cash in the period		(182,067)	(1,060,804)
Net cash outflow from bank loans		479,783	389,502
Cash outflow in respect of hire purchase		(154,102)	(310,417)
		143,614	(360,885)
Change in net debt		143,614	(360,885)
Net debt at 1 April 2014		(2,367,512)	(2,006,627)
Net debt at 31 March 2015		(2,223,898)	(2,367,512)

The notes on pages 13 to 23 form part of these financial statements.

MSK HOLDINGS LIMITED AND SUBSIDIARIES

GROUP CASH FLOW CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2015

Analysis of changes in net debt

	At 1 Apr 2014 £	Cash flows £	At 31 Mar 2015 £
Net cash:			
Cash in hand and at bank	176,098	(175,560)	538
Overdrafts	–	(6,507)	(6,507)
	<u>176,098</u>	<u>(182,067)</u>	<u>(5,969)</u>
Debt:			
Debt due within 1 year	(552,606)	30,886	(521,720)
Debt due after 1 year	(1,288,298)	448,897	(839,401)
Hire purchase agreements	(702,706)	(154,102)	(856,808)
	<u>(2,543,610)</u>	<u>325,681</u>	<u>(2,217,929)</u>
Net debt	<u>(2,367,512)</u>	<u>143,614</u>	<u>(2,223,898)</u>

The notes on pages 13 to 23 form part of these financial statements.

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1. Accounting policies

Basis of accounting

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

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

Fixed assets

All fixed assets are initially recorded at cost.

Freehold Land is not depreciated.

Depreciation

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

Freehold Property	-	Straight line over 50 years
Leasehold Property	-	2% Straight line
Plant & Machinery	-	10% Straight line
Fixtures & Fittings	-	10% and 15% Straight line
Motor Vehicles	-	25% Reducing balance

Included in Plant & Machinery are skip vehicles which are depreciated over the life of the asset, being 5 to 8 years.

Stocks

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

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1. Accounting policies *(continued)*

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	2015 £	2014 £
United Kingdom	<u>32,013,588</u>	<u>25,471,515</u>

3. Other operating income

	2015 £	2014 £
Management charges receivable	<u>7,020</u>	<u>7,020</u>

4. Operating profit

Operating profit is stated after charging/(crediting):

	2015 £	2014 £
Amortisation of intangible assets	36,984	36,984
Depreciation of owned fixed assets	499,499	472,763
Depreciation of assets held under hire purchase agreements	274,192	306,167
Profit on disposal of fixed assets	(1,491)	(5,030)
Auditor's remuneration		
- as auditor	31,000	30,825
- for other services	76,714	99,209
Net profit on foreign currency translation	<u>(288)</u>	<u>(542)</u>

5. Particulars of employees

The average number of staff employed by the group during the financial year amounted to:

	2015 No	2014 No
Administrative staff	47	36
Management staff	4	4
Operatives	<u>99</u>	<u>90</u>
	<u>150</u>	<u>130</u>

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	4,749,155	3,917,260
Social security costs	428,456	403,341
Other pension costs	10,496	2,875
	<u>5,188,107</u>	<u>4,323,476</u>

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2015	2014
	£	£
Remuneration receivable	321,289	287,270
Value of company pension contributions to money purchase schemes	2,876	2,875
	<u>324,165</u>	<u>290,145</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2015	2014
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

7. Interest payable and similar charges

	2015	2014
	£	£
Interest payable on bank borrowing	10,244	-
Finance charges	49,114	51,611
Other similar charges payable	90,153	131,784
	<u>149,511</u>	<u>183,395</u>

8. Taxation on ordinary activities

(a) Analysis of charge in the year

	2015	2014
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	398,574	308,786
(Over)/under provision in prior year	-	(885)
Total current tax	<u>398,574</u>	<u>307,901</u>
Deferred tax:		
Origination and reversal of timing differences	-	(56,191)
Tax on profit on ordinary activities	<u>398,574</u>	<u>251,710</u>

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

8. Taxation on ordinary activities *(continued)*

(b) Factors affecting current tax charge

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>1,914,399</u>	<u>1,130,895</u>
Profit on ordinary activities by rate of tax	401,179	253,836
Excess capital allowances over depreciation	(26,873)	37,867
Disallowable expenditure	24,268	17,083
Over provision for prior years	-	(885)
Total current tax (note 8(a))	<u>398,574</u>	<u>307,901</u>

9. Profit attributable to members of the parent company

The profit dealt with in the financial statements of the parent company was £291,115 (2014 - £199,743).

