

REGISTERED NUMBER: 03385466 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2014
for
Maclellan Management Services Limited

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for the Year Ended 31 December 2014

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Maclellan Management Services Limited

Company Information
for the Year Ended 31 December 2014

DIRECTORS:

B Melizan
M Watson
P Clark

SECRETARY:

S Pound

REGISTERED OFFICE:

Capital Tower
91 Waterloo Road
London
SE1 8RT

REGISTERED NUMBER:

03385466 (England and Wales)

AUDITOR:

Grant Thornton UK LLP
Chartered Accountants and
Statutory Auditor
London
United Kingdom

Strategic Report
for the Year Ended 31 December 2014

The directors present their strategic report for the year ended 31 December 2014.

The principal activity of the company is the provision of operational and administrative personnel and management services to other group companies. The company is reliant on fellow group companies for its ongoing trading ability in its current form.

REVIEW OF BUSINESS

The results for the year ended 2014 are set out in the financial statements.

Profit after tax reduced to £73k in 2014 (2013: £103k).

Key Performance Indicators

Interserve Plc Group manages its operations on a divisional basis, further information can be found in the Interserve Plc financial statements. For this reason, the directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

PRINCIPAL RISKS AND UNCERTAINTIES

As explained in note 1, the directors have concluded that the company has adequate resources to continue in existence for the foreseeable future, and for this reason continue to adopt the going concern basis in preparing the accounts.

The directors have reviewed the financial risk management objectives and policies of the company; where there is a significant exposure to financial risks, the group policy laid down by the parent company, Interserve plc, is followed. The company does not as a regular policy enter into hedging instruments, as there is not believed to be any material exposure. It does not enter into any speculative financial instruments.

INFLATION RISK

As all turnover is a recharge of costs incurred the business is relatively insensitive to inflationary risk.

LIQUIDITY RISK

The company adopts a prudent approach to liquidity management by maintaining sufficient cash and liquid resources to meet its obligations. Due to the nature of the business, cash flows are reasonably predictable and so this is not a major risk area for the company.

CREDIT RISK

As all significant transactions are with other companies within the group, credit risk is low.

FINANCE AND FOREIGN EXCHANGE RISK

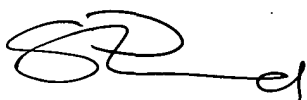
The ultimate parent company manages both interest rate risk and exchange rate risk through the group treasury department using various methods including swaps and hedges and these are disclosed in the group accounts. Group risks are discussed in the group's annual report which does not form part of these financial statements.

GOING CONCERN

The company meets its day to day working capital requirements through an overdraft facility that is provided by its ultimate parent Interserve Plc.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

ON BEHALF OF THE BOARD:



S Pound - Secretary

16 July 2015

Report of the Directors
for the Year Ended 31 December 2014

The directors present their report with the financial statements of the company for the year ended 31 December 2014.

DIVIDENDS

No dividends were paid during the year (2013: £nil).

DIRECTORS

B Melizan has held office during the whole of the period from 1 January 2014 to the date of this report.

Other changes in directors holding office are as follows:

M Watson - appointed 9 September 2014

P Clark - appointed 31 October 2014

S Ashdown - resigned 5 September 2014

Interests in shares and options to purchase shares of those directors who are also directors of Interserve Plc are disclosed in the accounts of Interserve Plc. As at the date of this report and during the year ended 31 December 2014, no indemnities are in force for the directors of this company.

EMPLOYEES

The company's management policy seeks to ensure that all employees' careers are determined solely on merit. No employee will suffer because of gender, race, ethnic origin or religious belief.

It is the company's policy to consider for employment and enable suitably qualified disabled persons to seek and maintain employment and to assist them in overcoming their handicaps at work. The company recognises that special conditions are necessary in view of the nature of its main activities to ensure that disabled persons employed are properly trained for the tasks they perform.

Managers are tasked with developing employees' awareness of factors affecting the business and matters concerning them as employees and noting employees' views so they can be taken into account when making decisions which may affect them or the business.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors
for the Year Ended 31 December 2014

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AUDITOR

Grant Thornton UK LLP were appointed auditors on 9 July 2014 to fill a casual vacancy in accordance with s485(3) of the Companies Act 2006. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditors was proposed and agreed at the Annual General Meeting held on 12 May 2015.

