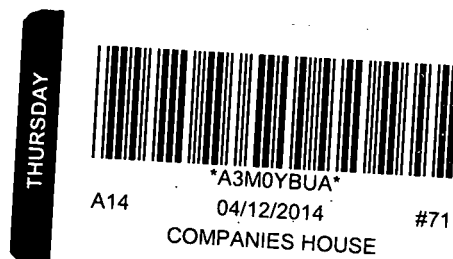


ABM Catering (Holdings) Limited

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

25 July 2014



Company Registration No. 07551335

ABM Catering (Holdings) Limited

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ABM Catering (Holdings) Limited

DIRECTORS AND ADVISORS

DIRECTORS

P Coates – Chairman

SJ Johnson

D Coates CBE

JF Coates

DM Coates

S Hill

PJ Smith (Resigned 29th August 2014)

MD Sutcliffe (Resigned 29th August 2014)

SECRETARY

S Hill

REGISTERED OFFICE

Eagle Court

63-67 Saltisford

Warwick

Warwickshire

CV34 4AF

AUDITOR

Baker Tilly UK Audit LLP

Chartered Accountants

Festival Way

Stoke-on-Trent

Staffordshire

ST1 5BB

ABM Catering (Holdings) Limited

STRATEGIC REPORT

The directors have pleasure in submitting their Strategic Report for ABM Catering (Holdings) Limited for the 52 week period ended 25 July 2014. This report is a new legal requirement following its introduction in August 2013 by way of amendment to the Companies Act 2006.

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS

The results for the period and financial position of the group are as shown in the financial statements, the key performance indicator's monitoring business performance are:

- **Turnover**

Turnover is broadly in line with that of the prior year, however the group has seen a change in the mix of contracts. This has resulted in the gross profit margins increasing to 14% (2013: 12.5%) Strong catering contract management has helped to increase these margins year on year along with the award of new business. The business had a strong end to the year with the award of 23 new contracts which mobilised during the first 2 months of 2015.

- **Overheads**

Overheads as a percentage of turnover were 11.6% (2013: 10.7%) due to additional headcount within the management team, as the group strengthens for the next stage of growth.

The group's trading profit for the period, before taxation, was £550,974 (2013: £352,855). The directors have not paid an interim dividend and the directors do not recommend the payment of a final dividend which leaves a profit after taxation of £419,438 (2013: £263,818) to be retained.

RISKS AND UNCERTAINTIES

There are risk factors both external and internal to the group.

External risks include political and economic conditions, actions of competitors, the effect of legislation or other regulatory action, credit risk, environmental risks and litigation.

Internal risks include control failure risk and inability to supply.

The group seeks to mitigate exposure to all forms of risk where practicable and cost effective by transferring risk to insurers.

FINANCIAL INSTRUMENTS

The directors and managers are constantly reviewing the objectives of the business operations to identify areas where it is able to reduce financial risk without hindrance to onsite operations.

The directors consider there is limited exposure to credit risk as a substantial amount of sales are on a cash basis and close monitoring of debtors is also performed.

The business assesses pricing to ensure a fair return is achieved on the services supplied.

The business has a very strong relationship with its banking team. The group has the facilities available to meet its needs on an ongoing basis. These facilities are reviewed on a regular basis by both the bank and the management team.

By order of the board:



P Coates

Director

21 November 2014

ABM Catering (Holdings) Limited

DIRECTORS' REPORT

The directors submit their report and the audited consolidated financial statements of ABM Catering (Holdings) Limited for the 52 week period ended 25 July 2014.

The directors have not disclosed the following sections of the directors' report "Business review, key performance indicators, risks and uncertainties and financial instruments" as these have been included within the Strategic Report on page 2.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review is that of a holding company which owns office buildings used by the group.

The principal activity of the company's trading subsidiary A.B.M. Catering Limited in the period under review was that of catering facilities management.

