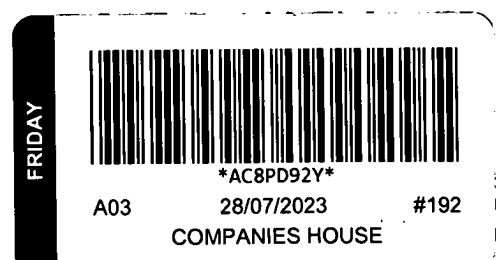


ABM Catering (Holdings) Limited

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

29 July 2022

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
DM Coates
S Hill
NC Floyd

SECRETARY

S Hill

REGISTERED OFFICE

Eagle Court
63-67 Saltisford
Warwick
Warwickshire
CV34 4AF

AUDITOR

RSM 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 A.B.M. Catering (Holdings) Limited for the 52 week period ended 29 July 2022.

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS

The trading loss for the period, before taxation, was £3,895,880 (2021: Profit £302,418). However, this is after voluntarily repaying all monies received in respect of the Coronavirus Job Retention Scheme (CJRS) back to the Government, an amount of £3,857,955. Therefore, the trading loss adjusted for the CJRS repayment is £70,844. The directors have paid interim dividends of £200,000 (2021: £200,000) and do not recommend the payment of a final dividend giving a total dividend for the period of £200,000 (2021: £200,000) which leaves a loss of £3,849,390 (2021: profit of £291,276) to be retained after taxation and dividends.

The key performance indicators monitoring business performance are:

Turnover

Turnover has increased compared to prior year by 54.5% (2021: Decrease of 15.9%), due to a strong year of contract growth.

During the 52 weeks to 29 July 2022, 41 new sites were mobilised, 37 of these were in the education sector, with the remainder in the Assisted Living, Retirement Living and Business & Industry sectors. The education sector in particular has been very buoyant and a strong sector for the Group.

Gross Profit

Gross Profit margin has increased to 13.1% (2021: 12.1%). This has been driven by strong catering management against proven KPIs, together with strong working relationships with clients and core suppliers.

Overheads %

Overheads as a percentage of turnover were 13.5% (2021: 18.1%). The Group has carefully controlled its overheads to manage costs, however significant investment has been made in the recruitment of Industry Professionals to drive controlled growth and deliver a high standard of service to our valued clients.

Other Income

During the year management made the decision to repay previous government grants received in relation to Coronavirus Job Retention Scheme (CJRS) back to the Government, an amount totalling £3,857,955. In the year £32,918 of grant was received with the remaining element being received in prior years.

Statement of Financial Position

The directors are pleased to present a solid Statement of Financial Position with Net Assets of £1,846,716 (2021: £5,696,106). Cash balances within the Group remain healthy, as are liquidity ratios that enable the Group to meet its liabilities as they fall due. The main change in Net Assets is due to the voluntary repayment of the CJRS grants back to the Government. Significant movements in Trade Debtors and Trade Creditors have occurred at 29 July 2022 due to the increase in trade in the current year and timing of cash flows.

During the year an additional investment in share capital of £3,853,814 has been made by the company in its subsidiary undertaking, increasing the investment value in 2022, this additional investment was funded by a loan from a related party.

RISKS AND UNCERTAINTIES

The directors monitor legislation within the food industry and ensure our policies and procedures are regularly reviewed, trained and implemented to ensure compliance.

The directors keep a risk register of the risks perceived to the business. This is discussed and updated regularly and processes and procedures are modified, where applicable, to mitigate developing risks. There is also a comprehensive Disaster Recovery Plan in place.

ABM Catering (Holdings) Limited

STRATEGIC REPORT

RISKS AND UNCERTAINTIES (continued)

The risks identified include the following:

Potential Risk	Consequence of Identified Risk	Action / Process
Food Safety	Provision of unsafe food causing allergic reaction, illness or death to customers	<ul style="list-style-type: none"> • Comprehensive manual maintained that outlines key processes and procedures for food safety • Consultants retained to give advice on Food Safety protocols and the process is further supported by our in-house Health & Safety Manager & in-house Nutritionist • Robust induction and training process for all employees including Food Hygiene and allergens • Public liability Insurance cover in place
Workplace Safety	Accidents in the workplace leading to an injury or death	<ul style="list-style-type: none"> • Staff undertake induction training and relevant skill based training • Comprehensive manual maintained that outlines the correct operational procedures for safe working • Staff are issued with personal protective equipment • Safety advice is provided for all chemicals and they are stored properly labelled in their original packaging • Employers liability insurance cover in place
Safeguarding of clients/ Right to Work	Employing unsuitable people into the business who may be a danger to others	<ul style="list-style-type: none"> • Right to Work checks carried out before employment commences • Enhanced DBS checks for staff in schools and care sites before employment commences • Safeguarding training completed for school staff
Theft of Cash or Stock	Liquid assets such as cash or stock are desirable and easy to steal	<ul style="list-style-type: none"> • Monitor purchasing, stock levels and gross profit % on a monthly basis • Separation of duties in connection with cash handling
Pandemic	Loss of business	<ul style="list-style-type: none"> • Covid-19 has had a profound short term effect
	Inability or restriction in ability to fully trade	<ul style="list-style-type: none"> • Management of overheads in line with turnover levels • Ensure the Directors keep abreast of legislation and changing rules • Ensure contracts entered into have relevant and applicable pandemic clauses • Regularly review Disaster recovery Plan to ensure there are protocols and infrastructure for the business, enabling support functions to work from home.

