

## **Innserve Limited**

Report and Financial Statements

Period Ended

1 January 2017

Company Number 7226521

THURSDAY



\*A62U6KKX\*

A13

23/03/2017

#143

COMPANIES HOUSE

# **Innserve Limited**

## **Report and financial statements for the period ended 1 January 2017**

---

### **Contents**

#### **Page:**

|   |                                                |
|---|------------------------------------------------|
| 1 | Strategic report                               |
| 2 | Report of the director                         |
| 4 | Independent auditor's report                   |
| 6 | Statement of income and retained earnings      |
| 7 | Balance sheet                                  |
| 8 | Notes forming part of the financial statements |

---

### **Director**

N M Bryan

### **Registered office**

The Old Maltings, Leeds Road, Tadcaster, LS24 9HB

### **Company number**

7226521

### **Auditors**

BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU

# Innserve Limited

## Strategic report for the period ended 1 January 2017

The director presents his strategic report together with the audited financial statements for the period ended 1 January 2017.

### Principal activities

The company's principal activity is the provision of technical services to the brewing industry.

### Review of the business

The statement of income and retained earnings is set out on page 6 and shows turnover of £45.7m (27 December 2015 - £41.6m) and profit before tax of £1.0m (27 December 2015 - £1.2m). Turnover and gross profit remained in line with the director's expectations.

The director believes the company remains well positioned for the future.

### Principal risks and uncertainties

The company earned the majority of its income through one customer which is secured on a 10 year contract that was entered into in 2011.

Financial risks are minimal, as the company has no borrowings or exposure to foreign exchange fluctuations. The company maintains cash balances at a number of reputable financial institutions following an assessment of the counter-party risk.

Operational risk largely concerns the systems required by the business to schedule and manage its mobile workforce and supply chain. Appropriate disaster recovery procedures are in place in the event of a systems failure.

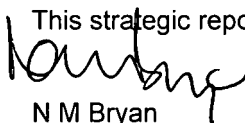
### Key performance indicators

The company uses a range of key performance indicators to monitor performance of the business.

|                   | Period ended<br>1 January<br>2017 | Year ended<br>27 December<br>2015 |
|-------------------|-----------------------------------|-----------------------------------|
| Turnover          | £45.7m                            | £41.6m                            |
| Gross Profit      | £34.6m                            | £32.7m                            |
| Gross Profit %    | 76%                               | 79%                               |
| Operating Profit  | £0.9m                             | £1.1m                             |
| Profit Before Tax | £1.0m                             | £1.2m                             |

### Approval

This strategic report was approved by order of the Board on 16 MARCH 2017



N M Bryan  
Director

# **Innserve Limited**

## **Report of the director for the period ended 1 January 2017**

---

The director presents his report together with the audited financial statements for the period ended 1 January 2017.

### **Information included in the strategic report**

The following information is included in the strategic report:

- Details of the principal activity of the company
- A review of the business including developments in the period, its performance and current position
- A summary of the principal risks and uncertainty affecting the position, and
- Information relating to the KPIs monitored by the company

### **Dividends**

During the year dividends of £3,000,000 (2015: £nil) were declared and paid.

### **Director**

The director of the company during the period was:

N M Bryan

### **Director's responsibilities**

The director is responsible for preparing the strategic report, the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is 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 company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

# Innserve Limited

## Report of the director for the period ended 1 January 2017 (*continued*)

---

### Employment of disabled persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind.

### Employee involvement

Members of the management team regularly discuss matters of current interest and concern to the business with members of staff.

### Charitable donations

During the period the company made charitable donations of £1,120 (27 December 2015 - £6,320).

