

ABM Catering (Holdings) Limited

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 July 2015

Company Registration No. 07551335

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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

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 53 week period ended 31 July 2015.

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 has increased significantly compared to the prior year as the group had a strong year with the award of 23 new contracts at the start of the year. This has resulted in the gross profit margins increasing to 14.2% (2014: 14%) Strong catering contract management has helped to increase these margins year on year along with the award of new business.

- **Overheads**

Overheads as a percentage of turnover were 11.5% (2014: 11.4%) due to further investment in the group to facilitate future growth.

The group's trading profit for the period, before taxation, was £622,075 (2014: £550,974). 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 £492,377 (2014: £419,438) 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 where 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

23 October 2015

ABM Catering (Holdings) Limited

DIRECTORS' REPORT

The directors submit their report and the audited consolidated financial statements of ABM Catering (Holdings) Limited for the 53 week period ended 31 July 2015.

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, ABM Property Investments Limited, Grosvenor Catering Facilities Management Limited, ABM Catering Solutions Limited and Honest Catering Limited continued not to trade.

FUTURE DEVELOPMENTS

Several new contracts began in the financial period to July 2016, and the directors are optimistic about the future performance of the group.

DIRECTORS

The following directors have held office since 26 July 2014:

P Coates – Chairman

SJ Johnson

D Coates CBE

JF Coates

DM Coates

S Hill

PJ Smith (resigned 29 August 2014)

MD Sutcliffe (resigned 29 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.

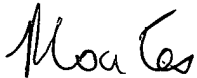
ABM Catering (Holdings) Limited

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

23 October 2015

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 31. 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 31 July 2015 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.

Baker Tilly UK Audit LLP

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

23 October 2015

ABM Catering (Holdings) Limited
CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the 53 week period ended 31 July 2015

	Note	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
TURNOVER – CONTINUING OPERATIONS		23,210,413	20,971,785
Cost of sales		(19,925,820)	(18,035,419)
GROSS PROFIT		3,284,593	2,936,366
Administrative expenses		(2,662,143)	(2,381,521)
OPERATING PROFIT – CONTINUING OPERATIONS		622,450	554,845
Interest receivable and similar income	1	1,437	812
Interest payable and similar charges	2	(1,812)	(4,683)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1-4	622,075	550,974
Taxation	5	(129,698)	(131,536)
PROFIT FOR THE FINANCIAL PERIOD	15	492,377	419,438

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

ABM Catering (Holdings) Limited

CONSOLIDATED NOTE OF HISTORICAL COST PROFITS AND LOSSES

For the 53 week period ended 31 July 2015

	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
Profit on ordinary activities before taxation	622,075	550,974
Differences between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	1,563	1,563
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	623,638	552,537
	<hr/>	<hr/>
Historical cost profit on ordinary activities after taxation	493,940	421,001
	<hr/>	<hr/>

ABM Catering (Holdings) Limited

CONSOLIDATED BALANCE SHEET

At 31 July 2015

	Note	31 July 2015		25 July 2014	
		£	£	£	£
FIXED ASSETS					
Intangible assets	6		4,216		4,464
Tangible assets	7		1,178,012		1,170,585
			<u>1,182,228</u>		<u>1,175,049</u>
CURRENT ASSETS					
Stocks	9	283,676		300,121	
Debtors	10	3,075,704		3,038,985	
Cash at bank and in hand		1,494,603		1,005,368	
		<u>4,853,983</u>		<u>4,344,474</u>	
CREDITORS: Amounts falling due within one year	11	<u>(2,709,036)</u>		<u>(2,730,430)</u>	
NET CURRENT ASSETS			<u>2,144,947</u>		<u>1,614,044</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,327,175</u>		<u>2,789,093</u>
CREDITORS: Amounts falling due after more than one year	12		(69,162)		(31,332)
PROVISIONS FOR LIABILITIES	13		(52,135)		(44,260)
NET ASSETS			<u>3,205,878</u>		<u>2,713,501</u>
CAPITAL AND RESERVES					
Called up share capital	14		147		147
Merger reserve	15		524,873		524,873
Revaluation reserve	15		82,111		83,674
Profit and loss account	15		2,598,747		2,104,807
SHAREHOLDERS' FUNDS			<u>3,205,878</u>		<u>2,713,501</u>

