

Company registration number: 02626708

Solo Service Group Limited

Financial statements

31 July 2018

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Solo Service Group Limited

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Solo Service Group Limited

Directors and other information

Directors	S L Hammett J E Rees C M Cooper C J Sypliwchak
Secretary	C T Hammett
Company number	02626708
Registered office	1 Axis Court Riverside Business Park Mallard Way Swansea Vale SA7 0AJ
Auditor	Willis Jones Chartered Accountants 64 Walter Road Swansea SA1 4PT

Solo Service Group Limited

Strategic report Year ended 31 July 2018

The directors present the strategic report and the financial statements for the year ended 31st July 2018.

Principal Activity and business review

The principal activity is the provision of commercial cleaning and associated services to organisations throughout the uk.

The directors constantly review the company's performance and consider the key performance indicators to be turnover and profitability.

Key Performance Indicators

	2018	2017
Revenue	£30,353,788	£26,537,171
Gross Profit	£5,421,504	£5,007,999
Operating Profit	£1,441,802	£1,567,398

Financial Review and Position at the end of the year

Revenue increased during the year by £3,816,617 as a result of new contracts being won, but due to the competitive nature of the industry margins were squeezed. The company works closely with its customers to ensure that wherever possible costs are kept to a minimum and savings have been shared with customers. The company has a good cash position at the end of the year.

Financial Risk Management Objectives and Policies

The company has developed a structured approach to risk management which seeks to mitigate financial risks in a cost-efficient manner. The company performs credit evaluation of its customers financial position and maintains sufficient cash and open committed credit lines from its bankers and group companies to meet its foreseeable funding requirements. It has a large customer base who operate in diverse economic sectors and therefore the risks of an economic downturn are significantly reduced.

This report was approved by the board of directors on 9 November 2018 and signed on behalf of the board by:



S L Hammett
Director

Solo Service Group Limited

Directors report Year ended 31 July 2018

The directors present their report and the financial statements of the company for the year ended 31 July 2018.

Directors

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

S L Hammett
J E Rees
C M Cooper
C J Sypliwtschak

Dividends

Particulars of recommended dividends are detailed in note 11 to the financial statements.

Future developments

The directors are satisfied with the company's performance. There have been no significant trading changes since the year end, and the management team are working hard to ensure the quality of service provided to clients is improved. The company is ready to take advantage of any future developments and opportunities if and when they arise.

Employment of disabled persons

The company takes a positive role in training and communication with employees. The company operates an equal opportunities policy and wherever possible gives employment opportunities and training for disabled people. Employment of disabled people is considered on merit with regards only to the ability of any applicant to carry out the necessary function. Arrangements to enable disabled people to carry out the function required will be made if it is reasonable to do so.

Financial instruments

The company has developed a structured approach to risk management which seeks to mitigate financial risks in a cost effective manner. The company performs credit evaluation of its customers financial condition and maintains sufficient cash and open committed credit lines from its bankers and group companies to meet its foreseeable funding requirements.

Solo Service Group Limited

Directors report (continued) Year ended 31 July 2018

Directors responsibilities statement

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 profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 9 November 2018 and signed on behalf of the board by:



C T Hammett
Secretary

Solo Service Group Limited

Independent auditor's report to the members of Solo Service Group Limited (continued) Year ended 31 July 2018

Opinion

We have audited the financial statements of Solo Service Group Limited for the year ended 31 July 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Solo Service Group Limited

Independent auditor's report to the members of Solo Service Group Limited (continued) Year ended 31 July 2018

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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, 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 the 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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

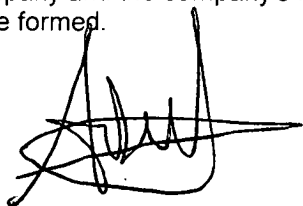
Solo Service Group Limited

**Independent auditor's report to the members of
Solo Service Group Limited (continued)
Year ended 31 July 2018**

- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Andrew Jones (Senior Statutory Auditor)

For and on behalf of
Willis Jones
Chartered Accountants
64 Walter Road
Swansea
SA1 4PT

9 November 2018

Solo Service Group Limited

Statement of comprehensive income

Year ended 31 July 2018

	Note	2018 £	2017 £
Turnover	4	30,353,788	26,537,171
Cost of sales		(24,932,284)	(21,529,172)
Gross profit		5,421,504	5,007,999
Administrative expenses		(3,979,853)	(3,440,805)
Other operating income	5	26	12
Operating profit	6	1,441,677	1,567,206
Other interest receivable and similar income	9	125	192
Profit before taxation		1,441,802	1,567,398
Tax on profit	10	(281,030)	(307,889)
Profit for the financial year and total comprehensive income		<u>1,160,772</u>	<u>1,259,509</u>

All the activities of the company are from continuing operations.

The notes on pages 11 to 20 form part of these financial statements.