ON BEHALF OF THE BOARD:



S Pound - Secretary

16 July 2015

Independent Auditor's Report to the Members of
Maclellan Management Services Limited

We have audited the financial statements of Maclellan Management Services Limited for the year ended 31 December 2014 on pages six to seventeen which comprise the profit and loss account, statement of total recognised gains and losses, balance sheet and related notes one to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year 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 Report of the Directors for the financial year 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Philip Westerman (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Chartered Accountants and
Statutory Auditor
London
United Kingdom

16 July 2015

Maclellan Management Services Limited (Registered number: 03385466)

Profit and Loss Account
for the Year Ended 31 December 2014

	Notes	2014 £'000	2013 £'000
TURNOVER	2	93,344	111,029
Cost of sales		<u>(93,344)</u>	<u>(111,029)</u>
GROSS PROFIT		-	-
OPERATING PROFIT	5	-	-
Interest receivable and similar income		<u>105</u>	<u>156</u>
		105	156
Interest payable and similar charges	6	-	(95)
Other finance costs	13	<u>(3)</u>	<u>(9)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		102	52
Tax on profit on ordinary activities	7	<u>(29)</u>	<u>51</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>73</u></u>	<u><u>103</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

Maclellan Management Services Limited (Registered number: 03385466)

Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2014

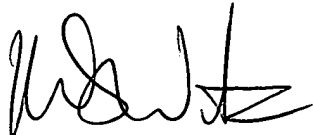
	2014 £'000	2013 £'000
PROFIT FOR THE FINANCIAL YEAR	73	103
Actuarial loss - pension scheme	(63)	(23)
Deferred tax on pension scheme	<u>(3)</u>	<u>(17)</u>
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	<u>7</u>	<u>63</u>

Maclellan Management Services Limited (Registered number: 03385466)

Balance Sheet
31 December 2014

	Notes	2014 £'000	2013 £'000
CURRENT ASSETS			
Debtors	8	16,673	14,424
CREDITORS			
Amounts falling due within one year	9	(16,374)	(14,120)
NET CURRENT ASSETS		<u>299</u>	<u>304</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		299	304
PENSION LIABILITY	13	<u>(136)</u>	<u>(148)</u>
NET ASSETS		<u>163</u>	<u>156</u>
CAPITAL AND RESERVES			
Called up share capital	11	20	20
Profit and loss account	12	<u>143</u>	<u>136</u>
SHAREHOLDERS' FUNDS	17	<u>163</u>	<u>156</u>

The financial statements were approved by the Board of Directors on 16 July 2015 and were signed on its behalf by:



M Watson - Director

Notes to the Financial Statements
for the Year Ended 31 December 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards in the United Kingdom. These have been applied consistently throughout the current and prior years.

Financial Reporting Standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

Turnover

Turnover represents sales to fellow subsidiary companies, excluding value added tax, and arises from the principal activities of the company.

Turnover is recognised on an accruals basis when the right to receive consideration is earned.

Current tax

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

In accordance with Financial Reporting Standard 19 'Deferred Tax', deferred tax is provided in full on timing differences which represent an asset or liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Going concern

The company meets its day to day working capital requirements through an overdraft facility that is provided by its ultimate parent Interserve Plc.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Pensions

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For the defined contribution scheme 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 year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

2. TURNOVER

The activities of the company are regarded by the directors as a single class of business, and are all performed in the United Kingdom.

3. STAFF COSTS

	2014	2013
	£'000	£'000
Staff costs during the year (including directors):		
Wages and salaries	7,863	14,030
Social security costs	321	1,569
Other pension costs	94	145
	<u>8,278</u>	<u>15,744</u>

	2014	2013
	Number	Number
Production and site operatives	659	751
Administration	90	102
	<u>749</u>	<u>853</u>

Reduction in staff costs and employee numbers is due to the continued integration of MacLellan into the Interserve group; new contracts are being tendered as Interserve (Facilities Management) Limited, a fellow subsidiary company. Employees associated with these new contracts are considered employees of Interserve (Facilities Management) Limited.

4. DIRECTORS' EMOLUMENTS

As in 2013, the statutory directors were remunerated through other companies in the Interserve group for 2014.

Mr Melizan is a director of the ultimate parent company, Interserve plc, and his remuneration for services to the group as a whole are disclosed in the accounts of that company.

During the year Messrs Watson, Clark and Ashdown were remunerated for their services to the group by Interservefm Ltd. It is not considered practicable to allocate their remuneration between the companies of which they are director.