The financial statements on pages 7 to 31 were approved by the board of directors and authorised for issue on 23 October 2015 and are signed on its behalf by:



P Coates
Director

Company Registration No. 07551335

ABM Catering (Holdings) Limited

COMPANY BALANCE SHEET

At 31 July 2015

	Note	31 July 2015		25 July 2014	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		527,565		535,598
Investments	8		10,151		10,149
			<u>537,716</u>		<u>545,747</u>
CREDITORS: Amounts falling due within one year	11	(109,238)		(7,489)	
NET CURRENT LIABILITIES			<u>(109,238)</u>		<u>(7,489)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>428,478</u>		<u>538,258</u>
CREDITORS: Amounts falling due after more than one year	12		(284,435)		(507,227)
PROVISIONS FOR LIABILITIES	13		(19,494)		(19,341)
NET ASSETS			<u>124,549</u>		<u>11,690</u>
CAPITAL AND RESERVES					
Called up share capital	14		147		147
Revaluation reserve	15		82,111		83,674
Profit and loss account	15		42,291		(72,131)
SHAREHOLDERS' FUNDS			<u>124,549</u>		<u>11,690</u>

The financial statements on pages 7 to 31 were approved by the board of directors and authorised for issue on 23 October 2015 and are signed on its behalf by:


P Coates
Director

ABM Catering (Holdings) Limited

CONSOLIDATED CASH FLOW STATEMENT

For the 53 week period ended 31 July 2015

	Note	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
CASH FLOW FROM OPERATING ACTIVITIES	16	736,554	1,004,800
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		1,437	812
Interest paid		(1)	(1,691)
Interest element of finance lease rental payments		(1,811)	(2,992)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(375)	(3,871)
TAXATION		(89,220)	(34,823)
CAPITAL EXPENDITURE			
Purchase of tangible fixed assets		(66,006)	(172,305)
Sale of tangible fixed assets		3,779	3,600
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(62,227)	(168,705)
CASH INFLOW BEFORE FINANCING		584,732	797,401
FINANCING			
Capital element of finance lease rental payments		(95,497)	(102,678)
NET CASH OUTFLOW FROM FINANCING		(95,497)	(102,678)
INCREASE IN CASH IN THE PERIOD	18	489,235	694,723

ABM Catering (Holdings) Limited

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

For the 53 week period ended 31 July 2015

	Group		Company	
	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
PROFIT FOR THE FINANCIAL PERIOD	492,377	419,438	112,859	542
NET ADDITION TO SHAREHOLDERS' FUNDS	492,377	419,438	112,859	542
Opening shareholders' funds	2,713,501	2,294,063	11,690	11,148
CLOSING SHAREHOLDERS' FUNDS	3,205,878	2,713,501	124,549	11,690

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 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 straight line
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.

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.

SEGMENTAL REPORTING

The group turnover is 100% based on the UK and relates solely to catering facilities management which is considered to be the one reporting segment.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

1 INTEREST RECEIVABLE AND SIMILAR INCOME

	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
Other interest	1,437	812

2 INTEREST PAYABLE AND SIMILAR CHARGES

	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
Bank overdraft	1	1,691
Finance leases	1,811	2,992
	1,812	4,683

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
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	156,966	133,978
Leased assets	34,664	28,160
Amortisation of goodwill	248	248
Operating lease rentals:		
Plant and machinery	36,508	29,728
Land and buildings	4,485	4,351
Auditor's remuneration:		
Audit services	14,300	13,750
Profit on disposal of fixed assets	(2,936)	(3,600)

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

4 EMPLOYEES

The average monthly number of persons employed by the group (including directors) during the period was:

	53 week period ended 31 July 2015 Number	52 week period ended 25 July 2014 Number
Catering staff	901	839
Management and administration	40	36
	<hr/> 941 <hr/>	<hr/> 875 <hr/>