The company's other subsidiaries, Catering365 Limited, Meaujo (754) Limited and Grosvenor Catering Facilities Management Limited, continued not to trade.

FUTURE DEVELOPMENTS

Several new contracts began in the financial period to July 2015, and the directors are optimistic about the future performance of the group.

DIRECTORS

The following directors have held office since 27 July 2013:

P Coates – Chairman

SJ Johnson

D Coates CBE

JF Coates

DM Coates

S Hill

PJ Smith (Resigned 29th August 2014)

MD Sutcliffe (Resigned 29th August 2014)

EMPLOYEE INVOLVEMENT

The group encourages all members of staff to participate in the effective running and development of the business. Employees are encouraged to take an active interest in all matters affecting them.

The group recognises its social and statutory duty to employ disabled persons and pursues a policy of providing, where possible, the same employment opportunities to disabled persons as to others.

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 that, as far as they are aware, 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.

ABM Catering (Holdings) Limited

DIRECTORS' REPORT

AUDITOR

Baker Tilly UK Audit LLP, Chartered Accountants, were appointed auditor by the company. Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and therefore Baker Tilly UK Audit LLP will continue in office.

By order of the board:



P Coates
Director

Eagle Court
63-67 Saltisford
Warwick
Warwickshire
CV34 4AF

21 November 2014

ABM Catering (Holdings) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report and the 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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period.

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

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 ABM CATERING (HOLDINGS) LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 7 to 30. 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 auditor

As more fully explained 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 (APB'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 <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 group's and parent company's affairs as at 25 July 2014 and of the group's 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Anne Lakin (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Festival Way
Stoke-on-Trent
Staffordshire
ST1 5BB

24 November 2014

ABM Catering (Holdings) Limited
CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the 52 week period ended 25 July 2014

	Note	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
TURNOVER – CONTINUING OPERATIONS		20,971,785	21,427,272
Cost of sales		(18,035,419)	(18,751,169)
GROSS PROFIT		2,936,366	2,676,103
Administrative expenses		(2,381,521)	(2,312,681)
OPERATING PROFIT – CONTINUING OPERATIONS		554,845	363,422
Interest receivable and similar income	1	812	56
Interest payable and similar charges	2	(4,683)	(10,623)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1-4	550,974	352,855
Taxation	5	(131,536)	(89,037)
PROFIT FOR THE FINANCIAL PERIOD	15	419,438	263,818

ABM Catering (Holdings) Limited

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the 52 week period ended 25 July 2014

	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Profit for the financial period	419,438	263,818
Total gains and losses relating to the period	419,438	263,818
Total gains and losses recognised since last annual report	419,438	263,818

CONSOLIDATED NOTE OF HISTORICAL COST PROFITS AND LOSSES

For the 52 week period ended 25 July 2014

	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Profit on ordinary activities before taxation	550,974	352,855
Differences between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	1,563	1,563
Historical cost profit on ordinary activities before taxation	552,537	354,418
Historical cost profit on ordinary activities after taxation	421,001	265,381

ABM Catering (Holdings) Limited

CONSOLIDATED BALANCE SHEET

At 25 July 2014

	Note	25 July 2014		26 July 2013	
		£	£	£	£
FIXED ASSETS					
Intangible assets	6		4,464		4,712
Tangible assets	7		1,170,585		1,100,178
			<u>1,175,049</u>		<u>1,104,890</u>
CURRENT ASSETS					
Stocks	9	300,121		226,862	
Debtors	10	3,038,985		3,035,522	
Cash at bank and in hand		1,005,368		310,645	
			<u>4,344,474</u>		<u>3,573,029</u>
CREDITORS: Amounts falling due within one year	11	(2,730,430)		(2,308,710)	
NET CURRENT ASSETS			<u>1,614,044</u>		<u>1,264,319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,789,093</u>		<u>2,369,209</u>
CREDITORS: Amounts falling due after more than one year	12		(31,332)		(48,998)
PROVISIONS FOR LIABILITIES	13		(44,260)		(26,148)
NET ASSETS			<u>2,713,501</u>		<u>2,294,063</u>
CAPITAL AND RESERVES					
Called up share capital	14		147		147
Merger reserve	15		524,873		524,873
Revaluation reserve	15		83,674		85,237
Profit and loss account	15		2,104,807		1,683,806
SHAREHOLDERS' FUNDS			<u>2,713,501</u>		<u>2,294,063</u>