ABM Catering (Holdings) Limited

STRATEGIC REPORT

FINANCIAL INSTRUMENTS

The directors and managers are constantly reviewing the objectives of the business 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:

S J Johnson

SJ Johnson
Director

28/07/23

2023

ABM Catering (Holdings) Limited

DIRECTORS' REPORT

The directors submit their report and the audited financial statements of the Group for the 52 week period ended 29 July 2022.

The directors have disclosed the Financial Instruments section of the directors' report 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

27 new units were mobilised in the first half of the 2022-23 financial period. Food inflation and Labour cost increases are the main pressures on the Group in 2022-23, however our contracts allow for these costs to be passed on. The Group is on track to return to a position of generating Operating Profit and will deliver controlled turnover growth.

DIRECTORS

The following directors have held office since 31 July 2021:

P Coates - Chairman

SJ Johnson

DM Coates

S Hill

N Floyd

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.

The Group sends newsletters to all employees each month which details good news stories, new starters in the Operations and Support Centre Teams and summarises any relevant updates in our processes. The Group runs "Awesome Awards" whereby team members, clients and customers can nominate employees who have gone above and beyond in their roles, to be awarded quarterly and annually.

The Group regularly updates and distributes our Employee Manual to all employees. This manual outlines the Group's commitment to equal opportunities and further training opportunities amongst a wealth of other information.

ABM Catering (Holdings) Limited

DIRECTORS' REPORT

DONATIONS

During the period, the Group made £2,550 (2021: £4,016) of charitable donations to The Red Cross, RNLI, Air ambulance, Royal British Legion, Crisis, The Salvation Army and various local community-based projects.

GOING CONCERN

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 Directors' report and Strategic report and its financial arrangements. The Group has prepared detailed forecasts and concluded there is sufficient cash and financing facilities available to meet its obligations as they fall due for 12 months from the date of approval of these financial statements. The Group holds a loan of £3,857,955 from a related party which is due for repayment on demand, the loan is expected to be repaid through cash reserves generated by A.B.M. Catering Limited. Although the loan is repayable on demand the issuer has confirmed that the loan will not be recalled within a period of 12 months from the anticipated date of signing these financial statements unless adequate cash flows allow.

The directors have concluded that there are no material uncertainties that lead to significant doubt over the Group's ability to continue as a going concern and therefore consider it appropriate to prepare financial statements on a going concern basis.

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.

AUDITOR

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

By order of the board:

S J Johnson

SJ Johnson
Director

28/07/23 2023

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

Opinion

We have audited the financial statements of ABM Catering (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') consolidated statement of comprehensive income, consolidated and company statements of financial position, consolidated and company statements of changes in equity, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 29 July 2022 and of the group's loss for the period then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABM CATERING (HOLDINGS) LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABM CATERING (HOLDINGS) LIMITED (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team :

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operates in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to food safety and employment legislation. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls and the existence, valuation and completeness of revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. Audit procedures performed over revenue recognition included substantive analytical review, testing the operating effectiveness of the manual controls in relation to cash takings and substantive testing.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

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

Adam Krupski

ADAM KRUPSKI (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Festival Way
Stoke-on-Trent
Staffordshire
ST1 5BB

28/07/23

ABM Catering (Holdings) Limited
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the 52 week period ended 29 July 2022

	Note	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
TURNOVER	2	31,213,310	20,200,261
Cost of sales		(27,122,491)	(17,756,648)
GROSS PROFIT		4,090,819	2,443,613
Administrative expenses		(4,159,296)	(3,651,595)
Other operating income	3	(3,825,036)	1,511,602
OPERATING (LOSS)/PROFIT		(3,893,513)	303,620
Interest receivable and similar income	4	687	202
Interest payable and similar expenses	5	(3,054)	(1,404)
(LOSS)/PROFIT BEFORE TAXATION	2-8	(3,895,880)	302,418
Taxation	9	246,490	188,858
(LOSS)/PROFIT FOR THE PERIOD AND TOTAL COMPREHENSIVE (EXPENSE)/INCOME		(3,649,390)	491,276

