

Company Registration No. 02909297 (England and Wales)

**VIL HOLDINGS LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

THURSDAY



\*A49B9DX7\*

A14

11/06/2015

#208

COMPANIES HOUSE

# VIL HOLDINGS LIMITED

## DIRECTORS AND ADVISERS

---

### **Directors**

Mr A W Wallen  
Mrs W E Wallen  
Mr R W Wallen  
Mrs S W Richardson  
Mr P W Richardson  
Mrs S L Wallen  
Mr J Wallen

### **Secretary**

Mr P W Richardson

### **Company number**

02909297

### **Registered office**

Union Road  
Bolton

### **Registered auditors**

Barlow Andrews LLP  
Carlyle House  
78 Chorley New Road  
Bolton

### **Bankers**

HSBC Bank Plc  
1-3 Victoria Square  
Bolton

### **Solicitors**

Fieldings Porter  
Silverwell House  
Silverwell Street  
Bolton

---

# VIL HOLDINGS LIMITED

## CONTENTS

---

	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4
Consolidated profit and loss account	5
Balance sheets	6
Consolidated cash flow statement	7
Notes to the financial statements	8 - 18

---

# VIL HOLDINGS LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

The directors present the strategic report and financial statements for the year ended 30 September 2014.

### **Review of the business**

The group's emphasis on research and development has again yielded good results, with further excellent growth over the last year. The market's increasing focus on reducing environmental impact has enabled our developing range of low carbon VOC and aqueous resins, to achieve outstanding growth in all areas, particularly exports.

A risk assessment is carried out on a regular basis by the directors and senior managers to formally identify the risks most important to the group. Risk management and internal control reviews are also carried out throughout the year.

The group operates in a very competitive market and continuing growth is dependent on maintaining existing customers and developing new income streams. The group hopes to achieve these objectives by providing a first class service and through competitive pricing policies.

The group trades with suppliers in foreign currencies and is therefore exposed to adverse currency exchange movements. The group manages the risk to exposure to fluctuations in foreign currency rates by operating through a Euro Bank account.

Credit risk from trade debtors is managed by operating strict credit control procedures, including detailed credit reference checks on new customers, regular review of credit limits and monitoring of payments received against agreed terms.

The directors consider gains on investments and income from non-subsidary investments to be key performance indicators of the holding company. Gains on investments of £649,375 were made in the year (2013: £1,031,663) and income from non-subsidary investments was £327,180 (2013: £366,133). The principal risk to the holding company is the risk that the market value of the company's investment holdings will fall. The directors carefully and continually monitor both the group's strong net profit and cash flow position.

By order of the board



Mr P W Richardson  
**Secretary**  
9 January 2015

# VIL HOLDINGS LIMITED

## DIRECTORS' REPORT

***FOR THE YEAR ENDED 30 SEPTEMBER 2014***

---

The directors present their report and financial statements for the year ended 30 September 2014.

### **Principal activities**

The principal activities of the company are the provision of management services to a trading subsidiary and the management of the company's other assets by monitoring performance and making appropriate investment decisions. The principal activity of the subsidiary is the manufacture and sale of surface coating resins.

### **Results and dividends**

The consolidated profit and loss account for the year is set out on page 5.

An interim ordinary dividend was paid amounting to £1,206,000. The directors do not recommend payment of a final dividend.

### **Future developments**

The directors intend to continue to monitor the portfolio of investments, potentially investing additional monies if market conditions allow.

### **Directors**

The following directors have held office since 1 October 2013:

Mr A W Wallen  
Mrs W E Wallen  
Mr R W Wallen  
Mrs S W Richardson  
Mr P W Richardson  
Mrs S L Wallen  
Mr J Wallen

### **Auditors**

The auditors, Barlow Andrews LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# VIL HOLDINGS LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

### **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 of the group and of the profit or loss of the group 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 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.

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 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 company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board



Mr P W Richardson

**Secretary**

9 January 2015

# VIL HOLDINGS LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF VIL HOLDINGS LIMITED

---

We have audited the group and parent company financial statements (the "financial statements") of VIL Holdings Limited for the year ended 30 September 2014 set out on pages 5 to 18. 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 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 set out on pages 2 - 3, 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 30 September 2014 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.

