

# **VT Technical Services Limited**

Directors' report and financial  
statements

Registered number 3463928

31 March 2007

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**VT Technical Services Limited**  
**Directors' report and financial statements**

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# **VT Technical Services Limited**

## **Directors' report and financial statements**

### **The directors' report and the business review**

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

#### **Principal activity**

The company's principal activity is the construction of contract related buildings

#### **Business review**

The results for the company show profit before tax of £4,000 (2006 £106,000) and turnover of £nil (2006 £4,230,000)

During the prior year the company successfully completed the remaining works on the fire fighting training unit in South Wales, which is now operated by a fellow subsidiary company. This project is now complete.

The company is now dormant, but will continue to seek future similar opportunities in line with overall group activity. Given the nature of these complex projects there can be no certainty over timing of future activity.

#### **Directors**

The directors who held office during the year were as follows

CJ Cundy	
SE Tarrant	(resigned 31 March 2007)
J Davies	(appointed 31 March 2007)

#### **Dividends**

Dividends paid during the year comprise an interim dividend of £350,000 in respect of the year ended 31 March 2007

#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

In accordance with section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**MP Jowett**  
Secretary

**15 November 2007**

## **VT Technical Services Limited**

### **Directors' report and financial statements**

#### **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss 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 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, 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities



## KPMG Audit Plc

Dukes Keep  
Marsh Lane  
Southampton  
Hampshire SO14 3EX

### **Independent auditors' report to the members of VT Technical Services Limited**

We have audited the financial statements of VT Technical Services Limited for the year ended 31 March 2007 which comprise the profit and loss account, the balance sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

#### ***Respective responsibilities of directors and auditors***

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

#### ***Basis of audit opinion***

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

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



KPMG Audit Plc

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Marsh Lane  
Southampton  
Hampshire SO14 3EX

**Independent auditors' report to the members of VT Technical Services Limited (continued)**

*Opinion*

In our opinion

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

KPMG Audit Plc

18 December 2007

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

**VT Technical Services Limited**  
**Directors' report and financial statements**

**Profit and loss account**

*for the year ended 31 March 2007*

	<i>Notes</i>	<b>2007</b> <b>£000</b>	2006 £000
<b>Turnover</b>	2	-	4,230
Cost of sales		<u>-</u>	<u>(4,160)</u>
<b>Gross profit</b>		-	70
Administrative expenses		<u>(25)</u>	<u>-</u>
<b>Operating (loss)/profit</b>		<b>(25)</b>	70
Interest receivable and similar income	4	<u>29</u>	<u>36</u>
<b>Profit on ordinary activities before taxation</b>		<b>4</b>	106
Tax on profit on ordinary activities	5	<u>(2)</u>	<u>(32)</u>
<b>Profit for the financial year</b>	10	<u>2</u>	<u>74</u>

The above results all relate to continuing activities

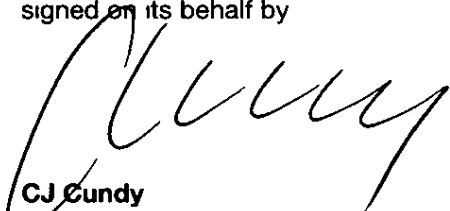
There are no recognised gains or losses other than the profit for the year reported above. There is also no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and their historical cost equivalents.

**VT Technical Services Limited**  
**Directors' report and financial statements**

**Balance sheet**  
*at 31 March 2007*

	<i>Notes</i>	<b>2007</b> <b>£000</b>	2006 £000
<b>Current assets</b>			
Debtors	7	<b>44</b>	4
Cash at bank and in hand		<u>-</u>	<u>691</u>
		<b>44</b>	695
<b>Creditors</b> amounts falling due within one year	8	<u><b>(21)</b></u>	<u>(324)</u>
<b>Net assets</b>		<u><b>23</b></u>	<u>371</u>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account	10	<u><b>23</b></u>	<u>371</u>
<b>Shareholder's funds</b>	11	<u><b>23</b></u>	<u>371</u>

These financial statements were approved by the board of directors on 15 November 2007 and were signed on its behalf by