ABM Catering (Holdings) Limited
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 29 July 2022

	Note	29 July 2022		30 July 2021	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11	119,441		111,012	
Tangible assets	12	1,929,057		1,643,906	
			2,048,498		1,754,918
CURRENT ASSETS					
Stocks	14	621,265		537,260	
Debtors	15	3,921,343		2,898,724	
Cash at bank and in hand		5,005,828		5,154,643	
		9,548,436		8,590,627	
CREDITORS: Amounts falling due within one year	16	(9,621,700)		(4,632,656)	
NET CURRENT (LIABILITIES)/ASSETS			(73,264)		3,957,971
TOTAL ASSETS LESS CURRENT LIABILITIES			1,975,234		5,712,889
CREDITORS: Amounts falling due after more than one year	17		(128,518)		(16,783)
PROVISIONS FOR LIABILITIES	19		-		-
NET ASSETS			1,846,716		5,696,106
CAPITAL AND RESERVES					
Called up share capital	20		147		147
Merger reserve			524,873		524,873
Other reserve			83,674		83,674
Profit and loss account			1,238,022		5,087,412
TOTAL EQUITY			1,846,716		5,696,106

The financial statements on pages 11 to 39 were approved by the board of directors and authorised for issue on 28/07/23 and are signed on its behalf by:

S J Johnson

SJ Johnson
Director

Company Registration No. 07551335

ABM Catering (Holdings) Limited
COMPANY STATEMENT OF FINANCIAL POSITION
At 29 July 2022

	Note	29 July 2022		30 July 2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12	770,074		770,074	
Investments	13	3,863,965		10,151	
			4,634,039		780,225
CURRENT ASSETS					
Debtors	15	234,784		191,236	
		234,784		191,236	
CREDITORS: Amounts falling due within one year					
	16	(3,859,578)		(20,249)	
NET CURRENT (LIABILITIES) / ASSETS			(3,624,794)		170,987
TOTAL ASSETS LESS CURRENT LIABILITIES			1,009,245		951,212
PROVISIONS FOR LIABILITIES	19		(85,839)		(85,640)
NET ASSETS			923,406		865,572
CAPITAL AND RESERVES					
Called up share capital	20		147		147
Fair value reserve			259,531		259,531
Profit and loss account brought forward		605,894		562,326	
Total comprehensive income		257,834		243,568	
Dividends	10	(200,000)		(200,000)	
Profit and loss account carried forward			663,728		605,894
TOTAL EQUITY			923,406		865,572

As permitted by section 408 Companies Act 2006, the company has not presented its own statement of comprehensive income. The Company's profit for the period and total comprehensive income for the period was £257,834 (30 July 2021: £419,425).

The financial statements on pages 11 to 39 were approved by the board of directors and authorised for issue on 28/07/23 and are signed on its behalf by:

S J Johnson

SJ Johnson
Director

28/07/23

Company Registration No. 07551335

ABM Catering (Holdings) Limited
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 52 week period ended 29 July 2022

	Share capital £	Merger reserve £	Other reserve £	Profit and loss account £	Total £
Balance at 31 July 2020	147	524,873	83,674	4,796,136	5,404,830
Profit for the period	-	-	-	491,276	491,276
Total comprehensive income for the period	-	-	-	491,276	491,276
Transactions with owners in their capacity as owners:					
Dividends	-	-	-	(200,000)	(200,000)
Balance at 30 July 2021	147	524,873	83,674	5,087,412	5,696,106
Loss for the period	-	-	-	(3,649,390)	(3,649,390)
Total comprehensive expense for the period	-	-	-	(3,649,390)	(3,649,390)
Transactions with owners in their capacity as owners:					
Dividends	-	-	-	(200,000)	(200,000)
Balance at 29 July 2022	147	524,873	83,674	1,238,022	1,846,716

ABM Catering (Holdings) Limited
COMPANY STATEMENT OF CHANGES IN EQUITY
For the 52 week period ended 29 July 2022

	Share capital £	Fair value reserve £	Profit and loss account £	Total £
Balance at 31 July 2020	147	83,674	562,326	646,147
Profit for the period	-	-	419,425	419,425
Fair value gain on investment property	-	234,476	(234,476)	-
Deferred tax on fair value gain	-	(58,619)	58,619	-
Total comprehensive income for the period	-	175,857	243,568	419,425
Total transactions with owners in their capacity as owners:				
Dividends	-	-	(200,000)	(200,000)
Balance at 30 July 2021	147	259,531	605,894	865,572
Profit for the period	-	-	257,834	257,834
Total comprehensive income for the period	-	-	257,834	257,834
Transactions with owners in their capacity as owners:				
Dividends	-	-	(200,000)	(200,000)
Balance at 29 July 2022	147	259,531	663,728	923,406