Staff costs for the above persons:

	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
Wages and salaries	9,530,141	8,617,044
Social security costs	486,883	449,058
Other pension costs	177,337	123,377
	<hr/> 10,194,361 <hr/>	<hr/> 9,189,479 <hr/>

DIRECTORS' REMUNERATION

	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
Emoluments	564,801	476,878
Money purchase pension contributions	22,971	23,548
Compensation for loss of office	20,000	25,000
	<hr/> 607,772 <hr/>	<hr/> 525,426 <hr/>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

4 EMPLOYEES (continued)

Directors' emoluments disclosed above include the following payments:

	Highest paid director	
	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
Emoluments	249,317	244,827
Money purchase pension contributions	14,000	13,500
	<hr/>	<hr/>
	263,317	258,327
	<hr/>	<hr/>
	53 week period ended 31 July 2015 Number	52 week period ended 25 July 2014 Number
Number of directors for whom relevant benefits are accruing under:		
Money purchase pension schemes:	5	4
	<hr/>	<hr/>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

5 TAXATION

	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
Current tax:		
UK corporation tax on profits of the period	129,395	114,606
Adjustment in respect of prior periods	(7,572)	(1,182)
Total current tax	121,823	113,424
Deferred tax:		
Origination and reversal of timing differences	2,752	18,112
Adjustment in respect of prior periods	5,123	-
Total deferred tax	7,875	18,112
Tax on profit on ordinary activities	129,698	131,536
Factors affecting tax charge for the period:	53 week period ended 31 July 2015 £	52 week period ended 25 July 2014 £
The tax assessed for the period is lower (2014: lower) than the average standard rate of corporation tax in the UK 20.67% (2014: 22.33%). The differences are explained below:		
Profit on ordinary activities before tax	622,075	550,974
Profit on ordinary activities multiplied by the average standard rate of corporation tax in the UK 20.67% (2014: 22.33%)	128,583	123,032
<i>Effects of:</i>		
Expenses not deductible for tax purposes	3,844	12,183
Fixed asset timing differences	(3,755)	(25,745)
Amortisation of goodwill	50	55
Other timing differences	915	5,618
Adjustment to tax charge in respect of previous periods	(7,572)	(1,182)
Difference in tax rate	(242)	(537)
Current tax charge for the period	121,823	113,424

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

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	3,516
Charged in the period	248
	<hr/>
At end of period	3,764
	<hr/>
<i>Net book value</i>	
At 31 July 2015	4,216
	<hr/>
At 25 July 2014	4,464
	<hr/>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

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	399,915	421,271	58,282	1,690,706
Additions	-	-	133,894	60,850	5,156	199,900
Disposals	-	-	(44,146)	-	-	(44,146)
At end of period	665,000	146,238	489,663	482,121	63,438	1,846,460
<i>Depreciation</i>						
At beginning of period	38,734	50,878	236,220	190,757	3,532	520,121
Charged in the period	19,367	14,623	92,713	55,613	9,314	191,630
Disposals	-	-	(43,303)	-	-	(43,303)
At end of period	58,101	65,501	285,630	246,370	12,846	668,448
<i>Net book value</i>						
At 31 July 2015	606,899	80,737	204,033	235,751	50,592	1,178,012
At 25 July 2014	626,266	95,360	163,695	230,514	54,750	1,170,585

Cost or valuation at 31 July 2015 is represented by:

GROUP	Freehold land and buildings £	Freehold buildings – fixed plant £	Motor vehicles £	Fixtures and fittings £	Plant and Equipment £	Total £
Cost	-	146,238	489,663	482,121	63,438	1,181,460
Valuation	665,000	-	-	-	-	665,000
	665,000	146,238	489,663	482,121	63,438	1,846,460

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

	31 July 2015 £	25 July 2014 £
Cost	586,859	586,859
Aggregate depreciation	62,031	44,227

Included in the total net book value of motor vehicles is £152,022 (2014: £105,105) 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 £34,664 (2014: £28,160).

