

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015



ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

COMPANY INFORMATION

Directors	R Clucas C F Marfleet C H Marfleet
Registered number	08258921
Registered office	40 Churchill Square Kings Hill West Malling Kent ME19 4YU
Independent auditors	MHA MacIntyre Hudson Statutory Auditors 31 St George's Place Canterbury Kent CT1 1XD

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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 activity

The principal activity of the company continued to be that of the provision of central support services to fellow group undertakings.

Directors

The directors who served during the year were:

R Clucas
C F Marfleet
C H Marfleet

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.

Auditors

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
R Clucas
Director

Date: *28 July 2016*

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

We have audited the financial statements of Associates Support & Network Services Limited for the year ended 31 December 2015, set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Financial Reporting Council'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 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.

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 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.

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 and the directors' report has been prepared in accordance with applicable legal requirements.

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:

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

- 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

MHA MacIntyre Hudson
Duncan Cochrane-Dyet (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson

Statutory Auditors

31 St George's Place
Canterbury
Kent
CT1 1XD

Date: *29 July 2016*

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Turnover	4	<u>1,573,473</u>	<u>1,490,449</u>
Gross profit		1,573,473	1,490,449
Administrative expenses		<u>(1,452,426)</u>	<u>(1,345,337)</u>
Operating profit	5	121,047	145,112
Interest payable and expenses	9	-	(1)
Profit before tax		121,047	145,111
Tax on profit	10	<u>(1,500)</u>	<u>(8,267)</u>
Profit for the year		<u>119,547</u>	<u>136,844</u>

There was no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

There was no other comprehensive income for 2015 (2014:£NIL).

The notes on pages 9 to 17 form part of these financial statements.


ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED
REGISTERED NUMBER:08258921

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	11	1,121	-
		<u>1,121</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	12	2,343,838	1,499,040
Cash at bank and in hand	13	19,489	34,989
		<u>2,363,327</u>	<u>1,534,029</u>
Creditors: amounts falling due within one year	14	(2,104,898)	(1,394,026)
Net current assets		<u>258,429</u>	<u>140,003</u>
Total assets less current liabilities		<u>259,550</u>	<u>140,003</u>
Net assets		<u><u>259,550</u></u>	<u><u>140,003</u></u>
Capital and reserves			
Called up share capital	15	100	100
Profit and loss account	16	259,450	139,903
		<u>259,550</u>	<u>140,003</u>

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


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R Clucas
Director

Date: 28 July 2016

The notes on pages 9 to 17 form part of these financial statements.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	100	139,903	140,003
Comprehensive income for the year			
Profit for the year	-	119,547	119,547
At 31 December 2015	<u>100</u>	<u>259,450</u>	<u>259,550</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	100	3,059	3,159
Comprehensive income for the year			
Profit for the year	-	136,844	136,844
At 31 December 2014	<u>100</u>	<u>139,903</u>	<u>140,003</u>

The notes on pages 9 to 17 form part of these financial statements.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	119,547	136,844
Adjustments for:		
Depreciation of tangible assets	374	-
Interest paid	-	1
Taxation	1,500	8,267
Increase in debtors	(94,739)	31,815
Decrease in amounts owed by groups	(750,058)	(714,127)
Increase in creditors	40,422	(10,157)
Increase in amounts owed to groups	682,522	560,357
Corporation tax	(13,573)	(4,811)
Net cash generated from operating activities	<u>(14,005)</u>	<u>8,189</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,495)	-
Net cash from investing activities	<u>(1,495)</u>	<u>-</u>
Cash flows from financing activities		
Interest paid	-	(1)
Net cash used in financing activities	<u>-</u>	<u>(1)</u>
Net increase / (decrease) in cash and cash equivalents	(15,500)	8,188
Cash and cash equivalents at beginning of year	34,989	26,801
Cash and cash equivalents at the end of year	<u>19,489</u>	<u>34,989</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	19,489	34,989
	<u>19,489</u>	<u>34,989</u>