ABM Catering (Holdings) Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the 52 week period ended 29 July 2022

	Note	52 week period ended 29 July 2022		52 week period ended 30 July 2021	
		£	£	£	£
OPERATING ACTIVITIES					
Cash (utilised in)/generated from operations	21		(2,711,528)		1,993,392
Interest paid		(3,054)		(1,404)	
Income taxes paid		(55,492)		(61,693)	
			(58,546)		(63,097)
NET CASH (USED IN) / FROM OPERATING ACTIVITIES			(2,770,074)		1,930,295
INVESTING ACTIVITIES					
Interest received		203		202	
Purchase of intangible fixed assets		(44,483)		(5,436)	
Purchase of tangible fixed assets		(913,931)		(343,807)	
Sale of tangible fixed assets		9,450		9,250	
NET CASH USED IN INVESTING ACTIVITIES			(948,761)		(339,791)
FINANCING ACTIVITIES					
Capital element of finance lease rental payments		(87,935)		(117,332)	
Proceeds from borrowing		3,857,955		-	
Dividends	10	(200,000)		(200,000)	
NET CASH FROM / (USED IN) FINANCING ACTIVITIES			3,570,020		(317,332)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS IN THE PERIOD			(148,815)		1,273,172
CASH AND CASH EQUIVALENTS AT START OF PERIOD			5,154,643		3,881,471
CASH AND CASH EQUIVALENTS AT END OF PERIOD			5,005,828		5,154,643

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

GENERAL INFORMATION

ABM Catering (Holdings) Limited ("the Company") is a private company limited by shares and is registered, domiciled and incorporated in England.

The address of the Company's registered office and principal place of business is Eagle Court, 63-67 Saltisford, Warwick, Warwickshire, CV34 4AF.

The Group consists of ABM Catering (Holdings) Limited and all of its subsidiaries. The Company's and the Group's principal activities and nature of operations are included in the directors' report.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes that the Group and Company 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 Directors' report and Strategic report and its financial arrangements. The Group has prepared detailed forecasts and concluded there is sufficient cash and financing facilities available to meet its obligations as they fall due for 12 months from the date of approval of these financial statements. The Group has no borrowings and a strong balance sheet.

During the year, CJRS income previously received totalling £3,857,955 was repaid. To allow the business to repay these funds a loan was received into the Group from a company under common control. This loan is repayable on demand with a maximum term of 5 years, management have obtained a letter of support from the loan provider confirming that the loan will not be repaid within 12 months from signing these financial statements unless adequate funds allow. The net current liabilities of £73,264 includes the above loan value, based on the support above the Group would have net current assets of £3,769,636.

The directors have concluded that there are no material uncertainties that lead to significant doubt over the Group's ability to continue as a going concern and therefore 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 Statement of Comprehensive Income. The Company's profit and total comprehensive income for the period is disclosed in the Company Statement of Financial Position.

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

REDUCED DISCLOSURES

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

INTANGIBLE ASSETS - 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 period following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Goodwill is capitalised and written off evenly over 10 years as in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits.

The directors consider this useful life to be appropriate because goodwill on contracts acquired are in Business and Industry (B&I) and Care sectors, where the average length of time the Group historically runs contracts in these sectors are around 10 years.

INTANGIBLE FIXED ASSETS – OTHER THAN GOODWILL

Intangible assets purchased other than in a business combination are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets arising on a business combination are recognised, except where the asset arises from legal or contractual rights, and there is no history or evidence of exchange transactions for the same or similar assets and estimating the asset's fair value would depend on immeasurable variables.

Intangible assets are initially recognised at cost (which for intangible assets acquired in a business combination is the fair value at acquisition date) and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Purchased computer software	-	15% per annum straight line
Customer lists	-	10% per annum straight line

The useful lives of purchased computer software is based on the length of time the software is expected to be used in the business. The useful lives of customer contracts is based on the average time that customer contracts are held within the industry. Customers lists are shown as a disposal if the contract is not renewed, as there will be no future inflow of economic benefit to the group and on disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

Amortisation is revised prospectively for any significant change in useful life or residual value.

INVESTMENTS

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

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

PRESENTATIONAL AND FUNCTIONAL CURRENCIES

The consolidated financial statements are presented in sterling which is also the functional currency of the Group.

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, other than freehold land and investment properties at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold Buildings	-	2% per annum 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
Contract catering equipment	-	over the term of the respective catering contract

Residual value is calculated on prices prevailing at the reporting date after estimated costs of disposal for the asset as if it were at the age and in the condition expected at the end of its useful life.