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

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	16,066
Charged in the period	8,033
At end of period	24,099
<i>Net book value</i>	
At 31 July 2015	527,565
At 25 July 2014	535,598

Cost or valuation is represented by:

	31 July 2015 £	25 July 2014 £
Valuation	551,664	551,664
On a historical cost basis land and buildings would be included at:		
	31 July 2015 £	25 July 2014 £
Cost	473,523	473,523
Aggregate depreciation	28,069	21,599

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 25 July 2014 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 53 week period ended 31 July 2015

8 FIXED ASSET INVESTMENTS

COMPANY

Shares in
subsidiary
undertakings
£

Cost and Net book value

At beginning of period

10,149

Additions

2

At end of period

10,151

During the period the company acquired two newly formed companies for £1 for each entity.

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
ABM Catering Solutions Limited	Dormant	100% Ordinary
Honest Catering Limited	Dormant	100% Ordinary

The net assets of Catering365 Limited, Grosvenor Catering Facilities Management Limited, ABM Property Investments Limited, ABM Catering Solutions Limited and Honest Catering Limited at 31 July 2015 were £10,000 (2014: £10,000), £1 (2014: £1), £1 (2014: £1), £1 (2014: £nil) and £1 (2014: £nil) respectively.

9 STOCKS

	Group		Company	
	31 July 2015	25 July 2014	31 July 2015	25 July 2014
	£	£	£	£
Raw materials and consumables	283,676	300,121	-	-

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

10 DEBTORS

	Group		Company	
	31 July 2015	25 July 2014	31 July 2015	25 July 2014
	£	£	£	£
<i>Due within one year:</i>				
Trade debtors	1,696,689	1,788,418	-	-
Prepayments and accrued income	1,379,015	1,250,567	-	-
	<u>3,075,704</u>	<u>3,038,985</u>	<u>-</u>	<u>-</u>

11 CREDITORS: Amounts falling due within one year

	Group		Company	
	31 July 2015	25 July 2014	31 July 2015	25 July 2014
	£	£	£	£
Obligations under finance leases	66,497	65,930	-	-
Payments received on account	47,132	44,822	-	-
Trade creditors	1,587,544	1,719,960	-	-
Corporation tax	129,395	96,792	4,634	7,489
Other taxation and social security costs	461,982	338,244	-	-
Other creditors	156,126	91,119	-	-
Accruals and deferred income	260,360	373,563	-	-
Amounts due to group undertakings	-	-	104,604	-
	<u>2,709,036</u>	<u>2,730,430</u>	<u>109,238</u>	<u>7,489</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 (2014: £nil).

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

12 CREDITORS: Amounts falling due after more than one year

	Group		Company	
	31 July 2015	25 July 2014	31 July 2015	25 July 2014
	£	£	£	£
Obligations under finance leases	69,162	31,332	-	-
Amounts owed to group undertakings	-	-	284,435	507,227
	<u>69,162</u>	<u>31,332</u>	<u>284,435</u>	<u>507,227</u>
	<u><u>69,162</u></u>	<u><u>31,332</u></u>	<u><u>284,435</u></u>	<u><u>507,227</u></u>

OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS:

	Group		Company	
	31 July 2015	25 July 2014	31 July 2015	25 July 2014
	£	£	£	£
Amounts payable:				
Within one year	66,497	65,930	-	-
Within two to five years	69,162	31,332	-	-
	<u>135,659</u>	<u>97,262</u>	<u>-</u>	<u>-</u>
	<u><u>135,659</u></u>	<u><u>97,262</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Obligations under finance leases are secured by related assets.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

13 PROVISIONS FOR LIABILITIES

GROUP	£
At beginning of period	44,260
Charge for the period	7,875
At end of period	52,135

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

	31 July 2015		25 July 2014	
	Provided £	Unprovided £	Provided £	Unprovided £
Difference between accumulated depreciation and capital allowances	64,970	-	56,210	-
Other timing differences	(12,835)	-	(11,950)	-
	52,135	-	44,260	-

COMPANY	£
At beginning of period	19,341
Charge for the period	153
At end of period	19,494