#### **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.

**Mr Philip Riding (Senior Statutory Auditor)**  
for and on behalf of Barlow Andrews LLP  
Chartered Accountants  
and Statutory Auditors

9 January 2015

Carlyle House  
78 Chorley New Road  
Bolton

# VIL HOLDINGS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Notes	2014 £	2013 £
<b>Turnover</b>	<b>2</b>	13,105,135	11,968,124
Cost of sales		(9,345,360)	(9,051,420)
<b>Gross profit</b>		3,759,775	2,916,704
Distribution costs		(523,780)	(463,296)
Administrative expenses		(997,463)	(913,190)
Other operating income		4,354	5,329
<b>Operating profit</b>	<b>3</b>	2,242,886	1,545,547
Investment income	<b>5</b>	309,355	307,631
Other interest receivable and similar income		26,118	82,418
Change in market value of investments	<b>4</b>	649,375	1,031,663
Interest payable and similar charges	<b>6</b>	(905)	-
<b>Profit on ordinary activities before taxation</b>		3,226,829	2,967,259
Tax on profit on ordinary activities	<b>7</b>	(452,972)	(344,687)
<b>Profit on ordinary activities after taxation</b>		2,773,857	2,622,572

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.



# VIL HOLDINGS LIMITED

## BALANCE SHEETS

AS AT 30 SEPTEMBER 2014

	Notes	Group 2014 £	2013 £	Company 2014 £	2013 £
<b>Fixed assets</b>					
Tangible assets	10	2,127,759	2,150,308	-	-
Investments	11	-	-	500	500
		<u>2,127,759</u>	<u>2,150,308</u>	<u>500</u>	<u>500</u>
<b>Current assets</b>					
Stocks	12	1,749,030	1,725,677	-	-
Debtors	13	3,239,228	3,387,895	2,346,826	2,170,675
Investments	14	12,523,523	12,223,136	12,523,523	12,223,136
Cash at bank and in hand		3,508,412	2,309,126	1,543,786	435,846
		<u>21,020,193</u>	<u>19,645,834</u>	<u>16,414,135</u>	<u>14,829,657</u>
<b>Creditors: amounts falling due within one year</b>	15	(1,863,191)	(2,066,155)	(156,720)	(45,165)
<b>Net current assets</b>		<u>19,157,002</u>	<u>17,579,679</u>	<u>16,257,415</u>	<u>14,784,492</u>
<b>Total assets less current liabilities</b>		<u>21,284,761</u>	<u>19,729,987</u>	<u>16,257,915</u>	<u>14,784,992</u>
<b>Provisions for liabilities</b>	16	(36,269)	(49,352)	-	-
		<u>21,248,492</u>	<u>19,680,635</u>	<u>16,257,915</u>	<u>14,784,992</u>
<b>Capital and reserves</b>					
Called up share capital	18	500	500	500	500
Other reserves	19	3,500,000	3,500,000	-	-
Profit and loss account	19	17,747,992	16,180,135	16,257,415	14,784,492
<b>Shareholders' funds</b>	20	<u>21,248,492</u>	<u>19,680,635</u>	<u>16,257,915</u>	<u>14,784,992</u>

Approved by the Board and authorised for issue on 9 January 2015



Mr A W Wallen  
Director

Company Registration No. 02909297

# VIL HOLDINGS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Note	£	2014 £	£	2013 £
<b>Net cash inflow from operating activities</b>	<b>23</b>		2,157,999		1,209,992
<b>Returns on investments and servicing of finance</b>					
Interest received		26,118		82,418	
Interest paid		(905)		-	
Dividends received		309,355		307,631	
<b>Net cash inflow for returns on investments and servicing of finance</b>			334,568		390,049
<b>Taxation</b>			(358,287)		(496,196)
<b>Capital expenditure</b>					
Payments to acquire tangible assets		(85,482)		(92,852)	
Receipts from sales of tangible assets		7,500		14,694	
<b>Net cash outflow for capital expenditure</b>			(77,982)		(78,158)
<b>Equity dividends paid</b>			(1,206,000)		(601,200)
<b>Net cash inflow before management of liquid resources and financing</b>			850,298		424,487
<b>Management of liquid resources</b>					
Current asset investments		348,988		(1,955,870)	
			348,988		(1,955,870)
<b>Increase/(decrease) in cash in the year</b>	<b>24, 25</b>		1,199,286		(1,531,383)

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 September 2014. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### 1.3 Turnover

Turnover represents the sales value, excluding value added tax, of all deliveries made during the year.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% straight line
Plant and machinery	6 2/3% straight line
Fixtures, fittings & equipment	10% straight line
Motor vehicles	25% straight line

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are stated at market value.

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.7 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.10 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 2 Turnover

In the opinion of the directors it would be seriously prejudicial to disclose turnover by geographical location. The directors have therefore taken advantage of the exemption to omit this disclosure.