The financial statements on pages 7 to 30 were approved by the board of directors and authorised for issue on *21 November* 2014 and are signed on its behalf by:



P Coates
Director

Company Registration No. 07551335

ABM Catering (Holdings) Limited

COMPANY BALANCE SHEET

At 25 July 2014

	Note	25 July 2014		26 July 2013	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		535,598		543,631
Investments	8		10,149		10,149
			<u>545,747</u>		<u>553,780</u>
CREDITORS: Amounts falling due within one year	11	(7,489)		(2,883)	
NET CURRENT LIABILITIES			<u>(7,489)</u>		<u>(2,883)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>538,258</u>		<u>550,897</u>
CREDITORS: Amounts falling due after more than one year	12		(507,227)		(520,647)
PROVISIONS FOR LIABILITIES	13		(19,341)		(19,102)
NET ASSETS			<u>11,690</u>		<u>11,148</u>
CAPITAL AND RESERVES					
Called up share capital	14		147		147
Revaluation reserve	15		83,674		85,237
Profit and loss account	15		(72,131)		(74,236)
SHAREHOLDERS' FUNDS			<u>11,690</u>		<u>11,148</u>

The financial statements on pages 7 to 30 were approved by the board of directors and authorised for issue on *21 November* 2014 and are signed on its behalf by:



P Coates
Director

ABM Catering (Holdings) Limited

CONSOLIDATED CASH FLOW STATEMENT

For the 52 week period ended 25 July 2014

	Note	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
CASH FLOW FROM OPERATING ACTIVITIES	16	1,004,800	1,409,584
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		812	56
Interest paid		(1,691)	(7,842)
Interest element of finance lease rental payments		(2,992)	(2,781)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(3,871)	(10,567)
TAXATION		(34,823)	(115,572)
CAPITAL EXPENDITURE			
Purchase of tangible fixed assets		(172,305)	(15,626)
Sale of tangible fixed assets		3,600	12,883
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(168,705)	(2,743)
CASH INFLOW BEFORE FINANCING		797,401	1,280,702
FINANCING			
Loans repaid		-	(620,000)
Capital element of finance lease rental payments		(102,678)	(93,877)
NET CASH OUTFLOW FROM FINANCING		(102,678)	(713,877)
INCREASE IN CASH IN THE PERIOD	18	694,723	566,825

ABM Catering (Holdings) Limited

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

For the 52 week period ended 25 July 2014

	Group		Company	
	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	419,438	263,818	542	(44,606)
NET ADDITION TO/(REDUCTION IN) SHAREHOLDERS' FUNDS	419,438	263,818	542	(44,606)
Opening shareholders' funds	2,294,063	2,030,245	11,148	55,754
CLOSING SHAREHOLDERS' FUNDS	2,713,501	2,294,063	11,690	11,148

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with applicable United Kingdom accounting standards.

The group has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the ABM Catering (Holdings) Limited group and are 100% controlled by the Group.

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, which assumes that the group will be able to continue to trade for the foreseeable future.

The validity of the going concern basis is dependent upon the group managing the risks of the business as identified in the strategic report and the directors' report and its financial arrangements. The directors consider that they have sufficient controls in place to manage the risks of the group and that the group will continue to operate within the level of its current facility.