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

	31 July 2015		25 July 2014	
	Provided £	Unprovided £	Provided £	Unprovided £
Difference between accumulated depreciation and capital allowances	19,494	-	19,341	-

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

14 CALLED UP SHARE CAPITAL

	31 July 2015 £	25 July 2014 £
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	83,674	524,873	2,104,807
Profit for the period	-	-	492,377
Reserves transfer	(1,563)	-	1,563
At end of period	<u>82,111</u>	<u>524,873</u>	<u>2,598,747</u>

COMPANY	Revaluation reserve £	Profit and loss account £
At beginning of period	83,674	(72,131)
Profit for the period	-	112,859
Reserves transfer	(1,563)	1,563
At end of period	<u>82,111</u>	<u>42,291</u>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

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

	31 July 2015 £	25 July 2014 £
Operating profit	622,450	554,845
Depreciation/amortisation	191,878	162,386
Profit on sale of fixed assets	(2,936)	(3,600)
Decrease/(increase) in stocks	16,445	(73,259)
Increase in debtors	(36,719)	(3,463)
(Decrease)/increase in creditors	(54,564)	367,891
	<hr/>	<hr/>
Net cash inflow from operating activities	736,554	1,004,800
	<hr/>	<hr/>

17 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	31 July 2015 £	25 July 2014 £
Increase in cash in the period	489,235	694,723
Cash outflow from decrease in debt and lease financing	95,497	102,678
	<hr/>	<hr/>
Change in net debt resulting from cash flows	584,732	797,401
New finance leases	(133,894)	(60,240)
	<hr/>	<hr/>
MOVEMENT IN NET FUNDS IN THE PERIOD	450,838	737,161
Net funds at start of period	908,106	170,945
	<hr/>	<hr/>
NET FUNDS AT END OF PERIOD	1,358,944	908,106
	<hr/>	<hr/>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

18 ANALYSIS OF NET FUNDS

	At 25 July 2014 £	Cash flow £	New finance leases £	At 31 July 2015 £
Cash in hand and at bank	1,005,368	489,235	-	1,494,603
Finance leases	(97,262)	95,497	(133,894)	(135,659)
	<u>908,106</u>	<u>584,732</u>	<u>(133,894)</u>	<u>1,358,944</u>

19 CAPITAL COMMITMENTS

Group

There are capital commitments of £6,734 (2014: £130,754) relating to a number of investments in client contracts and £31,079 (2014: £nil) 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	
	31 July 2015	25 July 2014	31 July 2015	25 July 2014
	£	£	£	£
Plant and machinery:				
Expiring within one year	860	7,981	-	-
Expiring between two and five years	18,384	13,414	-	-
	<u>19,244</u>	<u>21,395</u>	<u>-</u>	<u>-</u>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

21 CONTINGENT LIABILITIES

Group

At the period end the company had guarantees outstanding in respect of Local Government Pension Scheme Bonds as follows:

Bond value	Expire date
£13,500	31 August 2017
£13,400	31 August 2017
£35,000	31 August 2017
£2,000	31 July 2017
£18,000	31 August 2018
£41,000	31 August 2018

Company

The company and its subsidiary undertaking, A.B.M. Catering Limited, are members of a VAT group. At 31 July 2015 the VAT liability of the VAT group excluding that of the company was £323,755 (2014: £219,204).

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 £59,003 (2014: £44,908).

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 £118,334 (2014: £78,470).

There were £64,177 (2014: £59,749) outstanding contributions at the end of the financial period.

The company had no pension commitments in the period ending 31 July 2015 and no balances outstanding at 31 July 2015.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 53 week period ended 31 July 2015

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 £281,627 (2014: £273,279) to Stoke City (Property) Limited. The balance due from Stoke City (Property) Limited at 31 July 2015 was £41,560 (2014: £42,210).

During the period, the group made sales of £1,019,070 (2014: £990,224) to Stoke City Football Club Limited. The balance due from Stoke City Football Club Limited at 31 July 2015 was £82,420 (2014: £79,854).

24 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is P Coates and his family.