

Registered Number 3024924

Servicecare Support Services Limited

REPORTS AND FINANCIAL STATEMENTS

for the year ended

30 April 2017

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Servicecare Support Services Limited

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Servicecare Support Services Limited

COMPANY INFORMATION

Directors

S B Parkinson
M A McManus
Mrs J Martin
S N Parkin
D A Hodkin
A G Mannix

Company Secretary

M Hodgkiss

Registered Office

Hollinwood Works
Manchester Road
Hollinwood
Oldham
Lancashire
OL9 7AA

Auditor

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Servicecare Support Services Limited

STRATEGIC REPORT

For the year ended 30 April 2017

Principal activities

The company is a specialist provider of reverse logistic services. The company's blue chip client base encompasses consumer electronics manufacturers and traditional high street, multichannel and internet retailers. Core services the company provides are: returns processing, warranty fulfilment and asset recovery.

Business review

The trading results for the year and the company's financial position at the end of the period are shown in the attached financial statements.

Operating profit, before dividends received, for the year ended 30 April 2017 was £1,024,000 (2016: £1,340,000). Whilst a reduction of 23.6% on the same measure in the prior year, the result is satisfactory in a period of transition under the new senior management team. The directors are confident that the company will continue to deliver significant sustainable profits. In June 2017 the parent company, Clipper Logistics plc, acquired RepairTech Limited a company engaged in providing similar services to the company. A number of opportunities have already been identified for the company and RepairTech Limited to provide their services to each other's customer base.

The principal measures for gauging performance are:

- operating profit before any exceptional items; and
- profit before tax.

With effect from 30 April 2016, the company acquired the whole of the trade and undertaking of the company's subsidiary, Electrotec International Ltd ("Electrotec"). In the prior year, dividends totalling £1,853,000 were received from Electrotec.

Profit before tax for the year ended 30 April 2017 was £1,032,000 (2016: £3,223,000).

Principal risks and uncertainties

The management of the business and the nature of the company's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business.

The directors are of the opinion that a thorough risk management process is adopted, which involves the formal review of all the risks identified below. Where possible processes are in place to monitor and mitigate such risks.

High proportion of fixed overheads and variable revenues

A large proportion of the company's overheads is fixed. There is the risk that any significant changes in revenue may lead to the inability to fully cover such costs.

Management closely monitor fixed overheads against budget on a monthly basis and cost saving exercises are implemented if there is any anticipated decline in revenues.

Competition

The market in which the company operates is highly competitive. Policies of constant price monitoring and on-going market research are in place to mitigate the risks.

Servicecare Support Services Limited
STRATEGIC REPORT
For the year ended 30 April 2017

Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company's financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

The company finances its operations through a mixture of retained profits, asset finance, and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest any cash assets safely and profitably. Short term flexibility is achieved by using overdraft facilities. As a subsidiary of Clipper Logistics plc, the company has access to a group-wide overdraft facility.

Future developments

Management believe our continued 'hands on approach', with particular emphasis on service and customer relationship management will enable us to improve on our already strong market position. Becoming part of the Clipper group has increased opportunities to expand both the customer base and our range of services.

By order of the board



D A Hodkin
Director
6 November 2017

Servicecare Support Services Limited

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 30 April 2017.

Directors

The directors who held office during the year, are as follows:

S B Parkinson

M A McManus

Mrs J Martin (appointed 13 April 2017)

S N Parkin

D A Hodkin

A G Mannix

S E Fahey (resigned 28 April 2017)

Results and dividends

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements. The profit for the financial year was £822,000 (2016: £2,960,000).

An interim dividend of £72.50 (2016: £45.50) per ordinary share was paid during the year. The directors do not propose any final dividend for the year.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Further details are set out in note 2.3 to the financial statements.

Third party indemnity provision for directors

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

Statement as to disclosure of information to the auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Charitable donations

During the period the company made charitable donations amounting to £nil (2016: £291).

Political contributions

The Company made no political donations nor incurred any political expenditure in the year.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



M Hodgkiss

Company Secretary

6 November 2017

Servicecare Support Services Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibilities in the preparation of the strategic report, the directors' report and the financial statements

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), including FRS 101 *Reduced Disclosure Framework*. 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 those 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICECARE SUPPORT SERVICES LIMITED

We have audited the financial statements of Servicecare Support Services Limited for the year ended 30 April 2017 set out on pages 7 to 24. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 30 April 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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 the Directors' Report for the financial year is consistent with the financial statements.