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

1. General information

Associates Support and Network Services Limited is a company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given on the Company Information page of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 19.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 25% straight line method
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

2. Accounting policies (continued)

2.7 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

2.8 Taxation

Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

No judgements have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

No key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year have been made.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

4. Analysis of turnover

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

	2015 £	2014 £
Intercompany management fee	718,544	777,575
Corporate services	854,929	712,874
	<u>1,573,473</u>	<u>1,490,449</u>

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	1,573,473	1,490,449
	<u>1,573,473</u>	<u>1,490,449</u>

5. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	374	-
Fees payable to the Company's auditor for the audit the annual financial statements	13,410	13,410
Exchange differences	25,889	4,847
	<u>25,889</u>	<u>4,847</u>

6. Auditors' remuneration

	2015 £	2014 £
Fees payable to the Company's auditor for the audit of the annual financial statements	12,260	12,260
Taxation services	7,855	7,855
Other services	9,650	9,650
	<u>29,765</u>	<u>29,765</u>

The company settles the remuneration of the auditors on behalf of the UK group of companies, and recharges to the companies accordingly.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

7. Employees

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

	2015 £	2014 £
Wages and salaries	1,156,747	1,118,198
Social security costs	43,798	26,032
	<u>1,200,545</u>	<u>1,144,230</u>

During the year key management personnel remuneration consists of wages and salaries amounting to £341,598 (2014: £351,418) and social security contributions amounting to £43,798 (2014: £26,032)

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

	2015 No.	2014 No.
Direct and support staff	<u>21</u>	<u>18</u>

8. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	365,597	372,918
	<u>365,597</u>	<u>372,918</u>

9. Interest payable and similar charges

	2015 £	2014 £
Bank interest payable	-	1
	<u>-</u>	<u>1</u>

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

10. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	1,500	8,267
	<u>1,500</u>	<u>8,267</u>
Total current tax	<u>1,500</u>	<u>8,267</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 - 21.5%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	121,047	145,110
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 21.5%)	24,209	31,199
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,311	1,642
Capital allowances for year in excess of depreciation	(299)	(873)
Group relief	(23,721)	(23,701)
Total tax charge for the year	<u>1,500</u>	<u>8,267</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

11. Tangible fixed assets

	Computer equipment £
Cost or valuation	
Additions	<u>1,495</u>
At 31 December 2015	<u>1,495</u>
Depreciation	
Charge owned for the period	<u>374</u>
At 31 December 2015	<u>374</u>
Net book value	
At 31 December 2015	<u>1,121</u>
At 31 December 2014	<u>-</u>

12. Debtors

	2015 £	2014 £
Trade debtors	3,983	738
Amounts owed by group undertakings	2,187,706	1,437,648
Other debtors	14,556	3,237
Prepayments and accrued income	137,593	57,417
	<u>2,343,838</u>	<u>1,499,040</u>

13. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	<u>19,489</u>	<u>34,989</u>
	<u>19,489</u>	<u>34,989</u>

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

14. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	92,042	86,281
Amounts owed to group undertakings	1,943,214	1,260,692
Corporation tax	1,500	13,573
Taxation and social security	29,877	33,480
Accruals and deferred income	38,265	-
	<u>2,104,898</u>	<u>1,394,026</u>

15. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

16. Reserves**Profit and loss account**

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

17. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the reporting date.

18. Controlling party

The immediate parent company is Montgomery Investment Company SA, registered in Luxembourg. The ultimate parent undertaking is Vancouver Trust, a trust registered in Guernsey, over which no individual exercises control. The ultimate controlling party is deemed to be Mr C F Marfleet by virtue of his interest in Vancouver Trust and his ability to direct the financial and operating policies of Associates Support & Network Services Limited.

ASSOCIATES SUPPORT & NETWORK SERVICES LIMITED

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

19. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.