Land and buildings are accounted for separately even when acquired together.

Obligations for site investments and contract catering equipment not yet purchased are recognised over the term of the contract within accruals and deferred income.

IMPAIRMENTS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses and recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

INVESTMENT PROPERTIES

Investment properties (including properties held under an operating lease) are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

STOCKS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell, is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the period. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the Group to consume substantially all of its economic benefits), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current and deferred tax is charged or credited in profit or loss.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade, group and other debtors

Trade, group and other debtors which are receivable within one year are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Trade debtors is shown net of a provision of £72,233 (2021: £81,556) in respect of bad debts.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade, group and other creditors

Trade, group and other creditors (including accruals) payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

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.

ABM Catering (Holdings) Limited

ACCOUNTING POLICIES

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.

RESERVES

Reserves of the Company and Group represent the following:

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.

Other reserve

The cumulative revaluation gains and losses in respect of land and buildings, arising before the adoption of the deemed cost basis at the date of transition at 26 July 2014 under the requirements of FRS102.

Fair value reserve

The cumulative fair value gains and losses in respect of investment property are transferred to another reserve in equity as permitted under FRS102.

Profit and loss account

Cumulative profit and loss net of distributions to owners.

GOVERNMENT GRANTS

During the year the group has received a government grant from the Job Retention Scheme. The grant has been recognised using the accrual model. The grant was received to cover 80% of the wages cost of employees who were unable to work during the Covid-19 pandemic. Voluntary repayment of all government grants received under the Coronavirus Job Retention Scheme (CJRS) was made in the year.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates, assumptions and areas of judgement

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Stock

Stocks are valued at the lower of cost and net realisable value. At the balance sheet date, the directors deem that no stock provision is required. Where sites' catering facilities are closed at the balance sheet date (eg school kitchens being closed due to summer school holiday) it is the Group's policy to use or dispose of perishable stock before the kitchen is closed for the summer.

Income Recognition

Income is recognised when obligation under the sales contract has occurred and this is accounted for on an accruals basis. Provisions are made where there is a difference between income invoiced and the income that should be recognised as defined by the sales contract.

2 TURNOVER

The Group's turnover is 100% based in the UK and relates solely to catering facilities management, which is considered to be the one reporting segment.

3 OTHER OPERATING INCOME

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
Government grants	(3,825,036)	1,511,602

Other operating income in the year includes the full and voluntary repayment of all government grants received under the Coronavirus Job Retention Scheme (CJRS). For our publicly funded clients we have followed all relevant Public Procurement Notices and any CJRS income benefit had been returned to these clients. The cost of repaying CJRS has not been passed onto any of our clients.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
Other interest	687	202
	<u>687</u>	<u>202</u>

5 INTEREST PAYABLE AND SIMILAR EXPENSES

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
Finance leases	3,054	1,404
	<u>3,054</u>	<u>1,404</u>

6 (LOSS)/PROFIT BEFORE TAXATION

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
(Loss)/Profit before taxation is stated after charging/(crediting):		
Depreciation and amounts written off tangible fixed assets:		
Charge for the period:		
Owned assets	851,588	680,771
Leased assets	23,454	20,824
Amortisation of intangible fixed assets	36,054	34,043
Operating lease rentals	478	478
Auditor's remuneration:		
Audit services	30,000	23,200
Profit on disposal of tangible fixed assets	(6,589)	(9,250)
	<u>(6,589)</u>	<u>(9,250)</u>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

7 EMPLOYEES

	GROUP		COMPANY	
	52 week period ended 29 July 2022 Number	52 week period ended 30 July 2021 Number	52 week period ended 29 July 2022 Number	52 week period ended 30 July 2021 Number
The average monthly number of persons employed by the Group (including directors) during the period was:				
Catering staff	1,096	853	-	-
Management and administration	54	47	5	5
	<u>1,150</u>	<u>900</u>	<u>5</u>	<u>5</u>

In addition to the above the Group employed an average of 50 (2021: 34) casual catering staff during the period.

	GROUP		COMPANY	
	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
Staff costs for the above persons:				
Wages and salaries	15,382,972	12,207,003	-	-
Social security costs	898,446	694,599	-	-
Other pension costs	893,805	653,479	-	-
	<u>17,175,223</u>	<u>13,555,081</u>	<u>-</u>	<u>-</u>
Government grant income	(32,918)	(1,511,602)	-	-
	<u>17,142,305</u>	<u>12,043,479</u>	<u>-</u>	<u>-</u>

DIRECTORS' REMUNERATION

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
Emoluments	596,129	543,306
Company contributions to money purchase pension schemes	25,200	24,400
	<u>621,329</u>	<u>567,706</u>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

