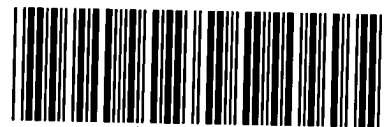


# ABC Contract Services Limited

Annual Report and Financial Statements

for the 52 weeks ended 30 December 2016

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# ABC Contract Services Limited

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# ABC Contract Services Limited

## Company Information

<b>Directors</b>	J Robertson R J Watson A L Wilford
<b>Company secretary</b>	R J Watson
<b>Registered office</b>	800 The Boulevard Capability Green Luton Bedfordshire LU1 3BA
<b>Auditor</b>	KPMG LLP 15 Canada Square London E14 5GL

## ABC Contract Services Limited

### Strategic Report for the 52 weeks ended 30 December 2016

The directors present their strategic report for the 52 weeks ended 30 December 2016.

#### Review of the business

On 10 February 2014 the company transferred its trade and assets to Carbon60 Limited, a fellow group company, for net book value. The company ceased trading at that time.


#### Insurance

Impellam Group plc ("the Group"), of which the company is a member, maintains a comprehensive insurance programme with a number of reputable third party underwriters. These insurance policies are reviewed annually to ensure that there is adequate cover for insurable risks and that the terms of those policies are optimised.

#### Principal risks and uncertainties

The principal risks and uncertainties of the Group, which include those of the company, are discussed in the Finance Report in the Group's annual report which does not form part of this report. Certain of the Group's business and financial risks are managed at a Group level, rather than at an individual company level. For this reason, the company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the company.

Approved by the Board on 20 December 2017 and signed on its behalf by:



.....  
A L Wilford  
Director

800 The Boulevard  
Capability Green  
Luton  
LU1 3BA

## ABC Contract Services Limited

### Directors' Report for the 52 weeks ended 30 December 2016

The directors present their report and the financial statements for the 52 weeks ended 30 December 2016.

#### **Directors of the company**

The directors who held office during the period were as follows:

J Robertson

R J Watson

D Mee (resigned 28 July 2016)

A L Wilford (appointed 28 July 2016)

#### **Dividends**

No dividend is paid or recommended in respect of either the current or the prior period.

#### **Directors' liabilities**

During the period and to the date of these financial statements, the company had in force an indemnity provision in favour of one or more Directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

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

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditors**

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

Approved by the Board on 20 December 2017 and signed on its behalf by:



.....  
A L Wilford  
Director

## **ABC Contract Services Limited**

### **Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and Financial Statements**

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101').

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 these financial statements, the directors are required to:

- select suitable accounting policies and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent Auditor's Report to the members of ABC Contract Services Limited**

We have audited the financial statements of ABC Contract Services Limited for the 52 week period ended 30 December 2016, set out on pages 7 to 15. 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 Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and Financial Statements (set out on page 4), 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](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the 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 December 2016 and of its profit for the period 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 Directors' Report for the financial period 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.

**Independent Auditor's Report to the members of ABC Contract Services Limited**  
**(continued)**

**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

.....  
Aimie Keki (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*

15 Canada Square  
London  
E14 5GL

Date: 20 December 2017



## ABC Contract Services Limited

### Profit and Loss Account for the 52 weeks ended 30 December 2016

	Note	52 weeks ended 30 December 2016 £ 000	52 weeks ended 1 January 2016 £ 000
Turnover		-	-
Operating profit/(loss)		-	-
Profit/(loss) before tax		-	-
Tax on profit	6	11	(35)
Profit/(loss) for the financial period		<u>11</u>	<u>(35)</u>

The above results were derived from continuing operations.

### Statement of Comprehensive Income for the 52 weeks ended 30 December 2016

	Note	52 weeks ended 30 December 2016 £ 000	52 weeks ended 1 January 2016 £ 000
Profit/(loss) for the financial period		<u>11</u>	<u>(35)</u>
Total comprehensive income for the financial period		<u>11</u>	<u>(35)</u>


The notes on pages 10 to 15 form an integral part of these financial statements.