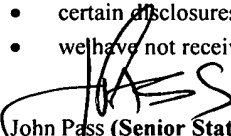
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006

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, 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.


John Pass (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

8 November 2017

Servicecare Support Services Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 April 2017

	Note	2017 £000	2016 £000
Turnover	3	16,192	10,475
Cost of sales		(12,663)	(7,162)
Gross profit		3,529	3,313
Other net gains	5	-	1,854
Administrative expenses		(2,505)	(1,974)
Operating profit	4	1,024	3,193
Interest receivable	8	24	42
Interest payable and similar charges	9	(16)	(12)
Profit on ordinary activities before taxation		1,032	3,223
Tax on profit on ordinary activities	10	(210)	(263)
Profit for the financial period		822	2,960

All of the above activities of the company relate to continuing operations.

The company has no recognised gains and losses other than those included in the profits above and therefore no separate statement of other comprehensive income has been presented.

The accompanying notes on pages 10 to 24 form part of these financial statements.

Servicecare Support Services Limited
BALANCE SHEET
at 30 April 2017

Registered number 3024924

	Note	2017	2016
		£000	£000
Fixed assets			
Tangible assets	12	285	261
Intangible assets	13	827	825
Investments	14	-	-
		1,112	1,086
Current assets			
Stock	15	442	383
Debtors	16	3,543	3,321
Cash at bank and in hand		2,974	3,640
		6,959	7,344
Creditors - amounts falling due within one year	17	(2,509)	(2,640)
Net current assets		4,450	4,704
Total assets less current liabilities		5,562	5,790
Creditors – amounts falling due after more than one year	18	(17)	(80)
Provisions for liabilities	20	(73)	(74)
Net assets		5,472	5,636
Capital and reserves			
Called up share capital	22	13	13
Share premium		742	742
Capital redemption reserve		3	3
Profit and loss account		4,714	4,878
Equity shareholder's funds		5,472	5,636

The accompanying notes on pages 10 to 24 form part of these financial statements.



D A Hodkin
Director

6 November 2017

Servicecare Support Services Limited
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 April 2017

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
Balance at 30 April 2015	13	742	3	2,536	3,294
Profit for the year	-	-	-	2,960	2,960
Dividends	-	-	-	(618)	(618)
Balance at 30 April 2016	13	742	3	4,878	5,636
Profit for the year	-	-	-	822	822
Dividends	-	-	-	(986)	(986)
Balance at 30 April 2017	13	742	3	4,714	5,472

The accompanying notes on pages 10 to 24 form part of these financial statements.

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

1 Statement of compliance with FRS 101

Servicecare Support Services Limited is a company limited by share capital, incorporated and domiciled in England and Wales.

These financial statements are prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2013/2014 Cycle) issued in July 2014 and effective immediately, have been applied. These financial statements are prepared under the historical cost convention.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 30 April 2017. These policies have been applied consistently to all periods presented in these financial statements. The financial statements are prepared in Pounds Sterling and are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

2 Accounting Policies

The financial statements have been prepared in accordance with the Companies Act 2006 and with applicable accounting standards in the United Kingdom.

2.1. Basis of preparation

The company's parent undertaking, Clipper Logistics plc includes the company in its consolidated financial statements. The consolidated financial statements of Clipper Logistics plc are prepared in accordance with International Financial Reporting Standards, are available to the public and may be obtained from the Company Secretary, Clipper Logistics plc, Gelderd Road, Leeds LS12 6LT.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- (a) a cash flow statement and related notes;
- (b) comparative period reconciliations for tangible assets and intangible assets;
- (c) disclosures in respect of transactions with fellow wholly owned subsidiaries;
- (d) disclosures in respect of capital management;
- (e) the effects of new but not yet effective IFRSs; and
- (f) disclosures in respect of the compensation of key management personnel.