7 EMPLOYEES (continued)

Directors' emoluments disclosed above include the following payments:

	Highest paid director	
	52 week period ended 29 July 2022	52 week period ended 30 July 2021
	£	£
Emoluments	356,005	327,581
Company contributions to money purchase pension schemes	10,000	10,000
	<u>366,005</u>	<u>337,581</u>
	52 week period ended 29 July 2022	52 week period ended 30 July 2021
	Number	Number
Number of directors for whom relevant benefits are accruing under:		
Money purchase pension schemes	<u>3</u>	<u>3</u>

8 REMUNERATION OF KEY MANAGEMENT PERSONNEL

The total remuneration of the directors and managers who are considered to be the key management personnel of the Group was £802,037 (2021: £749,010) including employer's national insurance of £84,208 (2021: £78,963).

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

9 TAXATION

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
Current tax:		
UK corporation tax on (loss)/profits of the period	(74,695)	81,001
Adjustment in respect of prior periods	5,262	(12,965)
Total current tax	(69,433)	68,036
Deferred tax:		
Origination and reversal of timing differences	(169,844)	(41,965)
Adjustment in respect of prior periods	(7,213)	(193,122)
Effect of tax rate change on opening balance	-	(21,807)
Total deferred tax	(177,057)	(256,894)
Tax on (loss)/profit	(246,490)	(188,858)
Factors affecting tax credit for the period:	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
The tax assessed for the period is higher (2021: lower) than the average standard rate of corporation tax in the UK 19% (2021: 19%). The differences are explained below:		
(loss)/Profit before tax	(3,895,880)	302,418
(Loss)/Profit multiplied by the average standard rate of corporation tax in the UK 19% (2021: 19%)	(740,217)	57,459
Effects of:		
Expenses not deductible for tax purposes	(52,026)	(10,379)
Adjustment to tax charge in respect of previous periods	(1,951)	(206,087)
Remeasurement of deferred tax for changes in tax rates	(230,951)	(40,222)
Deferred tax not recognised	778,655	10,371
Total tax credit for the period	(246,490)	(188,858)

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

10 DIVIDENDS

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
Ordinary, ordinary 'B' and ordinary 'C' shares:		
Dividends paid	200,000	200,000

During the period, a dividend of £13.57 per share (2021: £13.57) was paid by the Company.

11 INTANGIBLE FIXED ASSETS

	Software £	Goodwill £	Customer list £	Total £
GROUP				
<i>Cost</i>				
At beginning of period	189,326	68,860	95,641	353,827
Additions	44,483	-	-	44,483
At end of period	233,809	68,860	95,641	398,310
<i>Amortisation and impairment</i>				
At beginning of period	129,011	56,128	57,676	242,815
Charged in the period	25,189	2,730	8,135	36,054
At end of period	154,200	58,858	65,811	278,869
<i>Carrying amount</i>				
At 29 July 2022	79,609	10,002	29,830	119,441
At 30 July 2021	60,315	12,732	37,965	111,012

Amortisation of intangible fixed assets is recognised in administrative expenses.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

12 TANGIBLE FIXED ASSETS

GROUP	Freehold land and buildings £	Freehold buildings – fixed plant £	Motor vehicles £	Fixtures and fittings £	Plant and Equipment £	Contract catering equipment £	Total £
<i>Cost</i>							
At beginning of period	665,000	182,590	771,003	846,365	84,655	1,645,503	4,195,116
Additions	-	-	272,798	80,082	3,975	806,199	1,163,054
Disposals	-	-	(84,146)	-	-	(264,556)	(348,702)
At end of period	665,000	182,590	959,655	926,447	88,630	2,187,146	5,009,468
<i>Depreciation</i>							
At beginning of period	135,569	168,116	606,066	606,121	74,055	961,283	2,551,210
Charged in the period	8,033	7,961	104,930	68,519	2,829	682,770	875,042
Disposals	-	-	(84,146)	-	-	(261,695)	(345,841)
At end of period	143,602	176,077	626,850	674,640	76,884	1,382,358	3,080,411
<i>Carrying amount</i>							
At 29 July 2022	521,398	6,513	332,805	251,807	11,746	804,788	1,929,057
At 30 July 2021	529,431	14,474	164,937	240,244	10,600	684,220	1,643,906

The Group has uplifted the deemed cost of the freehold land and buildings to its fair value of £665,000 at the date of transition being 26 July 2014 as permitted by FRS102 section 35.10 (c).

Included in freehold land and buildings is £150,000 (2021: £150,000) relating to land which is not depreciated.