Solo Service Group Limited

**Statement of financial position
31 July 2018**

	Note	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	12	-		-	
Tangible assets	13	617,227		598,805	
			617,227		598,805
Current assets					
Stocks	14	235,975		215,477	
Debtors	15	3,179,194		2,836,454	
Cash at bank and in hand		7,021,394		5,856,338	
		10,436,563		8,908,269	
Creditors: amounts falling due within one year	16	(8,809,428)		(4,939,020)	
Net current assets			1,627,135		3,969,249
Total assets less current liabilities			2,244,362		4,568,054
Provisions for liabilities	17		(55,979)		(40,443)
Net assets			2,188,383		4,527,611
Capital and reserves					
Called up share capital	20	254,634		254,634	
Profit and loss account	21	1,933,749		4,272,977	
Shareholders funds			2,188,383		4,527,611

These financial statements were approved by the board of directors and authorised for issue on 9 November 2018, and are signed on behalf of the board by:



S L Hammett
Director

Company registration number: 02626708

The notes on pages 11 to 20 form part of these financial statements.

Solo Service Group Limited

**Statement of changes in equity
Year ended 31 July 2018**

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 August 2016	254,634	4,815,336	5,069,970
Profit for the year		1,259,509	1,259,509
Total comprehensive income for the year	-	1,259,509	1,259,509
Dividends paid and payable		(1,801,868)	(1,801,868)
Total investments by and distributions to owners	-	(1,801,868)	(1,801,868)
At 31 July 2017 and 1 August 2017	254,634	4,272,977	4,527,611
Profit for the year		1,160,772	1,160,772
Total comprehensive income for the year	-	1,160,772	1,160,772
Dividends paid and payable		(3,500,000)	(3,500,000)
Total investments by and distributions to owners	-	(3,500,000)	(3,500,000)
At 31 July 2018	254,634	1,933,749	2,188,383

Solo Service Group Limited

Notes to the financial statements

Year ended 31 July 2018

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is 1 Axis Court, Riverside Business Park, Mallard Way, Swansea Vale, SA7 0AJ.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Turnover

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Operating leases

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

Amortisation

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

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Solo Service Group Limited

Notes to the financial statements (continued)

Year ended 31 July 2018

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

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

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

Depreciation

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

Plant and machinery	- 20%	straight line
Fittings fixtures and equipment	- 20%	straight line
Motor vehicles	- 20%	straight line
Buildings	- 2%	straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

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

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

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Solo Service Group Limited

Notes to the financial statements (continued)

Year ended 31 July 2018

Provisions

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

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

Financial instruments

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

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

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

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

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

Solo Service Group Limited

Notes to the financial statements (continued)

Year ended 31 July 2018

Related Party Transactions

The company entered into several trading transactions with related parties during the year. The related parties include wholly owned subsidiaries within the group. The company has taken advantage of the exemption under FRS102 section 33.1a not to disclose such transactions.

Judgement and key sources of estimation and uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. Such estimates and assumptions are as follows:

The annual depreciation charges for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of the assets. See above for the useful economic lives of each class of assets.

Cash Flow Statement

The company has taken advantage of the exemption under FRS 102 from preparing a cash flow statement as its parent company SLH Swansea Limited prepares publicly available consolidated financial statements.

4. Turnover

Turnover arises from:

	2018	2017
	£	£
Rendering of services	30,353,788	26,535,450
Rental	-	1,695
Other significant types of revenue	-	26
	<u>30,353,788</u>	<u>26,537,171</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2018	2017
	£	£
Other operating income	<u>26</u>	<u>12</u>

Solo Service Group Limited

Notes to the financial statements (continued)
Year ended 31 July 2018

6. Operating profit

	£	£
Depreciation of tangible assets	182,113	151,609
(Gain)/loss on disposal of tangible assets	-	(12,000)
Cost of stocks recognised as an expense	1,739,437	1,567,170
Impairment of trade debtors	302	248
Operating lease rentals	403,304	317,125
Fees payable for the audit of the financial statements	14,000	12,000
Hire of equipment	171,906	166,203
	<u> </u>	<u> </u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2018	2017
Administrative staff	70	63
Cleaning staff	3,190	2,742
	<u> </u>	<u> </u>
	3,260	2,805
	<u> </u>	<u> </u>

The aggregate payroll costs incurred during the year were:

	2018	2017
	£	£
Wages and salaries	24,481,219	21,160,467
Other pension costs	152,588	83,460
	<u> </u>	<u> </u>
	24,633,807	21,243,927
	<u> </u>	<u> </u>

8. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2018	2017
	£	£
Remuneration	171,836	163,346
	<u> </u>	<u> </u>

9. Other interest receivable and similar income

	2018	2017
	£	£
Bank deposits	125	192
	<u> </u>	<u> </u>

Solo Service Group Limited

Notes to the financial statements (continued)
Year ended 31 July 2018

10. Tax on profit

Major components of tax expense

	2018	2017
	£	£
Current tax:		
UK current tax expense	265,494	267,546
Adjustments in respect of previous periods	-	(100)
	<u> </u>	<u> </u>
Deferred tax:		
Origination and reversal of timing differences	15,536	40,443
	<u> </u>	<u> </u>
Tax on profit	<u><u>281,030</u></u>	<u><u>307,889</u></u>

Reconciliation of tax expense

The tax assessed on the profit for the year is higher than (2017: lower than) the standard rate of corporation tax in the UK of 19.00% (2017: 19.67%).