On this basis the directors consider it appropriate to prepare financial statements on a going concern basis.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of ABM Catering (Holdings) Limited and all of its subsidiary undertakings for the period. The financial statements consolidate the financial statements of those undertakings which are owned by the shareholders of ABM Catering (Holdings) Limited as if they had always so been owned. Accordingly, in those years when mergers take place, the whole of the results, assets, liabilities and shareholders' funds of the merged companies are consolidated, regardless of the actual merger date, and corresponding figures for previous years are re-stated.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

As permitted by Section 408 of the Companies Act 2006, the company has not presented its own profit and loss account.

MERGER RESERVE

The merger reserve arose on the share for share exchange by ABM Catering (Holdings) Limited and A.B.M. Catering Limited of £147. The reserve is the difference between the nominal value of ABM Catering (Holdings) Limited share capital and the share capital and share premium value of the shares acquired.

PURCHASED GOODWILL

Goodwill representing the cost of contracts acquired in the period is capitalised and written off evenly over the contract length as in the opinion of the directors this represents the period over which the goodwill is expected to give rise to economic benefits. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Goodwill acquired on certain contracts is amortised over the contract length currently 20 years.

INVESTMENTS

Fixed asset investments are stated at cost. Provision is made for any impairment in the value of fixed asset investments.

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost or valuation net of depreciation and any provision for impairment. Depreciation is provided on tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold Land	-	no depreciation
Freehold Buildings	-	2% straight line
Freehold buildings		
- fixed plant	-	10% per annum
Motor vehicles	-	25% per annum straight line
Fixtures and fittings	-	15% per annum straight line
Plant and equipment	-	15% per annum straight line

REVALUATION OF PROPERTIES

Freehold properties are revalued in accordance with FRS 15 with a full valuation carried by professionally qualified Chartered Surveyors on an existing use open market value basis, in accordance with the Statement of Assets Valuation Practice No. 4 and the Guidance Notes of the Royal Institution of Chartered Surveyors every five years and an interim valuation is carried out in year three.

STOCKS

Stocks are stated at the lower of cost and net realisable value.

DEFERRED TAXATION

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the period in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets are only recognised when their recoverability can be assessed with certainty.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

RETIREMENT BENEFITS

The group operates a number of defined contribution pension schemes. The amount charged to the profit and loss account in respect of pension costs, and other post retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Certain of the employees of the group participate in individual council's defined benefit schemes. The defined benefit schemes are co-sponsored by a number of different companies. The group makes contributions to the schemes in accordance with the recommendations of the actuaries to the schemes.

As the group is one of a number of participating employers in the schemes, it is not possible to allocate that part of any actuarial rights or deficit owing to the group's employees. Consequently, contributions are charged to the profit and loss account as they become payable.

EXCEPTIONAL ITEMS

Exceptional items are material items which individually, or if of a similar type, in aggregate, need to be disclosed by virtue of their size or incidence in order to assist in understanding the group's financial performance.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, derived from the provision of catering services to UK based customers. Revenue is recognised when substantially all of the obligations under a sales contract have been fulfilled.

CASH

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

1 INTEREST RECEIVABLE AND SIMILAR INCOME

	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Other interest	812	56

2 INTEREST PAYABLE AND SIMILAR CHARGES

	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Bank overdraft	1,691	150
Finance leases	2,992	2,781
Interest on loans	-	7,692
	4,683	10,623

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation and amounts written off tangible fixed assets:		
Charge for the period:		
Owned assets	133,978	122,819
Leased assets	28,160	38,973
Amortisation of goodwill	248	3,268
Operating lease rentals:		
Plant and machinery	29,728	29,383
Land and buildings	4,351	4,349
Auditor's remuneration:		
Audit services	13,750	13,450
Profit on disposal of fixed assets	(3,600)	(12,883)
Exceptional items:		
Abortive acquisition costs	-	56,869