### Auditors

The current director has taken all the steps that he ought to have taken to make himself aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The director is not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

### On behalf of the Board



N M Bryan  
Director

Date 16 MARCH 2017

# **Innserve Limited**

## **Independent auditor's report**

---

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INNSERVE LIMITED**

We have audited the financial statements of Innserve Limited for the period ended 1 January 2017 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, and the related notes. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscopeukprivate](http://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 1 January 2017 and of its profit for the period 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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

# Innserve Limited

## Independent auditor's report (*continued*)

---

### **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 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.

**BDO LLP**

Linda Cooper (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Leeds

Date 16 MARCH 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Innserve Limited

## Statement of income and retained earnings for the period ended 1 January 2017

|                                                      | Note | Period ended<br>1 January<br>2017<br>£ | Year ended<br>27 December<br>2015<br>£ |
|------------------------------------------------------|------|----------------------------------------|----------------------------------------|
| <b>Turnover</b>                                      | 3    | <b>45,741,748</b>                      | 41,575,902                             |
| Cost of sales                                        |      | <u>11,133,134</u>                      | <u>8,910,699</u>                       |
| <b>Gross profit</b>                                  |      | <b>34,608,614</b>                      | 32,665,203                             |
| Administrative expenses                              |      | <u>33,662,380</u>                      | <u>31,542,872</u>                      |
| <b>Operating profit</b>                              | 4    | <b>946,234</b>                         | 1,122,331                              |
| Interest receivable and similar income               |      | <u>29,365</u>                          | <u>53,494</u>                          |
| <b>Profit on ordinary activities before taxation</b> |      | <b>975,599</b>                         | 1,175,825                              |
| Taxation on profit on ordinary activities            | 7    | <u>199,471</u>                         | <u>249,820</u>                         |
| <b>Profit for the financial period</b>               |      | <b>776,128</b>                         | 926,005                                |
| <b>Retained earnings at beginning of period</b>      |      | <b>3,063,716</b>                       | 2,137,711                              |
| Profit for the period                                |      | <b>776,128</b>                         | 926,005                                |
| Dividends paid                                       |      | <u>(3,000,000)</u>                     | <u>-</u>                               |
| <b>Retained earnings at end of period</b>            |      | <b>839,844</b>                         | 3,063,716                              |

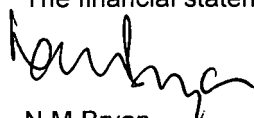
The notes on pages 8 to 16 form part of these financial statements.

# Innserve Limited

## Balance sheet at 1 January 2017

| <i>Company number 07226521</i>                                     | <i>Note</i> | <b>1 January<br/>2017<br/>£</b> | <b>1 January<br/>2017<br/>£</b> | <b>27 December<br/>2015<br/>£</b> | <b>27 December<br/>2015<br/>£</b> |
|--------------------------------------------------------------------|-------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|
| <b>Fixed assets</b>                                                |             |                                 |                                 |                                   |                                   |
| Tangible assets                                                    | 8           |                                 | 20,120                          |                                   | 55,215                            |
| <b>Current assets</b>                                              |             |                                 |                                 |                                   |                                   |
| Debtors                                                            | 9           | 7,738,032                       |                                 | 6,068,443                         |                                   |
| Cash at bank and in hand                                           |             | 7,437,262                       |                                 | 11,388,457                        |                                   |
|                                                                    |             | <u>15,175,294</u>               |                                 | <u>17,456,900</u>                 |                                   |
| <b>Creditors: amounts falling due<br/>within one year</b>          | 10          | <u>11,432,617</u>               |                                 | <u>11,706,620</u>                 |                                   |
| <b>Net current assets</b>                                          |             |                                 | <u>3,742,677</u>                |                                   | <u>5,750,280</u>                  |
| <b>Total assets less current<br/>liabilities</b>                   |             |                                 | <u>3,762,797</u>                |                                   | <u>5,805,495</u>                  |
| <b>Creditors: amounts falling due<br/>after more than one year</b> | 11          | 909,292                         |                                 | 706,356                           |                                   |
| <b>Provisions for liabilities</b>                                  | 13          | <u>163,661</u>                  |                                 | <u>185,423</u>                    |                                   |
|                                                                    |             |                                 | <u>1,072,953</u>                |                                   | <u>891,779</u>                    |
|                                                                    |             |                                 | <u>2,689,844</u>                |                                   | <u>4,913,716</u>                  |
| <b>Capital and reserves</b>                                        |             |                                 |                                 |                                   |                                   |
| Called up share capital                                            | 15          |                                 | 1,850,000                       |                                   | 1,850,000                         |
| Profit and loss account                                            |             |                                 | 839,844                         |                                   | 3,063,716                         |
| <b>Shareholder's funds</b>                                         |             |                                 | <u>2,689,844</u>                |                                   | <u>4,913,716</u>                  |