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

	29 July 2022 £	30 July 2021 £
Cost	586,859	586,859
Aggregate depreciation	186,659	168,855

Included in the total net book value of motor vehicles is £253,451 (2021: £69,084) in respect of assets held under finance leases and similar hire purchase contracts outstanding at the period end.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

12 TANGIBLE FIXED ASSETS (continued)

COMPANY

	Investment property £
<i>Fair value</i>	
At beginning of period	770,074
Fair value gain in period	-
	<hr/>
At end of period	770,074
	<hr/>

Investment property comprises freehold land and buildings. The fair value of the Company's investment property at 29 July 2022 has been arrived at by the directors by considering the valuation carried out at 14 January 2022 by Holt Commercial Limited along with rental income streams and local property market factors. Holt Commercial Limited are not connected with the Company.

On a historical cost basis the investment property would be included at:

	29 July 2022 £	30 July 2021 £
Cost	473,523	473,523
	<hr/>	<hr/>
Aggregate depreciation	-	-
	<hr/>	<hr/>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

13 FIXED ASSET INVESTMENTS

COMPANY	Shares in subsidiary undertakings £
<i>Cost and net book value</i>	
At beginning of period	10,151
Additions	3,853,814
At end of period	3,863,965

On 26 July 2022 the company subscribed for 385,381,400 Ordinary 1p shares in its subsidiary at a cost of £3,853,814 in order the subsidiary could repay the CJRS income received.

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	Dormant	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 29 July 2022 were £10,000 (2021: £10,000), £1 (2021: £1), £1 (2021: £1), £1 (2021: £1) and £1 (2021: £1) respectively.

The registered address for all of the companies listed above is Eagle Court, 63-67 Saltisford, Warwick, Warwickshire, CV34 4AF.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

14 STOCKS

	Group		Company	
	29 July 2022	30 July 2021	29 July 2022	30 July 2021
	£	£	£	£
Raw materials and consumables	621,265	537,260	-	-

15 DEBTORS

	Group		Company	
	29 July 2022	30 July 2021	29 July 2022	30 July 2021
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Trade debtors	3,349,734	2,586,679	-	-
Prepayments and accrued income	182,331	154,178	-	-
Amounts owed by group undertakings	-	-	234,784	191,236
Other debtors	-	25,040	-	-
Corporation tax	79,394	-	-	-
Deferred tax (note 19)	309,884	132,827	-	-
	3,921,343	2,898,724	234,784	191,236

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

16 CREDITORS: Amounts falling due within one year

	Group		Company	
	29 July 2022	30 July 2021	29 July 2022	30 July 2021
	£	£	£	£
Obligations under finance leases	106,734	57,281	-	-
Payments received on account	89,043	123,377	-	-
Trade creditors	2,021,730	1,188,519	-	-
Corporation tax	-	45,946	-	11,499
Other taxation and social security costs	1,122,449	1,121,424	-	-
Other creditors	1,603,431	1,375,218	-	-
Accruals and deferred income	820,358	720,891	1,623	8,750
Other loans	3,857,955	-	3,857,955	-
	<u>9,621,700</u>	<u>4,632,656</u>	<u>3,859,578</u>	<u>20,249</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 (2021: £nil).

Other loans relates to a £3,857,955 loan received on 26 July 2022. This loan is repayable on demand with a maximum term of 5 years with an interest rate of 4% per annum. Although this loan is repayable on demand, management have obtained a letter of support that the balance will not be recalled within 12 months.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

17 CREDITORS: Amounts falling due after more than one year

	Group		Company	
	29 July 2022	30 July 2021	29 July 2022	30 July 2021
	£	£	£	£
Obligations under finance leases	128,518	16,783	-	-
	<u>128,518</u>	<u>16,783</u>	<u>-</u>	<u>-</u>

Finance leases

Obligations under finance leases are secured by related assets and bear finance charges ranging from 1% to 7% per annum (2021: 1.0% to 1.4% per annum).

	Group		Company	
	29 July 2022	30 July 2021	29 July 2022	30 July 2021
	£	£	£	£
The total future minimum lease payments are payable:				
Less than one year	106,734	57,281	-	-
Between one and five years	128,518	16,783	-	-
	<u>235,252</u>	<u>74,064</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the Group for certain items of motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

18 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 £203,917 (2021: £167,415).

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. On this basis the scheme is treated as a defined benefit multi-employer scheme. The pension cost charge for these schemes represents contributions payable by the Group and amounted to £689,888 (2021: £486,064).

There were £442,051 (2021: £409,746) outstanding contributions at the end of the financial period.

The Company had no pension commitments in the period ending 29 July 2022.