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

4 EMPLOYEES

The average monthly number of persons employed by the group (including directors) during the period was:	52 week period ended 25 July 2014 Number	52 week period ended 26 July 2013 Number
Catering staff	839	915
Management and administration	36	38
	<hr/>	<hr/>
	875	953
	<hr/>	<hr/>

Staff costs for the above persons:	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Wages and salaries	8,617,044	8,986,376
Social security costs	449,058	480,420
Other pension costs	123,377	95,482
	<hr/>	<hr/>
	9,189,479	9,562,278
	<hr/>	<hr/>

DIRECTORS' REMUNERATION

	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Emoluments	476,878	478,705
Money purchase pension contributions	23,548	23,038
Compensation for loss of office	25,000	-
	<hr/>	<hr/>
	525,426	501,743
	<hr/>	<hr/>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

4 EMPLOYEES (continued)

Directors' emoluments disclosed above include the following payments:

	Highest paid director 52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Emoluments	244,827	223,881
Money purchase pension contributions	13,500	13,500
	<u>258,327</u>	<u>237,381</u>
	52 week period ended 25 July 2014 Number	52 week period ended 26 July 2013 Number
Number of directors for whom relevant benefits are accruing under:		
Money purchase pension schemes:	<u>4</u>	<u>3</u>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

5 TAXATION

	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
Current tax:		
UK corporation tax on profits of the period	114,606	100,867
Adjustment in respect of prior periods	(1,182)	(3,709)
Total current tax	113,424	97,158
Deferred tax:		
Origination and reversal of timing differences	18,112	(67)
Adjustment in respect of prior periods	-	(8,054)
Total deferred tax	18,112	(8,121)
Tax on profit on ordinary activities	131,536	89,037
Factors affecting tax charge for the period:	52 week period ended 25 July 2014 £	52 week period ended 26 July 2013 £
The tax assessed for the period is lower (2013: higher) than the average standard rate of corporation tax in the UK 22.33% (2013: 23.67%). The differences are explained below:		
Profit on ordinary activities before tax	550,974	352,855
Profit on ordinary activities multiplied by the average standard rate of corporation tax in the UK 22.33% (2013: 23.67%)	123,032	83,521
Effects of:		
Expenses not deductible for tax purposes	12,183	17,021
Fixed asset timing differences	(25,745)	(567)
Amortisation of goodwill	55	772
Other timing differences	5,618	648
Adjustment to tax charge in respect of previous periods	(1,182)	(3,709)
Difference in tax rate	(537)	(528)
Current tax charge for the period	113,424	97,158

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

6 INTANGIBLE FIXED ASSETS

	Goodwill £
GROUP	
<i>Cost</i>	
At beginning and end of period	7,980
	<hr/>
<i>Amortisation</i>	
At beginning of period	3,268
Charged in the period	248
	<hr/>
At end of period	3,516
	<hr/>
<i>Net book value</i>	
At 25 July 2014	4,464
	<hr/>
At 26 July 2013	4,712
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ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

7 TANGIBLE FIXED ASSETS

GROUP	Freehold land and buildings £	Freehold buildings – fixed plant £	Motor vehicles £	Fixtures and fittings £	Plant and Equipment £	Total £
<i>Cost or valuation</i>						
At beginning of period	665,000	146,238	401,525	307,248	-	1,520,011
Additions	-	-	60,240	114,023	58,282	232,545
Disposals	-	-	(61,850)	-	-	(61,850)
At end of period	665,000	146,238	399,915	421,271	58,282	1,690,706
<i>Depreciation</i>						
At beginning of period	19,367	36,253	219,251	144,962	-	419,833
Charged in the period	19,367	14,625	78,819	45,795	3,532	162,138
Disposals	-	-	(61,850)	-	-	(61,850)
At end of period	38,734	50,878	236,220	190,757	3,532	520,121
<i>Net book value</i>						
At 25 July 2014	626,266	95,360	163,695	230,514	54,750	1,170,585
At 26 July 2013	645,633	109,985	182,274	162,286	-	1,100,178