The financial statements were approved by the Board of Directors and authorised for issue on 16 MARCH 2017

  
N M Bryan  
Director

The notes on pages 8 to 16 form part of these financial statements.

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017

### 1 Accounting policies

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The prior year turnover disclosed previously, included an amount of £3,757,070 which related to sales to a fellow group subsidiary, Innserve Technical Solutions Limited on which no margin was made. In the current and restated prior year figures, these amounts have been netted against cost of sales on the basis they are intragroup recharges.

The following principal accounting policies have been applied:

#### *Financial reporting standard 102 - reduced disclosure exemptions*

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Hallriver Holdings Limited as at 1 January 2017 and these financial statements may be obtained from The Old Maltings, Leeds Road, Tadcaster, LS24 9HB.

#### *Turnover*

Turnover represents the invoiced value of services performed less value added tax. Installation income is recognised when the service is completed and related costs matched with income.

Service income is recognised in the period in which it is receivable.

#### *Tangible fixed assets*

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

#### *Depreciation*

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

|                     |   |               |
|---------------------|---|---------------|
| Plant and machinery | - | 25% per annum |
| Computers           | - | 33% per annum |
| Motor vehicles      | - | 25% per annum |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

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

# Innserv Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (*continued*)

---

### 1 Accounting policies (*continued*)

#### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

#### *Dividends*

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### *Current and deferred taxation*

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### *Leased assets*

Operating lease rentals are charged to the statement of income and retained earnings on a straight-line basis over the term of the lease.

#### *Pension costs*

Contributions to the company's defined contribution pension scheme are charged to profit or loss in the period in which they become payable.

#### *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

#### *Onerous leases*

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease.

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (continued)

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the director has made the following judgements:

In order to provide for all valid liabilities which exist at the balance sheet date, the company's required to accrue for certain costs or expenses which have not been invoiced and therefore cannot be known with certainty. Such accruals are based on management's best judgement and past experience. The total value of accruals as at the balance sheet date is set out in note 10.

### 3 Analysis of turnover

Turnover is wholly attributable to the principal activity and arises solely within the United Kingdom.

### 4 Operating profit

|                                                                                             | Period ended<br>1 January<br>2017<br>£ | Year ended<br>27 December<br>2015<br>£ |
|---------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| This is arrived at after charging/(crediting):                                              |                                        |                                        |
| Depreciation of tangible fixed assets                                                       | 37,957                                 | 73,251                                 |
| Fees payable to the company's auditor for the audit of the company's annual accounts        | 30,000                                 | 31,000                                 |
| Fees payable to the company's auditor and its associates for other services to the company: |                                        |                                        |
| Taxation compliance services                                                                | 10,750                                 | 10,015                                 |
| Other services                                                                              | -                                      | 22,150                                 |
| Hire of assets – operating leases                                                           | 1,985,254                              | 1,830,977                              |
|                                                                                             | <u>                    </u>            | <u>                    </u>            |

### 5 Employees

|                                                  | Period ended<br>1 January<br>2017<br>£ | Year ended<br>27 December<br>2015<br>£ |
|--------------------------------------------------|----------------------------------------|----------------------------------------|
| Staff costs (including the director) consist of: |                                        |                                        |
| Wages and salaries                               | 19,625,088                             | 17,707,755                             |
| Social security costs                            | 1,910,849                              | 1,735,835                              |
| Cost of defined contribution scheme              | 844,723                                | 788,144                                |
|                                                  | <u>                    </u>            | <u>                    </u>            |
|                                                  | 22,380,660                             | 20,231,734                             |
|                                                  | <u>                    </u>            | <u>                    </u>            |