2 Accounting Policies (continued)

2.1. Basis of preparation (continued)

As the consolidated financial statements of Clipper Logistics plc include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- i. IFRS 2 *Share Based Payments* in respect of group settled share based payments;
- ii. Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets;
- iii. Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the company in the current and prior periods including the comparative period reconciliation for goodwill; and
- iv. Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

2.2. Consolidated financial statements

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group accounts on the basis that group accounts are prepared by the company's ultimate parent company, Clipper Logistics plc, a company incorporated in Great Britain.

2.3. Basis of accounting

The company's business activities, together with the factors likely to affect its future development and position, are set out in the strategic report on pages 2 to 3.

The company is expected to continue to generate positive cash flows on its own account for the foreseeable future. The company participates in the group's centralised treasury arrangements and so shares banking facilities with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the company's parent Clipper Logistics plc to their enquiries, have no reason to believe that any material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Clipper Logistics plc, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4. Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax. Revenue and profits are recognised when the services are provided or the substantial risks and rewards of ownership are transferred, either when the goods are delivered; or packaged and made available for collection.

2 Accounting Policies (continued)

2.5. Tangible assets

The cost of tangible assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible assets, less their estimated residual value, on a straight line basis over their estimated economic lives. The estimated economic lives used for this purpose are:

Leasehold Improvements	10 years
Plant, Machinery, Fixtures & Fittings	3 – 10 years

2.6. Intangible assets - goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is "negative goodwill" and is recognised in the profit & loss account immediately.

Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. This is not in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 which require that all goodwill be amortised. The directors consider this would fail to give a true and fair view of the profit for the year and that the economic measure of performance in any period is properly made by reference to any impairment that has arisen. It is not practicable to quantify the effect on the financial statements of this departure.

2.7. Intangible assets – computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to five years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the software development employee costs and overheads directly attributable to bringing the asset in to use.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding five years).

2.8. Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Provisions are made for obsolete and slow-moving items.

2 Accounting Policies (continued)

2.9. Leases

Leasing agreements and hire purchase contracts which transfer to the company substantially all the benefits and risks of ownership of an asset ("finance leases") are treated as if the asset had been purchased outright. Assets held under such agreements are included in fixed assets and the capital element of commitments is shown as obligations under finance leases. Payments under such agreements are treated as consisting of capital and interest elements. The interest element is charged to the profit and loss account over the primary lease period in proportion to the reducing capital element outstanding. Assets held under finance leases are generally depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets. However, where the lease contains an option to purchase which is expected to be exercised, the asset is depreciated over the useful life of the asset.

All other leases are treated as operating leases, the costs of which are charged on a straight line basis over the lease term.

2.10. Deferred taxation

The charge for taxation is based on the result for the period. Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise, based on current tax rates and laws. Deferred tax assets are only recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities recognised have not been discounted.

2.11. Pensions

Contributions are made to the personal pension plans of certain employees. The company only operates defined contribution schemes. The assets of each scheme are held separately from those of the company. The expenditure is charged to the profit and loss account as incurred.

2.12. Post-retirement benefits

The company provides no other post-retirement benefits to its employees.

2.13. Share based payments

Where the company's parent grants rights to its equity instruments to the company's employees, which are accounted for as equity-settled in the consolidated accounts of the parent, the company accounts for these share based payments as equity-settled. Amounts recharged by the parent are recognised in the company's accounts as a credit to amounts owed to or from group undertakings with a corresponding debit to employee expenses.

2.14. Provisions

Provisions for items such as onerous contracts and dilapidations are recognised when: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

2.15. Investments

Investments are included at cost less provision for impairment.

2 Accounting Policies (continued)

2.16. Grants

Grants received in relation to the purchase of fixed assets are included with accruals and deferred income and released to the income statement in proportion to the depreciation or amortisation charge in respect of those assets.

2.17. Intra-group financial instruments

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

3 Turnover

The turnover and profit before taxation are attributable to the one principal activity of the company. The entire turnover in both periods related to the UK market.