10. Intangible assets

Group	Goodwill £	Negative Goodwill £	Total £
Cost			
At 1 April 2014 and 31 March 2015	<u>4,668,147</u>	<u>(61,701)</u>	<u>4,606,446</u>
Amortisation			
At 1 April 2014 and 31 March 2015	<u>-</u>	<u>(61,701)</u>	<u>(61,701)</u>
Net book value			
At 31 March 2015	<u>4,668,147</u>	<u>-</u>	<u>4,668,147</u>
At 31 March 2014	<u>4,668,147</u>	<u>-</u>	<u>4,668,147</u>

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

11. Tangible assets

Group	Freehold Land and Buildings £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost						
At 1 Apr 2014	4,859,265	2,852,508	3,609,972	41,387	2,180,428	13,543,560
Additions	-	-	589,663	-	544,320	1,133,983
Disposals	-	-	(117,811)	-	(197,992)	(315,803)
At 31 Mar 2015	4,859,265	2,852,508	4,081,824	41,387	2,526,756	14,361,740
Depreciation						
At 1 Apr 2014	161,441	243,137	2,222,802	41,387	1,275,729	3,944,496
Charge for the year	7,134	36,984	499,424	-	267,133	810,675
On disposals	-	-	(90,623)	-	(142,926)	(233,549)
At 31 Mar 2015	168,575	280,121	2,631,603	41,387	1,399,936	4,521,622
Net book value						
At 31 Mar 2015	4,690,690	2,572,387	1,450,221	-	1,126,820	9,840,118
At 31 Mar 2014	4,697,824	2,609,371	1,387,170	-	904,699	9,599,064

Hire purchase agreements

Included within the net book value of £9,840,118 is £1,567,075 (2014 - £1,161,973) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £274,192 (2014 - £306,167).

Company	Freehold Land and Buildings £	Leasehold Property £	Total £
Cost			
At 1 April 2014 and 31 March 2015	4,439,866	1,003,123	5,442,989
Depreciation			
At 1 April 2014 and 31 March 2015	-	-	-
Net book value			
At 31 March 2015	4,439,866	1,003,123	5,442,989
At 31 March 2014	4,439,866	1,003,123	5,442,989

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

12. Investments

Company	Group companies £
Cost	
At 1 April 2014 and 31 March 2015	<u>8,852,200</u>
Net book value	
At 31 March 2015 and 31 March 2014	<u>8,852,200</u>

The company owns 100% of the issued share capital of the companies listed below,

	2015 £	2014 £
Aggregate capital and reserves		
Multi Services Kent Limited	4,059,354	3,835,050
MSK Waste Management & Recycling Limited	(246,692)	(345,451)
Multi Services Kent Logistics Limited	100	100
Multi Services Kent Security Limited	725,992	655,322
MSK Rail Limited	(736,440)	(738,749)
Lesterose Scotland Limited	1,917,482	1,496,282
KPT Solutions Limited	992,486	584,226
Profit and (loss) for the year		
Multi Services Kent Limited	223,512	74,328
MSK Waste Management & Recycling Limited	98,759	242,044
Multi Services Kent Logistics Limited	—	—
Multi Services Kent Security Limited	70,670	20,021
MSK Rail Limited	2,309	13,814
Lesterose Scotland Limited	421,200	207,936
KPT Solutions Limited	408,260	121,299

13. Stocks

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Raw materials	12,499	12,499	—	—
Finished goods	<u>280,637</u>	<u>257,473</u>	—	—
	<u>293,136</u>	<u>269,972</u>	—	—

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

14. Debtors

	<i>Group</i>		<i>Company</i>	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	4,514,840	3,608,260	18,152	2,880
Amounts owed by group undertakings	—	—	340,936	184,756
Amounts recoverable on contracts	845,050	671,051	—	—
Other debtors	1,359,703	1,360,587	—	—
Prepayments and accrued income	1,621,559	1,326,760	—	—
	<u>8,341,152</u>	<u>6,966,658</u>	<u>359,088</u>	<u>187,636</u>

The debtors above include the following amounts falling due after more than one year:

	<i>Group</i>		<i>Company</i>	
	2015	2014	2015	2014
	£	£	£	£
Other debtors	—	1,019,903	—	—
Amounts recoverable on contracts	77,244	62,931	—	—
	<u>77,244</u>	<u>1,082,834</u>	<u>—</u>	<u>—</u>