**CJ Cundy**  
*Director*



# VT Technical Services Limited

## Directors' report and financial statements

### Notes

*(forming part of the financial statements)*

#### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

##### ***Basis of preparation***

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking

In addition advantage has been taken of the exemption available under Financial Reporting Standard 8 not to disclose details of transactions with VT Group plc or other group undertakings as the consolidated financial statements of VT Group plc in which the company is included are publicly available

##### ***Turnover***

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be readily measured. The following specific recognition criteria must also be met before turnover is recognised

**Sale of goods** turnover is recognised when the company obtains the right to consideration in exchange for its performance, which is usually when title passes

**Rendering of services** turnover from services rendered is recognised in proportion to the stage of completion of the transaction at the balance sheet date

**Long term contracts** turnover is recognised when, and to the extent that the group obtains the right to consideration. This is derived from an assessment of the fair value of the work performed to the reporting date as a proportion of the total fair value of the contract

##### ***Stock***

Stocks are stated as the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and conditions as follows

Work in progress - cost of direct materials and labour plus attributable overheads based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal

##### ***Taxation***

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

**VT Technical Services Limited**  
**Directors' report and financial statements**

**Notes** *(continued)*

**1 Accounting policies** *(continued)*

***Dividends on shares presented within shareholders' funds***

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

**2 Turnover**

Turnover is wholly attributable to the principal activity of the company and arises in the UK.

**3 Remuneration of directors, employees and auditors**

During the year and the previous year, the emoluments of the directors were borne by a fellow group company.

The company had no employees throughout the period. The auditor's remuneration is borne by a fellow subsidiary.

**4 Interest receivable and similar income**

	<b>2007</b> <b>£000</b>	2006 £000
On bank deposits	<u>29</u>	<u>36</u>

**5 Taxation**

	<b>2007</b> <b>£000</b>	2006 £000
<i>Current tax</i>		
UK corporation tax on profits of the year	<u>2</u>	<u>32</u>

***Factors affecting the tax charge for the current period***

The current tax charge for the year is equal (2006 equal) to the standard rate of corporation tax in the UK of 30% (2006: 30%).

**6 Dividends**

	<b>2007</b> <b>£000</b>	2006 £000
Dividend paid	<u>350</u>	<u>-</u>

**VT Technical Services Limited**  
**Directors' report and financial statements**

**Notes** *(continued)*

**7 Debtors**

	<b>2007</b> <b>£000</b>	2006 £000
Other taxes	<u>44</u>	<u>4</u>

**8 Creditors: amounts falling due within one year**

	<b>2007</b> <b>£000</b>	2006 £000
Bank overdraft	19	-
Payments received on account	-	257
Trade creditors	-	1
Amounts owed to group undertaking	-	1
Corporation tax	2	32
Accruals and deferred income	-	33
	<u>21</u>	<u>324</u>

**9 Called up share capital**

	<b>2007</b> <b>£</b>	2006 £
<b>Authorised</b> 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b> 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

**10 Reserves**

	<b>Profit and loss account £000</b>
At beginning of year	371
Profit for the year	2
Dividends paid	<u>(350)</u>
<b>At end of year</b>	<u>23</u>

**VT Technical Services Limited**  
**Directors' report and financial statements**

**Notes** *(continued)*

**11 Reconciliation of movements in shareholder's funds**

	<b>2007</b>	2006
	<b>£000</b>	£000
Profit for the financial year	<b>2</b>	74
Dividends paid	<b>(350)</b>	-
Net (reduction)/addition to shareholder's funds	<b>(348)</b>	74
Opening shareholder's funds	<b>371</b>	297
<b>Closing shareholder's funds</b>	<b>23</b>	371

**12 Ultimate parent company**

The company is a subsidiary undertaking of VT Support Services Limited, a company incorporated in Great Britain and registered in England and Wales

The largest group in which the results of the company are reported is that headed by VT Group plc. The consolidated financial statements are available to the public at that company's registered office of Grange Drive, Hedge End, Southampton. No other financial statements include the results of the company.