Cost or valuation at 25 July 2014 is represented by:

GROUP	Freehold land and buildings £	Freehold buildings – fixed plant £	Motor vehicles £	Fixtures and fittings £	Plant and Equipment £	Total £
Cost	-	146,238	399,915	421,271	58,282	1,025,706
Valuation	665,000	-	-	-	-	665,000
	665,000	146,238	399,915	421,271	58,282	1,690,706

On a historical cost basis freehold land and buildings would be included at:

	25 July 2014 £	26 July 2013 £
Cost	586,859	586,859
Aggregate depreciation	44,227	26,423

Included in the total net book value of motor vehicles is £105,105 (2013: £151,623) in respect of assets held under finance leases and similar hire purchase contracts outstanding at the period end. Depreciation for the period on the assets still held under finance leases and similar hire purchase contracts is £28,160 (2013: £38,973).

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

7 TANGIBLE FIXED ASSETS (continued)

COMPANY	Land and buildings £
<i>Valuation</i>	
At beginning and end of period	551,664
<i>Depreciation</i>	
At beginning of period	8,033
Charged in the period	8,033
At end of period	16,066
<i>Net book value</i>	
At 25 July 2014	535,598
At 26 July 2013	543,631

Cost or valuation is represented by:

	25 July 2014 £	26 July 2013 £
Valuation	551,664	551,664
	551,664	551,664
On a historical cost basis land and buildings would be included at:		
	25 July 2014 £	26 July 2013 £
Cost	473,523	473,523
Aggregate depreciation	21,599	15,129

Land and buildings included in both the group and company:

Land costing £150,000 has not been depreciated in the accounts.

Land and buildings were valued at £665,000 as at 26 July 2013 by PNF Chartered Surveyors, on an existing use open market value basis, in accordance with the Valuation Standards issued by the Royal Institute of Chartered Surveyors incorporating the revised definition of market value.

Included within the above group valuation is £113,336 of leasehold improvements that have been capitalised within the subsidiary company A.B.M. Catering Limited.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

8 FIXED ASSET INVESTMENTS

COMPANY	Shares in subsidiary undertakings £
<i>Cost and Net book value</i>	
At beginning and end of period	10,149

The company holds more than 20% of the equity (and no other share or loan capital) of the following undertaking:

<i>Subsidiary undertaking</i>	<i>Principal activity</i>	<i>Class and percentage of shares held</i>
A.B.M. Catering Limited	Catering facilities management	100% Ordinary
Catering365 Limited	Dormant	100% Ordinary
Grosvenor Catering Facilities Management Limited	Dormant	100% Ordinary
ABM Property Investments Limited	Property Investment and Management	100% Ordinary

The net assets of Catering365 Limited, Grosvenor Catering Facilities Management Limited and ABM Property Investments at 25 July 2014 were £10,000 (2013: £10,000), £1 (2013: £1) and £1 (2013: £1) respectively.

9 STOCKS

	Group		Company	
	25 July 2014	26 July 2013	25 July 2014	26 July 2013
	£	£	£	£
Raw materials and consumables	300,121	226,862	-	-

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

10 DEBTORS

	Group		Company	
	25 July 2014	26 July 2013	25 July 2014	26 July 2013
	£	£	£	£
<i>Due within one year:</i>				
Trade debtors	1,788,418	1,526,664	-	-
Prepayments and accrued income	1,250,567	1,508,858	-	-
	<u>3,038,985</u>	<u>3,035,522</u>	<u>-</u>	<u>-</u>

11 CREDITORS: Amounts falling due within one year

	Group		Company	
	25 July 2014	26 July 2013	25 July 2014	26 July 2013
	£	£	£	£
Obligations under finance leases	65,930	90,702	-	-
Payments received on account	44,822	10,562	-	-
Trade creditors	1,719,960	1,524,793	-	-
Corporation tax	96,792	18,191	7,489	2,883
Other taxation and social security costs	338,244	346,021	-	-
Other creditors	91,119	159,851	-	-
Accruals and deferred income	373,563	158,590	-	-
	<u>2,730,430</u>	<u>2,308,710</u>	<u>7,489</u>	<u>2,883</u>

The group has a bank overdraft facility with Lloyds Bank which is secured by an unlimited debenture dated 18 June 2013 with A.B.M. Catering Limited. There was no commitment at the period end under this guarantee (2013: £nil).