15. Creditors: Amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	528,227	552,606	522,925	552,606
Trade creditors	2,624,631	2,082,809	242	1,092
Amounts owed to group undertakings	—	—	100	100
Hire purchase agreements	523,014	404,597	—	—
Directors' loan accounts	264,781	820,208	—	—
Other creditors including taxation and social security:				
Corporation tax	398,574	542,805	77,385	107,578
Other taxation and social security	697,659	537,456	31,766	9,740
Other creditors	2,155,294	2,241,506	—	—
Accruals and deferred income	872,665	522,319	9,500	12,000
	<u>8,064,845</u>	<u>7,704,306</u>	<u>641,918</u>	<u>683,116</u>

MSK Holdings Limited has entered into an unlimited cross guarantee with Multi Services Kent Limited, KPT Solutions Limited, Lesterose Scotland Limited and MSK Waste Management and Recycling Limited. Multi Services Kent Limited has entered into an unlimited cross guarantee with Lesterose Builders Limited, Lesterose Scotland Limited and KPT Solutions Limited in favour of the Company's Bank for Multi Services Kent Limited. The maximum potential liability due under the guarantees at the balance sheet date was £862,870.

The bankers hold a first charge over 72-76 River Road, Barking Essex in respect of the bank loan owed by MSK Holdings Limited and the overdraft owed by Multi Services Kent Limited. The Freehold land of this is owned by MSK Holdings Limited.

The bankers also hold a fixed and floating charge over the company's assets together with a personal guarantee provided by Mr A R Stone and Mr D J Guildford, directors of the company and the spouse of Mr A R Stone. The guarantee is limited to £500,000.

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

16. Creditors: Amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	226,901	675,798	226,901	675,798
Amounts owed to group undertakings	-	-	3,070,344	2,702,299
Hire purchase agreements	333,794	298,109	-	-
Other creditors	612,500	612,500	612,500	612,500
	<u>1,173,195</u>	<u>1,586,407</u>	<u>3,909,745</u>	<u>3,990,597</u>

17. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts payable within 1 year	523,014	404,597	-	-
Amounts payable between 2 to 5 years	333,794	298,109	-	-
	<u>856,808</u>	<u>702,706</u>	<u>-</u>	<u>-</u>

18. Related party transactions

The group is related to the following company by virtue of the fact its director(s) are also director(s) of:

Lesterose Builders Limited

The transactions during the year with related parties were as follows;

	Sales	Purchases
	£	£
Lesterose Builders Limited	599,808	282

During the year the group received management charges of £7,020 (2014: £7,020) and rent of £28,800 (2014: £2,400) from Lesterose Builders Limited.

All of the above transactions were at market rate.

The amounts outstanding at the balance sheet date with related parties were as follows;

	Trade Debtors	Trade Creditors	Non Trade Balances
	£	£	£
Lesterose Builders Limited	626,971	(23,378)	(2,031,761)

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

19. Share capital

Authorised share capital:

	2015 £	2014 £
20,000,000 Ordinary shares of £1 each	<u>20,000,000</u>	<u>20,000,000</u>

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	<u>8,850,000</u>	<u>8,850,000</u>	<u>8,850,000</u>	<u>8,850,000</u>

20. Reserves

Group

	Profit and loss account £
Balance brought forward	3,539,226
Profit for the year	1,515,825
Balance carried forward	<u>5,055,051</u>

Company

	Profit and loss account £
Balance brought forward	961,499
Profit for the year	291,115
Balance carried forward	<u>1,252,614</u>

21. Notes to the cash flow statement

Reconciliation of operating profit to net cash inflow from operating activities

	2015 £	2014 £
Operating profit	2,063,859	1,313,770
Depreciation	810,675	815,914
Profit on disposal of fixed assets	(1,491)	(5,030)
Increase in stocks	(23,164)	(43,053)
Increase in debtors	(1,374,494)	(361,154)
Increase/(decrease) in creditors	410,732	(487,502)
Net cash inflow from operating activities	<u>1,886,117</u>	<u>1,232,945</u>

MSK HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

21. Notes to the cash flow statement *(continued)*

Returns on investments and servicing of finance

	2015	2014
	£	£
Interest received	51	520
Interest paid	(100,397)	(131,784)
Interest element of hire purchase	(49,114)	(51,611)
Net cash outflow from returns on investments and servicing of finance	<u>(149,460)</u>	<u>(182,875)</u>

Capital expenditure

	2015	2014
	£	£
Payments to acquire tangible fixed assets	(1,133,983)	(1,477,216)
Receipts from sale of fixed assets	83,745	94,967
Net cash outflow from capital expenditure	<u>(1,050,238)</u>	<u>(1,382,249)</u>

22. Controlling Party

The group was controlled throughout the current and previous period by D J Guildford and A R Stone by virtue of them holding all of the issued share capital of this company.