3 Operating profit	2014 £	2013 £
Operating profit is stated after charging:		
Depreciation of tangible assets	108,031	157,258
Loss on foreign exchange transactions	48,434	-
Accountancy and taxation	4,147	5,400
and after crediting:		
Profit on disposal of tangible assets	(7,500)	(9,470)
Profit on foreign exchange transactions	-	(2,015)
	<u>          </u>	<u>          </u>

### Auditors' remuneration

Fees payable to the group's auditor for the audit of the group's annual accounts (company £4,300; 2013: £4,300)	10,550	12,200
Accountancy and taxation	4,147	5,400
	<u>          </u>	<u>          </u>
	14,697	17,600
	<u>          </u>	<u>          </u>

4 Change in value of investments	2014 £	2013 £
Change in market value of investments	649,375	1,031,663
	<u>          </u>	<u>          </u>

5 Investment income	2014 £	2013 £
Income from current asset investments	309,355	307,631
	<u>          </u>	<u>          </u>

6 Interest payable	2014 £	2013 £
On overdue tax	905	-
	<u>          </u>	<u>          </u>

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

7	Taxation	2014 £	2013 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	466,055	363,287
	Adjustment for prior years	-	102
	<b>Total current tax</b>	<u>466,055</u>	<u>363,389</u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(13,083)	(18,702)
		<u>452,972</u>	<u>344,687</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>3,226,829</u>	<u>2,967,259</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 22% (2013 - 23.5%)	<u>709,902</u>	<u>697,306</u>
	Effects of:		
	Non deductible expenses	316	3,845
	Depreciation add back	22,076	34,730
	Capital allowances	(11,695)	(11,781)
	Gains on investments	(142,800)	(242,441)
	Adjustments to previous periods	-	20
	Dividends and distributions received	(68,078)	(72,384)
	Research and development relief	(43,666)	(45,906)
		<u>(243,847)</u>	<u>(333,917)</u>
	<b>Current tax charge for the year</b>	<u>466,055</u>	<u>363,389</u>

## 8 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2014 £	2013 £
Holding company's profit for the financial year	<u>2,678,923</u>	<u>2,109,187</u>

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

9	Dividends				2014 £	2013 £
	Ordinary interim paid				1,206,000	601,200
10	Tangible fixed assets					
	Group					
		Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
	Cost					
	At 1 October 2013	1,840,000	3,570,997	336,436	152,321	5,899,754
	Additions	39,900	17,542	-	28,040	85,482
	Disposals	-	-	-	(16,000)	(16,000)
	At 30 September 2014	1,879,900	3,588,539	336,436	164,361	5,969,236
	Depreciation					
	At 1 October 2013	107,250	3,254,300	305,465	82,431	3,749,446
	On disposals	-	-	-	(16,000)	(16,000)
	Charge for the year	20,598	53,233	4,228	29,972	108,031
	At 30 September 2014	127,848	3,307,533	309,693	96,403	3,841,477
	Net book value					
	At 30 September 2014	1,752,052	281,006	26,743	67,958	2,127,759
	At 30 September 2013	1,732,750	316,697	30,971	69,890	2,150,308

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 11 Fixed asset investments Company

	Shares in group undertakings £
<b>Cost</b>	
At 1 October 2013 & at 30 September 2014	500
<b>Net book value</b>	
At 30 September 2014	500
At 30 September 2013	500

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Vil Resins Limited	England	Ordinary	100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Vil Resins Limited	Manufacture of surface coating resins

### 12 Stocks

	Group 2014 £	2013 £	Company 2014 £	2013 £
Raw materials and consumables	677,029	784,885	-	-
Finished goods and goods for resale	1,072,001	940,792	-	-
	<u>1,749,030</u>	<u>1,725,677</u>	<u>-</u>	<u>-</u>

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 13 Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	3,214,568	3,349,368	-	-
Amounts owed by group undertakings	-	-	2,345,800	2,145,800
Other debtors	750	150	-	-
Prepayments and accrued income	23,910	38,377	1,026	24,875
	<u>3,239,228</u>	<u>3,387,895</u>	<u>2,346,826</u>	<u>2,170,675</u>

### 14 Current asset investments

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Other unlisted investments	308,747	1,050,000	308,747	1,050,000
Listed investments	12,214,776	11,173,136	12,214,776	11,173,136
	<u>12,523,523</u>	<u>12,223,136</u>	<u>12,523,523</u>	<u>12,223,136</u>

### 15 Creditors : amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	1,280,320	1,465,260	-	-
Corporation tax	311,055	203,287	146,776	27,101
Taxes and social security costs	184,147	347,116	4,164	9,083
Accruals and deferred income	87,669	50,492	5,780	8,981
	<u>1,863,191</u>	<u>2,066,155</u>	<u>156,720</u>	<u>45,165</u>



# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 16 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 October 2013	49,352
Profit and loss account	(13,083)
Balance at 30 September 2014	<u>36,269</u>

The deferred tax liability is made up as follows:

	Group 2014 £	2013 £	Company 2014 £	2013 £
Accelerated capital allowances	<u>36,269</u>	<u>49,352</u>	<u>-</u>	<u>-</u>

### 17 Pension and other post-retirement benefit commitments

#### Defined contribution

	2014 £	2013 £
Contributions payable by the group for the year	<u>252,330</u>	<u>251,431</u>

### 18 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
500 Ordinary shares of £1 each	<u>500</u>	<u>500</u>

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 19 Statement of movements on reserves Group

	Other reserves (see below) £	Profit and loss account £
Balance at 1 October 2013	3,500,000	16,180,135
Profit for the year	-	2,773,857
Dividends paid	-	(1,206,000)
Balance at 30 September 2014	3,500,000	17,747,992

#### Other reserves

##### Capital redemption reserve

Balance at 1 October 2013 & at 30 September 2014 500

##### Reserves for own shares

Balance at 1 October 2013 & at 30 September 2014 50,000

##### Special reserve

Balance at 1 October 2013 & at 30 September 2014 3,449,500

### Company

	Profit and loss account £
Balance at 1 October 2013	14,784,492
Profit for the year	2,678,923
Dividends paid	(1,206,000)
Balance at 30 September 2014	16,257,415

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

20	Reconciliation of movements in shareholders' funds Group	2014 £	2013 £
	Profit for the financial year	2,773,857	2,622,572
	Dividends	(1,206,000)	(601,200)
	Net addition to shareholders' funds	1,567,857	2,021,372
	Opening shareholders' funds	19,680,635	17,659,263
	Closing shareholders' funds	21,248,492	19,680,635

	Company	2014 £	2013 £
	Profit for the financial year	2,678,923	2,109,187
	Dividends	(1,206,000)	(601,200)
	Net addition to shareholders' funds	1,472,923	1,507,987
	Opening shareholders' funds	14,784,992	13,277,005
	Closing shareholders' funds	16,257,915	14,784,992

21	Directors' remuneration	2014 £	2013 £
	Remuneration for qualifying services	236,638	194,950
	Company pension contributions to defined contribution schemes	250,763	248,192
		487,401	443,142

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2013 - 5).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	51,038	45,274
Company pension contributions to defined contribution schemes	49,539	49,595

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 22 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Production staff	15	14
Sales and distribution staff	4	4
Administration and technical staff	11	11
	<u>30</u>	<u>29</u>

#### Employment costs

	2014 £	2013 £
Wages and salaries	985,202	928,881
Social security costs	94,347	87,079
Other pension costs	252,330	251,431
	<u>1,331,879</u>	<u>1,267,391</u>

### 23 Reconciliation of operating profit to net cash inflow from operating activities

	2014 £	2013 £
Operating profit	2,242,886	1,545,547
Depreciation of tangible assets	108,031	157,258
Profit on disposal of tangible assets	(7,500)	(9,470)
(Increase)/decrease in stocks	(23,353)	274,361
Decrease/(increase) in debtors	148,667	(870,308)
(Decrease)/Increase in creditors within one year	(310,732)	112,604
<b>Net cash inflow from operating activities</b>	<u>2,157,999</u>	<u>1,209,992</u>

# VIL HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2014

24	Analysis of net funds	1 October 2013 £	Cash flow £	Other non- cash changes £	30 September 2014 £
	Net cash:				
	Cash at bank and in hand	2,309,126	1,199,286	-	3,508,412
	Liquid resources:				
	Current asset investments	12,223,136	(348,988)	649,375	12,523,523
	Net funds	14,532,262	850,298	649,375	16,031,935

25	Reconciliation of net cash flow to movement in net debt	2014 £	2013 £
	Increase/(decrease) in cash in the year	1,199,286	(1,531,383)
	Cash inflow/(outflow) from decrease/(increase) in liquid resources	(348,988)	1,955,870
	Change in net debt resulting from cash flows	850,298	424,487
	Amounts written off short-term investments	649,375	1,031,663
	<b>Movement in net funds in the year</b>	1,499,673	1,456,150
	Opening net funds	14,532,262	13,076,112
	Closing net funds	16,031,935	14,532,262

## 26 Related party relationships and transactions

### Dividends to Directors

The following directors were paid dividends during the year as outlined in the table below:

	2014 £	2013 £
R W Wallen	150,750	90,000
S W Richardson	150,750	90,000
J Wallen	150,750	90,000
	452,250	270,000

### Company

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.