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

12 CREDITORS: Amounts falling due after more than one year

	Group		Company	
	25 July 2014	26 July 2013	25 July 2014	26 July 2013
	£	£	£	£
Obligations under finance leases	31,332	48,998	-	-
Amounts owed to group undertakings	-	-	507,227	520,647
	<u>31,332</u>	<u>48,998</u>	<u>507,227</u>	<u>520,647</u>

OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS:

	Group		Company	
	25 July 2014	26 July 2013	25 July 2014	26 July 2013
	£	£	£	£
Amounts payable:				
Within one year	65,930	90,702	-	-
Within two to five years	31,332	48,998	-	-
	<u>97,262</u>	<u>139,700</u>	<u>-</u>	<u>-</u>

Obligations under finance leases are secured by related assets and bear finance charges at rates ranging from 3.75% to 6.75% per annum.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

13 PROVISIONS FOR LIABILITIES

GROUP	£
At beginning of period	26,148
Charge for the period	18,112
At end of period	44,260

The elements of the deferred tax liability, which is carried within provisions are as follows:

	25 July 2014		26 July 2013	
	Provided £	Unprovided £	Provided £	Unprovided £
Difference between accumulated depreciation and capital allowances	56,210	-	33,152	-
Other timing differences	(11,950)	-	(7,004)	-
	44,260	-	26,148	-

COMPANY	£
At beginning of period	19,102
Charge for the period	239
At end of period	19,341

The elements of the deferred tax liability, which is carried within provisions, are as follows:

	25 July 2014		26 July 2013	
	Provided £	Provided £	Provided £	Unprovided £
Difference between accumulated depreciation and capital allowances	19,341	-	19,102	-

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

14 CALLED UP SHARE CAPITAL

	25 July 2014 £	26 July 2013 £
Allotted, issued and fully paid:		
10,000 ordinary shares of 1p each	100	100
2,900 ordinary "B" shares of 1p each	29	29
1,843 ordinary "C" shares of 1p each	18	18
	<u>147</u>	<u>147</u>

The "B" ordinary and "C" ordinary shares rank pari passu with the ordinary shares.

15 RESERVES

GROUP	Revaluation reserve £	Merger reserve £	Profit and loss account £
At beginning of period	85,237	524,873	1,683,806
Profit for the period	-	-	419,438
Reserves transfer	(1,563)	-	1,563
At end of period	<u>83,674</u>	<u>524,873</u>	<u>2,104,807</u>

The merger reserve arose on the share for share exchange by ABM Catering (Holdings) Limited and A.B.M. Catering Limited of £147. The reserve is the difference between the nominal value of ABM Catering (Holdings) Limited share capital and the share capital and share premium value of the shares acquired.

COMPANY	Revaluation reserve £	Profit and loss account £
At beginning of period	85,237	(74,236)
Profit for the period	-	542
Reserves transfer	(1,563)	1,563
At end of period	<u>83,674</u>	<u>(72,131)</u>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

16 RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	25 July 2014 £	26 July 2013 £
Operating profit	554,845	363,422
Depreciation/amortisation	162,386	165,060
Profit on sale of fixed assets	(3,600)	(12,883)
Fair value adjustment on goodwill	-	3,020
Increase in stocks	(73,259)	(64,824)
(Increase)/decrease in debtors	(3,463)	629,754
Increase in creditors	367,891	326,035
	<hr/>	<hr/>
Net cash flow from operating activities	1,004,800	1,409,584
	<hr/>	<hr/>