**ABC Contract Services Limited**

**(Registration number: 01189888)  
Balance Sheet as at 30 December 2016**

	Note	30 December 2016 £ 000	1 January 2016 £ 000
<b>Current assets</b>			
Trade and other receivables	7	5,879	5,965
<b>Creditors: Amounts falling due within one year</b>			
Trade and other payables	8	(236)	(236)
Income tax liability	6	<u>-</u>	<u>(98)</u>
Creditors: Amounts falling due within one year		<u>(236)</u>	<u>(334)</u>
Net current assets		<u>5,643</u>	<u>5,631</u>
Total assets less current liabilities		5,643	5,631
Provisions for liabilities	6	<u>(1)</u>	<u>-</u>
Net assets		<u><u>5,642</u></u>	<u><u>5,631</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Other reserves		8,200	8,200
Profit and loss account		<u>(2,558)</u>	<u>(2,569)</u>
Shareholders' funds		<u><u>5,642</u></u>	<u><u>5,631</u></u>

Approved by the Board on 20 December 2017 and signed on its behalf by:



.....  
A L Wilford  
Director

## ABC Contract Services Limited

### Statement of Changes in Equity for the 52 weeks ended 30 December 2016

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 2 January 2016	-	8,200	(2,569)	5,631
Profit for the period	-	-	11	11
Total comprehensive income	-	-	11	11
At 30 December 2016	-	8,200	(2,558)	5,642
	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 3 January 2015	3,105	8,200	(5,639)	5,666
Loss for the period	-	-	(35)	(35)
Total comprehensive income	-	-	(35)	(35)
Other ordinary share capital movements	(3,105)	-	3,105	-
At 1 January 2016	-	8,200	(2,569)	5,631

# ABC Contract Services Limited

## Notes to the Financial Statements for the 52 weeks ended 30 December 2016

### 1 General information

The company is a private company limited by share capital incorporated in England and domiciled in the United Kingdom.

The address of its registered office is:  
800 The Boulevard  
Capability Green  
Luton  
Bedfordshire  
LU1 3BA

These financial statements were authorised for issue by the Board on 20 December 2017 and the balance sheet was signed on behalf of the Board by A L Wilford.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and have been applied.

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.

#### Summary of disclosure exemptions

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

- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries ;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

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

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

## ABC Contract Services Limited

### Notes to the Financial Statements for the 52 weeks ended 30 December 2016 (continued)

#### 2 Accounting policies (continued)

##### **Going concern**

The directors have set out their business review for the company in the Strategic Report on page 2.

The company participates in the centralised treasury arrangements and banking facilities provided by the ultimate parent company, Impellam Group Plc. The company has received assurances from the directors of the ultimate parent company that there are no factors which cast doubt on the Group's ability to continue with those treasury and banking arrangements.

On the basis of their assessment of the company's financial position and of the enquiries made of Impellam Group Plc, the company's directors have a reasonable expectation that the company will be able to continue in operation for the foreseeable future. Therefore the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

##### **Exemption from preparing a cash flow statement**

The company has taken advantage of the exemption under FRS 101 not to publish a cash flow statement as its ultimate parent, Impellam Group Plc, a company incorporated in the United Kingdom, has prepared consolidated financial statements which are publicly available.

##### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 2 January 2016 have had a material effect on the financial statements.

##### **Significant accounting judgements**

##### ***Recoverability of debtors***

The company determines whether debtors are impaired if events or changes in circumstances indicate that the carrying value may not be recoverable at least on an annual basis.

##### **Tax**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

## ABC Contract Services Limited

### Notes to the Financial Statements for the 52 weeks ended 30 December 2016 (continued)

#### 2 Accounting policies (continued)

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Financial assets and liabilities**

###### ***Classification***

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial assets and financial liabilities are recorded at fair value on the transaction date, on the company's balance sheet when the company has become a party to the contractual provisions of the instrument and derecognised when this is no longer the case.

#### 3 Auditor's remuneration

The auditor's remuneration for the current period is £1,000 (1 January 2016: £1,000). In both periods the auditor's remuneration was borne by a fellow group company.