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

19 PROVISIONS FOR LIABILITIES

GROUP – DEFERRED TAX ASSET

	Deferred taxation £
At beginning of period	(132,827)
Credit for the period	(177,057)
At end of period	(309,884)

The elements of the deferred tax asset (2021: asset) are as follows:

	29 July 2022		30 July 2021	
	Provided £	Unprovided £	Provided £	Unprovided £
Difference between accumulated depreciation and capital allowances	13,900	(38,807)	(51,025)	(36,773)
Other timing differences	(110,512)	-	(102,437)	-
Assets measured at valuation	9,135	-	11,144	-
Intangible assets acquired in business combinations	-	-	9,491	-
Losses and other deductions	(222,407)	(778,655)	-	-
	(309,884)	(817,462)	(132,827)	(36,773)

Tax losses have not been fully recognised due to the uncertainty over the full recoverability of the asset.

COMPANY – DEFERRED TAX LIABILITY

	Deferred taxation £
At beginning of period	85,640
Charge for the period	199
At end of period	85,839

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

	29 July 2022		30 July 2021	
	Provided £	Unprovided £	Provided £	Unprovided £
Difference between accumulated depreciation and capital allowances	85,839	-	85,640	-

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

20 CALLED UP SHARE CAPITAL

	29 July 2022 £	30 July 2021 £
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>

Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

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

21 RECONCILIATION OF PROFIT AFTER TAX TO NET CASH (UTILISED IN)/GENERATED FROM OPERATIONS

	52 week period ended 29 July 2022 £	52 week period ended 30 July 2021 £
(Loss)/Profit after tax	(3,649,390)	491,276
Depreciation of tangible fixed assets	875,042	701,595
Amortisation, impairment and loss on disposal of intangible fixed assets	36,054	34,043
Profit on sale of tangible fixed assets	(6,589)	(9,250)
Interest receivable	(687)	(202)
Interest payable	3,054	1,404
Taxation	(246,490)	(188,858)
Operating cash flows before movements in working capital	<u>(2,988,806)</u>	<u>1,030,008</u>
Increase in stock	(84,005)	(164,536)
Increase in debtors	(766,168)	(77,485)
Increase in creditors	1,127,451	1,205,405
Cash (utilised in)/generated from operations	<u>(2,711,528)</u>	<u>1,993,392</u>

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

22 CONSOLIDATED ANALYSIS OF CHANGES IN NET DEBT

	30 July 2021 £	Cash flow £	New finance leases £	29 July 2022 £
Cash at bank and in hand	5,154,642	(148,814)	-	5,005,828
Other loans	-	(3,857,955)		(3,857,955)
Debt due within 1 year				
Obligations under finance leases	(74,064)	87,935	(249,123)	(235,252)
Total net debt	5,080,578	(3,918,834)	(249,123)	912,621

The principal non-cash transactions are new finance leases.

23 COMMITMENTS UNDER OPERATING LEASES

The Group as a lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	29 July 2022 £	30 July 2021 £
Amounts due within one year	478	478
Amounts due between one and five years	279	757
	<u>757</u>	<u>1,235</u>

The Company as a lessee

At 29 July 2022, the total future minimum lease payments under non-cancellable operating leases were £nil (30 July 2021: £nil).

The Group and the Company as a lessor

At 29 July 2022, the Group and the Company had contracted with tenants, under non-cancellable operating leases, for future minimum lease payments of £nil (30 July 2021: £nil).

ABM Catering (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 29 July 2022

24 CAPITAL COMMITMENTS

Group

There are capital commitments of £67,745 (2021: £nil) relating to the purchase of fixed assets and £896,078 (2021: £559,629) relating to catering equipment contract at the end of the financial period.

Company

There are no capital commitments at the end of the period (2021: £nil).

25 CONTINGENT LIABILITIES

Group

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

Bond Value	Expiry Date
a) £94,000	Expired but bond not released
b) £74,500	31 July 2022
c) £18,000	25 October 2022
d) £107,000	31 March 2023
e) £48,000	31 August 2024

At the period end the Group had an indemnity guarantee of £1 for National Westminster Bank plc.

Company

The Company and its subsidiary undertaking, A.B.M. Catering Limited, are members of a VAT group. At 29 July 2022 the VAT liability of the VAT group excluding that of the Company was £873,470 (2021: £910,091).

26 RELATED PARTY TRANSACTIONS

During the period the following transactions took place with companies that are associated with A.B.M. Catering Limited due to being under common control. A.B.M. Catering Limited made sales of £1,937,001 (2021: £1,035,867) net of commission and the balance due to A.B.M. Catering Limited at 29 July 2022 was £509,055 (2021: £115,922).

Dividends of £134,884 were paid to directors during the year (2021: £134,884).

During the period a loan of £3,857,955 (2021: £nil) was received into ABM Catering (Holdings) Limited from a company under common control. The loan balance outstanding at period end was £3,857,955 (2021: £nil). Interest of £1,269 (2021: £nil) was charged on this loan during the period.

27 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is P Coates and his family.