17 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	25 July 2014 £	26 July 2013 £
Increase in cash in the period	694,723	566,825
Cash outflow from decrease in debt and lease financing	102,678	93,877
Repayment of loans	-	620,000
	<hr/>	<hr/>
Change in net debt resulting from cash flows	797,401	1,280,702
New finance leases	(60,240)	(137,860)
	<hr/>	<hr/>
MOVEMENT IN NET FUNDS IN THE PERIOD	737,161	1,142,842
Net funds/(debt) at start of period	170,945	(971,897)
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NET FUNDS AT END OF PERIOD	908,106	170,945
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ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

18 ANALYSIS OF NET FUNDS

	At 26 July 2013 £	Cash flow £	New finance leases £	At 25 July 2014 £
Cash in hand and at bank	310,645	694,723	-	1,005,368
Finance leases	(139,700)	694,723 102,678	(60,240)	(97,262)
	170,945	797,401	(60,240)	908,106

19 CAPITAL COMMITMENTS

Group

There are capital commitments of £130,754 (2013: £85,753) relating to a number of investments in client contracts and £nil (2013: £17,640) relating to the purchase of fixed assets at the end of the financial period.

Company

There are no capital commitments at the end of the period.

20 COMMITMENTS UNDER OPERATING LEASES

At the period end the group and company were committed to making the following annual payments during the next period under non-cancellable operating leases as follows:

	Group		Company	
	25 July 2014 £	26 July 2013 £	25 July 2014 £	26 July 2013 £
Plant and machinery:				
Expiring within one year	7,981	-	-	-
Expiring between two and five years	13,414	30,448	-	-
	21,395	30,448	-	-

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 25 July 2014

21 CONTINGENT LIABILITIES

Group

At the period end the group had guarantees outstanding in respect of Local Government Pension Scheme Bonds of £13,400 and £13,500 in favour of customers with expiry dates of 31 August 2016 and 31 August 2017 respectively.

Company

The company and its subsidiary undertaking, A.B.M. Catering Limited, are members of a VAT group. At 25 July 2014 the VAT liability of the VAT group excluding that of the company was £219,204 (2013: £219,668).

22 PENSION COMMITMENTS

The group operates a number of defined contribution pension schemes whose assets are held separately from those of the group in an independently administered fund. The pension cost charge for these schemes represents contributions payable by the group and amounted to £44,908 (2013: £42,065).

Certain staff of the group are members of defined benefit schemes operated by certain councils. As the group is one of a number of participating employers in these schemes, it is not possible to allocate any actuarial surplus or deficit on a meaningful basis and consequently contributions are expensed to the profit and loss account as they become payable. The assets of the scheme are held separately from those of the group. Under the provisions of FRS 17 the scheme is treated as a defined benefit multi employer scheme.

The scheme's actuary has advised that the participating employer's share of the underlying assets and liabilities cannot be identified on a reasonable and consistent basis and accordingly, no disclosures are made under the provisions of FRS 17. The contributions paid in the period in respect of these schemes amounted to £78,470 (2013: £53,417).

The company had no pension commitments in the period ending 25 July 2014 and no balances outstanding at 25 July 2014.

There were £59,749 (2013: £35,024) outstanding contributions at the end of the financial period.

23 RELATED PARTY TRANSACTIONS

Stoke City Football Club Limited and Stoke City (Property) Limited are under the control of the Coates family.

During the period the group made sales of £273,279 (2013: £234,557) to Stoke City (Property) Limited. The balance due from Stoke City (Property) Limited at 25 July 2014 was £42,210 (2013: £47,361).

During the period, the group made sales of £990,224 (2013: £883,746) to Stoke City Football Club Limited. The balance due from Stoke City Football Club Limited at 25 July 2014 was £79,854 (2013: £80,345).

24 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is P Coates and his family.