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (*continued*)

### 5 Employees (*continued*)

The average number of employees (including the director) during the period was as follows:

|                             | Period ended<br>1 January<br>2017<br>Number | Year ended<br>27 December<br>2015<br>Number |
|-----------------------------|---------------------------------------------|---------------------------------------------|
| Senior management           | 8                                           | 8                                           |
| Supply chain                | 33                                          | 36                                          |
| Planning and administration | 197                                         | 160                                         |
| Technical                   | 405                                         | 354                                         |
|                             | <u>643</u>                                  | <u>558</u>                                  |

A defined contribution pension scheme is operated by the company. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £844,723 (27 December 2015 - £788,144). Contributions amounting to £nil (27 December 2015 - £160,055) were payable to the fund and are included in creditors.

### 6 Director's remuneration

|                       | Period ended<br>1 January<br>2017<br>£ | Year ended<br>27 December<br>2015<br>£ |
|-----------------------|----------------------------------------|----------------------------------------|
| Director's emoluments | <u>71,883</u>                          | <u>71,067</u>                          |

### 7 Taxation on profit on ordinary activities

|                                                | Period ended<br>1 January<br>2017<br>£ | Period ended<br>1 January<br>2017<br>£ | Year ended<br>27 December<br>2015<br>£ | Year ended<br>27 December<br>2015<br>£ |
|------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
| <i>UK corporation tax</i>                      |                                        |                                        |                                        |                                        |
| Current tax on profits of the period           |                                        | 240,696                                |                                        | 219,621                                |
| Adjustment in respect of previous periods      |                                        | <u>(2,765)</u>                         |                                        | <u>12,230</u>                          |
| Total current tax                              |                                        | 237,931                                |                                        | 231,851                                |
| <i>Deferred tax</i>                            |                                        |                                        |                                        |                                        |
| Origination and reversal of timing differences | (41,055)                               |                                        | 20,295                                 |                                        |
| Effect of tax rate change on opening balance   | -                                      |                                        | 9,054                                  |                                        |
| Adjustment in respect of prior years           | <u>2,595</u>                           |                                        | <u>(11,380)</u>                        |                                        |
|                                                |                                        | <u>(38,460)</u>                        |                                        | <u>17,969</u>                          |
| Taxation on profit on ordinary activities      |                                        | <u>199,471</u>                         |                                        | <u>249,820</u>                         |

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (*continued*)

### 7 Taxation on profit on ordinary activities (*continued*)

The tax assessed for the period is higher than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

|                                                                                                                          | Period ended<br>1 January<br>2017<br>£ | Year ended<br>27 December<br>2015<br>£ |
|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Profit on ordinary activities before tax                                                                                 | <b>975,599</b>                         | 1,175,825                              |
| Profit on ordinary activities at the standard rate of<br>corporation tax in the UK of 20.00% (27 December 2015 – 20.25%) | <b>195,120</b>                         | 238,064                                |
| Effects of:                                                                                                              |                                        |                                        |
| Fixed asset differences                                                                                                  | <b>1,665</b>                           | -                                      |
| Expenses not deductible for tax purposes                                                                                 | <b>695</b>                             | 3,183                                  |
| Adjustments to tax charge in respect of previous periods                                                                 | <b>(2,765)</b>                         | 850                                    |
| Adjustments to tax charge in respect of previous periods – deferred tax                                                  | <b>2,595</b>                           | -                                      |
| Adjust closing deferred tax to average rate of 20.00%                                                                    | <b>10,010</b>                          | 7,723                                  |
| Adjust opening deferred tax to average rate of 20.00%                                                                    | <b>(7,849)</b>                         | -                                      |
| Total tax charge for period                                                                                              | <b>199,471</b>                         | 249,820                                |

For further information on deferred tax balances see note 14.