	2018	2017
	£	£
Profit before taxation	1,441,802	1,567,398
	<u> </u>	<u> </u>
Profit multiplied by rate of tax	273,942	308,307
Adjustments in respect of prior periods	-	(100)
Effect of expenses not deductible for tax purposes	10,267	1,078
Effect of capital allowances and depreciation	(15,537)	(27,121)
Utilisation of tax losses	(3,178)	(14,718)
Deferred Taxation	15,536	40,443
	<u> </u>	<u> </u>
Tax on profit	<u><u>281,030</u></u>	<u><u>307,889</u></u>

11. Dividends

Equity dividends

	2018	2017
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	3,500,000	1,801,868
	<u> </u>	<u> </u>

Solo Service Group Limited

Notes to the financial statements (continued)
Year ended 31 July 2018

12. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 1 August 2017 and 31 July 2018	2,818,100	2,818,100
Amortisation		
At 1 August 2017 and 31 July 2018	2,818,100	2,818,100
Carrying amount		
At 31 July 2018	-	-
At 31 July 2017	-	-

13. Tangible assets

	Freehold and leasehold properties £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 August 2017	188,045	795,594	580,916	105,328	1,669,883
Additions	-	184,135	16,400	-	200,535
At 31 July 2018	<u>188,045</u>	<u>979,729</u>	<u>597,316</u>	<u>105,328</u>	<u>1,870,418</u>
Depreciation					
At 1 August 2017	26,244	481,704	528,051	35,079	1,071,078
Charge for the year	3,761	136,740	24,131	17,481	182,113
At 31 July 2018	<u>30,005</u>	<u>618,444</u>	<u>552,182</u>	<u>52,560</u>	<u>1,253,191</u>
Carrying amount					
At 31 July 2018	<u>158,040</u>	<u>361,285</u>	<u>45,134</u>	<u>52,768</u>	<u>617,227</u>
At 31 July 2017	<u>161,801</u>	<u>313,890</u>	<u>52,865</u>	<u>70,249</u>	<u>598,805</u>

14. Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>235,975</u>	<u>215,477</u>

Solo Service Group Limited

Notes to the financial statements (continued)
Year ended 31 July 2018

15. Debtors

	2018	2017
	£	£
Trade debtors	2,600,919	2,306,039
Amounts owed by group undertakings	267,395	-
Prepayments and accrued income	181,464	264,774
Other debtors	129,416	265,641
	<u>3,179,194</u>	<u>2,836,454</u>

16. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	674,441	435,547
Amounts owed to group undertakings	4,714,303	1,496,427
Accruals and deferred income	1,721,273	1,525,695
Corporation tax	265,494	267,546
Social security and other taxes	1,374,089	1,188,045
Dividends payable	3,629	1,868
Director loan accounts	-	5,425
Other creditors	56,199	18,467
	<u>8,809,428</u>	<u>4,939,020</u>

17. Provisions

	Deferred tax (note 18)	Total
	£	£
At 1 August 2017	40,443	40,443
Additions	15,536	15,536
At 31 July 2018	<u>55,979</u>	<u>55,979</u>

Solo Service Group Limited

Notes to the financial statements (continued)
Year ended 31 July 2018

18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in provisions (note 17)	55,979	40,443
	<u>55,979</u>	<u>40,443</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	55,979	40,443
	<u>55,979</u>	<u>40,443</u>

19. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £152,588 (2017: £83,460).

20. Called up share capital
Issued, called up and fully paid

	2018		2017	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	254,634	254,634	254,634	254,634
	<u>254,634</u>	<u>254,634</u>	<u>254,634</u>	<u>254,634</u>

21. Reserves

Profit and loss account:

This reserve records retained earnings and accumulated losses.

22. Operating leases

The company as lessee

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

	2018	2017
	£	£
Not later than 1 year	66,163	206,136
Later than 1 year and not later than 5 years	363,739	134,004
	<u>429,902</u>	<u>340,140</u>

Solo Service Group Limited

Notes to the financial statements (continued)
Year ended 31 July 2018

23. Contingent assets and liabilities

Bank cross guarantee re group companies £Nil (2017: £Nil).

24. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2018			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
S L Hammett	<u>(5,425)</u>	<u>5,425</u>	<u>-</u>	<u>-</u>
	2017			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
S L Hammett	<u>-</u>	<u>54,575</u>	<u>(60,000)</u>	<u>(5,425)</u>

25. Controlling party

Mr Stephen Hammett is the ultimate controlling party by virtue of his shareholding in the parent company SLH Swansea Limited.