#### 4 Staff costs

Other than the directors, the company had no employees throughout the current or prior period.

#### 5 Directors' remuneration

The directors are remunerated from Impellam Group Plc for their services to the group as a whole. The directors do not believe it is practical to apportion their remuneration between their services to this company and their services as directors of the parent and fellow subsidiaries.

## ABC Contract Services Limited

### Notes to the Financial Statements for the 52 weeks ended 30 December 2016 (continued)

#### 6 Income tax

Tax (credited)/charged in the income statement

	<b>52 weeks ended 30 December 2016 £ 000</b>	<b>52 weeks ended 1 January 2016 £ 000</b>
<b>Current taxation</b>		
UK corporation tax	-	35
UK corporation tax adjustment to prior periods	(12)	-
	(12)	35
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	1	-
	(11)	35
Tax (receipt)/expense in the income statement	(11)	35

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK (1 January 2016 - higher than the standard rate of corporation tax in the UK ) of 20% (1 January 2016 - 20%).

The differences are reconciled below:

	<b>52 weeks ended 30 December 2016 £ 000</b>	<b>52 weeks ended 1 January 2016 £ 000</b>
Profit/(loss) before tax	-	-
Corporation tax at standard rate	-	-
Transfer pricing adjustments	40	35
Decrease in current tax from adjustment for prior periods	(12)	-
Decrease arising from group relief tax reconciliation	(40)	-
Deferred tax expense relating to changes in tax rates or laws	1	-
Total tax (credit)/charge	(11)	35

## ABC Contract Services Limited

### Notes to the Financial Statements for the 52 weeks ended 30 December 2016 (continued)

#### 6 Income tax (continued)

Deferred tax  
Deferred tax liability

30 December 2016

Liability  
£ 000

Other items

(1)

Deferred tax movement during the period:

	At 2 January 2016 £ 000	Recognised in income £ 000	At 30 December 2016 £ 000
Other items	<u>-</u>	<u>(1)</u>	<u>(1)</u>

UK legislation requires, in broad terms, that most transactions between connected parties be at an arm's length price for tax purposes (commonly known as 'transfer pricing'). As a result, this company must make an adjustment for deemed net interest on intercompany balances that has not been recognised in the financial statements.

UK legislation also places restrictions on the amount of interest payable by a group of companies which can be deducted for tax purposes (commonly known as the 'debt cap rules'), but also allows a restricted exemption for interest receivable subject to various conditions.

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 17% (effective from 1 April 2020) were substantively enacted on 26 October 2015 and 6 September 2016 respectively. This will reduce the company's future current tax charge accordingly. The deferred tax balances at 30 December 2016 have been calculated based on these rates.

#### 7 Trade and other receivables

	30 December 2016 £ 000	1 January 2016 £ 000
Amounts owed by group undertakings	<u>5,879</u>	<u>5,965</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

#### 8 Trade and other payables

	30 December 2016 £ 000	1 January 2016 £ 000
Amounts owed to group undertakings	<u>236</u>	<u>236</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.



## ABC Contract Services Limited

### Notes to the Financial Statements for the 52 weeks ended 30 December 2016 (continued)

#### 9 Share capital

Allotted, called up and fully paid shares	30 December 2016		1 January 2016	
	Number	£	Number	£
Ordinary shares of £1 each	1	1	1	1

#### 10 Contingent liabilities

The company has given cross guarantees as follows:

a) As part of the Group's overdraft facility; the net aggregate amount outstanding against this facility at 30 December 2016 was £18,022,000 (1 January 2016: £Nil).

#### 11 Related party transactions

The company has taken advantage of the exemption in FRS 101 Section 8 from disclosing transactions with other members of the Group.

#### 12 Parent and ultimate parent undertaking

The company's immediate parent is Impellam UK Limited.

The Company's ultimate parent undertaking, Impellam Group Plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Impellam Group Plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF14 3UZ. Company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

At 30 December 2016, the Lombard Trust was interested in and controlled 51.1% of Impellam Group Plc.