### 8 Tangible fixed assets

|                       | Motor<br>vehicles<br>£ | Plant and<br>machinery<br>£ | Computer<br>equipment<br>£ | Total<br>£     |
|-----------------------|------------------------|-----------------------------|----------------------------|----------------|
| <i>Cost</i>           |                        |                             |                            |                |
| At 27 December 2015   | 43,820                 | 140,465                     | 144,034                    | 328,319        |
| Additions             | -                      | 2,862                       | -                          | 2,862          |
| At 1 January 2017     | <b>43,820</b>          | <b>143,327</b>              | <b>144,034</b>             | <b>331,181</b> |
| <i>Depreciation</i>   |                        |                             |                            |                |
| At 27 December 2015   | 26,362                 | 125,143                     | 121,599                    | 273,104        |
| Provision for period  | 7,092                  | 10,722                      | 20,143                     | 37,957         |
| At 1 January 2017     | <b>33,454</b>          | <b>135,865</b>              | <b>141,742</b>             | <b>311,061</b> |
| <i>Net book value</i> |                        |                             |                            |                |
| At 1 January 2017     | <b>10,366</b>          | <b>7,462</b>                | <b>2,292</b>               | <b>20,120</b>  |
| At 27 December 2015   | 17,458                 | 15,322                      | 22,435                     | 55,215         |

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (continued)

### 9 Debtors

|                                    | 1 January<br>2017<br>£ | 27 December<br>2015<br>£ |
|------------------------------------|------------------------|--------------------------|
| Trade debtors                      | 3,006,705              | 2,482,691                |
| Amounts due from group undertaking | 840,393                | 475,453                  |
| Other debtors                      | 20,617                 | 22,618                   |
| Prepayments and accrued income     | 3,680,130              | 2,935,954                |
| Deferred tax asset                 | 190,187                | 151,727                  |
|                                    | <u>7,738,032</u>       | <u>6,068,443</u>         |

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

|                              | 1 January<br>2017<br>£ | 27 December<br>2015<br>£ |
|------------------------------|------------------------|--------------------------|
| Trade creditors              | 1,495,506              | 1,180,329                |
| Taxation and social security | 1,131,318              | 1,254,122                |
| Other creditors              | 1,171,898              | 1,048,990                |
| Accruals and deferred income | 7,573,016              | 8,073,882                |
| Corporation tax              | 60,879                 | 149,297                  |
|                              | <u>11,432,617</u>      | <u>11,706,620</u>        |

### 11 Creditors: amounts falling due after more than one year

|                 | 1 January<br>2017<br>£ | 27 December<br>2015<br>£ |
|-----------------|------------------------|--------------------------|
| Other creditors | <u>909,292</u>         | <u>706,356</u>           |

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (*continued*)

### 12 Financial instruments

The company's financial instruments may be analysed as follows:

|                                                                       | 1 January<br>2017<br>£ | 27 December<br>2015<br>£ |
|-----------------------------------------------------------------------|------------------------|--------------------------|
| <b>Financial assets</b>                                               |                        |                          |
| Financial assets that are debt instruments measured at amortised cost | <b>14,719,398</b>      | 16,872,705               |
| <b>Financial liabilities</b>                                          |                        |                          |
| Financial liabilities measured at amortised cost                      | <b>11,313,370</b>      | 11,194,980               |

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, accrued income, amounts owed by joint ventures and associated undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and deferred income and intercompany creditors.