4 Operating profit

	2017	2016
	£000	£000
Operating profit is stated after charging:		
Depreciation of owned fixed assets	62	44
Depreciation of assets held under finance leases and hire purchase agreements	63	58
Amortisation of intangible assets	9	9
Auditor's remuneration:		
Audit fees	16	10
Operating lease costs:		
Land and buildings	342	297
Other	53	61

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

5 Other net gains

	2017	2016
	£000	£000
Dividends received	-	1,853
Amortisation of grants	-	1
	-	1,854

6 Staff costs

The average monthly number of staff employed by the company during the period amounted to:

	2017	2016
	Number	Number
Servicing and repair	149	153
Warehousing	35	14
Administration	45	33
	229	200

The aggregate payroll costs of the above were:

	2017	2016
	£000	£000
Wages and salaries	4,370	3,707
Social security costs	359	297
Pension costs	75	67
Share based payments	3	12
	4,807	4,083

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

7 Directors' emoluments

Remuneration in respect of directors was as follows:

	2017	2016
	£000	£000
Aggregate emoluments	261	254
Company pension contributions	18	16
	279	270

Contributions were made on behalf of three (2016: three) directors in respect of money purchase pension schemes during the period.

Emoluments of highest paid director:

	2017	2016
	£000	£000
Aggregate emoluments	146	124
Company pension contributions	14	11
	160	135

The remuneration of directors who also hold office in Clipper Logistics plc is disclosed in that company's annual report. Those directors receive no remuneration from this company.

8 Interest receivable

	2017	2016
	£000	£000
Interest receivable from group undertakings	24	41
Other interest receivable	-	1
	24	42

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

9 Interest payable and similar charges

	2017	2016
	£000	£000
Hire purchase charges	12	12
Other interest	4	-
	16	12

10 Tax on profit on ordinary activities

(a) Analysis of charge in the period

	2017	2016
	£000	£000
Current tax:		
Corporation tax on profit for the period	227	298
Adjustments in respect of prior years	3	(4)
Total current tax	230	294
Deferred taxation:		
Origination and reversal of timing differences	(18)	(21)
Adjustments in respect of prior years	(3)	(9)
Impact of change in tax laws and rates	1	(1)
Total deferred tax	(20)	(31)
Total taxation charge	210	263

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

10 Tax on profit on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 19.9% (2016: 20.0%).

	Year ended 30 April 2017 £000	Year ended 30 April 2016 £000
Profit on ordinary activities before taxation	1,032	3,223
Profit on ordinary activities multiplied by the standard rate of tax	205	645
Dividends received exempt from income tax	-	(371)
Expenses not deductible for tax purposes	3	3
Adjustments to tax charge in respect of previous years	-	(13)
Deferred tax rate reduction	1	(1)
Other timing differences	1	-
Total tax charge (note 10 (a))	210	263

(c) Factors that may affect future tax charges

The UK corporation tax rate reduced from 20% to 19% with effect from 1 April 2016. Legislation to reduce the rate to 17% with effect from 1 April 2020 was substantively enacted at 30 April 2017. A rate of 17 % (2016: 18%) has been applied in the measurement of the Group's deferred tax assets and liabilities in the year.

11 Dividends

	2017 £000	2016 £000
Interim dividend paid of £72.50 (2016: £45.50) per ordinary share	986	618

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

12 Tangible assets

	Leasehold Improvements £000	Plant, Machinery, Fixtures & Fittings £000	Total £000
Cost			
At 1 May 2016	323	1,008	1,331
Additions	74	75	149
Disposals	(263)	(426)	(689)
At 30 April 2017	134	657	791
Depreciation			
At 1 May 2016	288	782	1,070
Charge for the year	12	113	125
Disposals	(263)	(426)	(689)
At 30 April 2017	37	469	506
Net book amount			
At 30 April 2016	35	226	261
At 30 April 2017	97	188	285

Included within the net book value at 30 April 2017 of £285,000 (2016: £261,000) is £42,000 (2016: £105,000) relating to assets held under finance leases and hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £63,000 (2016: £58,000).