### 13 Provisions for liabilities

|                     | Vehicle<br>damage<br>£ | Early<br>termination<br>£ | Total<br>£     |
|---------------------|------------------------|---------------------------|----------------|
| At 28 December 2015 | 108,478                | 76,945                    | 185,423        |
| Utilised in period  | (51,523)               | -                         | (51,523)       |
| Provided in period  | 19,964                 | 9,797                     | 29,761         |
| At 1 January 2017   | <b>76,919</b>          | <b>86,742</b>             | <b>163,661</b> |

The vehicle damage provision represents expected vehicle repair costs to be charged by the lease company at the end of the lease. Charges are based on estimated future costs which are expected to be paid over the next 3 years.

The early termination provision represents charges on vehicle leases where the contract mileage will be reached prior to the lease end date. Charges are based on estimated future costs which are expected to be paid over the next 4 years.

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (*continued*)

### 14 Deferred taxation asset

|                                      | £              |
|--------------------------------------|----------------|
| At 28 December 2015                  | 151,727        |
| Charged to profit and loss account   | 41,055         |
| Adjustment in respect of prior years | (2,595)        |
|                                      | <hr/>          |
| At 1 January 2017                    | <b>190,187</b> |
|                                      | <hr/>          |

The deferred tax asset comprises:

|                                | 1 January<br>2017<br>£ | 27 December<br>2015<br>£ |
|--------------------------------|------------------------|--------------------------|
| Accelerated capital allowances | (1,579)                | (5,825)                  |
| Sundry timing differences      | 191,766                | 157,552                  |
|                                | <hr/>                  | <hr/>                    |
| Total                          | <b>190,187</b>         | 151,727                  |
|                                | <hr/>                  | <hr/>                    |

### 15 Share capital

|                                           | 1 January<br>2017<br>£ | 27 December<br>2015<br>£ |
|-------------------------------------------|------------------------|--------------------------|
| <i>Allotted, called up and fully paid</i> |                        |                          |
| 1,850,000 ordinary shares of £1 each      | 1,850,000              | 1,850,000                |
|                                           | <hr/>                  | <hr/>                    |

During the year dividends of £3,000,000 (2015: £nil) were declared and paid.

### 16 Commitments under operating leases

The company had minimum lease payments under non-cancellable operating leases as set out below:

|                                              | 1 January<br>2017<br>£ | 27 December<br>2015<br>£ |
|----------------------------------------------|------------------------|--------------------------|
| Not later than 1 year                        | 2,013,947              | 1,456,118                |
| Later than 1 year and not later than 5 years | 3,285,389              | 2,398,825                |
|                                              | <hr/>                  | <hr/>                    |
| Total                                        | <b>5,299,336</b>       | 3,854,943                |
|                                              | <hr/>                  | <hr/>                    |

# Innserve Limited

## Notes forming part of the financial statements for the period ended 1 January 2017 (*continued*)

---

### 17 Related party disclosures

The company is controlled by N M Bryan, the director and shareholder of the ultimate holding company, Hallriver Holdings Limited.

During the period Innserve Limited made sales to Old Innserve Limited, a subsidiary of Serviced Dispense Equipment Holdings Limited (SDEHL), of £41,848,895 (27 December 2015 - £38,470,648) and purchases of £210,155 (27 December 2015 - £133,985). N M Bryan, a director and ultimate shareholder of Innserve Limited, is also a director of SDEHL.

At 1 January 2017, Innserve Limited was owed £4,941,404 (27 December 2015 - £3,704,405) from Old Innserve Limited (included within trade debtors and accrued income) and owed £5,619,344 (27 December 2015 - £6,106,923) to Old Innserve Limited (included within trade creditors, accruals and deferred income).

Key management personnel include the director who has authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company was £71,883 (27 December 2015 - £71,067).

### 18 Controlling party

The company is a subsidiary undertaking of Hallriver Limited. The ultimate parent undertaking is Hallriver Holdings Limited, a company registered in the United Kingdom.

The largest and smallest group in which the results of the company are consolidated is that headed by Hallriver Holdings Limited, incorporated in the United Kingdom. The consolidated accounts of this company are available to the public and may be obtained from The Old Maltings, Leeds Road, Tadcaster, LS24 9HB. No other group accounts include the results of the company.