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

13 Intangible assets

	Goodwill £000	Computer Software £000	Total £000
Cost			
At 1 May 2016	1,807	37	1,844
Additions	-	11	11
Disposals	-	(8)	(8)
At 30 April 2017	1,807	40	1,847
Amortisation			
At 1 May 2016	995	24	1,019
Charge for year	-	9	9
Disposals	-	(8)	(8)
At 30 April 2017	995	25	1,020
Net book amount			
At 30 April 2016	812	13	825
At 30 April 2017	812	15	827

14 Investments

	Subsidiary undertakings £
Cost - At 1 May 2016 and 30 April 2017	1
Net book value – At 1 May 2016 and 30 April 2017	1

The subsidiary undertaking is incorporated in Great Britain and is registered in England and Wales. Its registered office is c/o Servicecare Support Services Limited, Manchester Road, Hollinwood, Oldham, Lancashire OL9 7AA

Name	Class of holding	Proportion held	Nature of business during the year
Electrotec International Limited	Ordinary	100%	Dormant

Servicecare Support Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2017

15 Stocks

	2017	2016
	£000	£000
Raw materials	106	105
Work-in-progress	33	37
Goods for resale	303	241
	442	383

The cost of stocks recognised as cost of sales in the year amounted to £6,848,000 (2016: £2,128,000).

16 Debtors

	2017	2016
	£000	£000
Amounts falling due within one year:		
Trade debtors	2,008	2,094
Other debtors	7	-
Owed by group undertakings	981	984
Prepayments and accrued income	536	243
Deferred tax	11	-
	3,543	3,321

Amounts due from group undertakings are repayable on demand.

17 Creditors: amounts falling due within one year

	2017	2016
	£000	£000
Obligations under finance leases and hire purchase agreements	63	99
Trade creditors	1,120	1,256
Amounts owed to group undertakings	3	3
Corporation tax payable	122	358
Other taxation and social security	451	450
Other creditors	9	82
Accruals and deferred income	741	392
	2,509	2,640

Amounts due to group undertakings are non interest-bearing and are repayable on demand.

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18 Creditors: amounts falling due after more than one year

	2017	2016
	£000	£000
Obligations under finance leases and hire purchase agreements	17	80

The finance lease and hire purchase creditors are secured on the assets to which they relate.

19 Obligations under finance leases and hire purchase agreements

Future commitments under finance leases and hire purchase agreements are as follows:

	2017	2016
	£000	£000
In one year or less	63	99
Between one and two years	15	63
Between two and five years	2	17
	80	179

20 Provisions for liabilities

	Deferred taxation £000	Other provisions £000	Total £000
At 1 May 2015	(40)	(51)	(91)
(Charged) / credited to the profit & loss account	31	(14)	17
At 30 April 2016	(9)	(65)	(74)
(Charged) / credited to the profit & loss account	20	(8)	12
At 30 April 2017:			
Provisions	-	(73)	(73)
Debtors	11	-	11

The company is making provision for the expected cost of remedial work at the termination of property leases. The leases expire within 7 years from the balance sheet date, although the company has earlier break options.

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21 Deferred taxation

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

	2017	2016
	£000	£000
Excess of taxation allowances over depreciation on fixed assets	(10)	(24)
Other timing differences	21	15
	11	(9)

There are no unprovided deferred tax liabilities in either period.

22 Share capital

	2017	2016
	£000	£000
Allotted, called up and fully paid:		
13,593 ordinary shares of £1 each	13	13

The holders of ordinary shares are entitled to share *pari passu* in any distribution of the company and are entitled to one vote per share in any circumstances.

23 Contingencies

The company is party to a cross guarantee in respect of bank borrowings of other group companies. At 30 April 2017 the total of relevant group bank borrowings amounted to £19,448,000 (2016: £11,289,000). No loss is expected to arise.

24 Financial commitments

At 30 April 2017 the company had commitments under non-cancellable operating leases as follows:

	Land & Buildings	Other	Land & Buildings	Other
	2017	2017	2016	2016
	£000	£000	£000	£000
Operating leases which expire:				
within 1 year	329	16	329	11
between one and five years	221	28	550	21
in more than 5 years	-	-	-	-
	550	44	879	32

25 Related party transactions

During the year the company obtained payroll advisory services at a cost of £10,000 (2016: £nil) from Dale Martin, the husband of Mrs J Martin. There were no amounts outstanding at 30 April 2017.

Other than transactions with entities that are part of the same group, no other transactions with related parties were undertaken such as are required to be disclosed under FRS 101.

26 Ultimate parent undertaking

The immediate and ultimate parent company is Clipper Logistics plc. Copies of the consolidated financial statements of Clipper Logistics plc can be obtained from the Company Secretary at Gelderd Road, Leeds, West Yorkshire, LS12 6LT.