5. OPERATING PROFIT

Operating profit on ordinary activities before taxation is stated after charging:

	2014	2013
	£'000	£'000
Remuneration payable to auditor:		
- Fees payable to the company's auditor for the annual audit of the company's accounts *	-	-
- Fees payable to the company's auditor for other services	<u>-</u>	<u>-</u>

* Audit fees of £500 have been borne by Interservefm Limited for 2014 (2013: £500).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

6. **INTEREST PAYABLE AND SIMILAR CHARGES**

	2014	2013
	£'000	£'000
Interest payable	<u>-</u>	<u>95</u>

7. **TAXATION**

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	2014	2013
	£'000	£'000
Current tax:		
UK corporation tax	(8)	(21)
Prior year Tax Adjustment	<u>-</u>	<u>(32)</u>
Total current tax	<u>(8)</u>	<u>(53)</u>
Deferred tax:		
Deferred tax - current year	37	14
Deferred tax - prior period adjustment	<u>-</u>	<u>(12)</u>
Total deferred tax	<u>37</u>	<u>2</u>
Tax on profit on ordinary activities	<u>29</u>	<u>(51)</u>

Factors affecting the tax charge/(credit)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK.

	2014	2013
	£'000	£'000
Profit on ordinary activities before tax	<u>102</u>	<u>52</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	22	12
Effects of:		
Expenses not deductible for tax purposes	(13)	(16)
Adjustments to tax charge in respect of previous periods	-	(32)
Other short-term timing differences	<u>(17)</u>	<u>(17)</u>
Current tax charge/(credit)	<u>(8)</u>	<u>(53)</u>

Factors that may affect future tax charges

The UK corporation tax rate reduced from 23% to 21% with effect from 1 April 2014. There will be further tax rate reduction to 20% with effect from 1 April 2015. The rate of 20% is used for the calculation of the deferred tax position as at 31 December 2014 on the basis that it will materially reverse after 1 April 2015.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

8. DEBTORS

	2014	2013
	£'000	£'000
Amounts falling due within one year:		
Amounts owed by group undertakings	15,821	13,515
Other debtors	41	31
Corporation tax	-	30
Deferred tax asset	<u>54</u>	<u>91</u>
	<u>15,916</u>	<u>13,667</u>
 Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>757</u>	<u>757</u>
 Aggregate amounts	<u>16,673</u>	<u>14,424</u>
		Deferred Tax
		£'000
At 1 January 2014		91
Profit and loss account charge		<u>(37)</u>
At 31 December 2014		<u>54</u>

The deferred tax asset represents timing differences in relation to general provisions. The directors expect that these timing differences will be utilised in future periods.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£'000	£'000
Bank loans and overdrafts (see note 10)	15,733	12,455
Amounts owed to group undertakings	386	213
Corporation tax	47	-
Social security and other taxes	<u>208</u>	<u>1,452</u>
	<u>16,374</u>	<u>14,119</u>

10. LOANS

An analysis of the maturity of loans is given below:

	2014	2013
	£'000	£'000
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>15,733</u>	<u>12,455</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2014	2013
Number:	Class:		£	£
20,000	Ordinary	1	<u>20,000</u>	<u>20,000</u>

12. RESERVES

	Profit & Loss Account £'000
At 1 January 2014	136
Profit for year	73
Actuarial loss - pension scheme	(63)
Deferred tax - pension scheme	<u>(3)</u>
At 31 December 2014	<u>143</u>

13. EMPLOYEE BENEFIT OBLIGATIONS

The MacLellan Group 2000 Retirement Benefits Scheme, set up in July 2000, is a funded final salary (defined benefit) scheme and offers guaranteed pension benefits based upon salary and service. The scheme is offered to employees who are entitled to membership of the principal civil service pension scheme and/or who transfer their employment as part of the market testing exercise. The scheme continues to operate alongside the MacLellan Personal Pension Plan.

Costs are charged to the profit and loss account in the year in which they are incurred and in the current year amounted to £9,000 (2013: £10,000) in respect of the defined benefit scheme. At 31 December 2014 there were outstanding contributions of £nil (2013: £nil).

The assets of the scheme are held independently from the company's finances and are administered by trustee companies. Pension costs are assessed on the advice of an independent qualified actuary following triennial valuations using the projected unit method.

The last full actuarial valuation was carried out as at 1 July 2013. This revealed a funding shortfall of £457,000. The trustees and employer have agreed that the funding valuation shortfall will be addressed by monthly employer contributions of £6,800 from 1 July 2013 to 29 February 2020. A qualified actuary, independent of any participating employers, has adjusted appropriately the data used for the purposes calculating the FRS 17 disclosures for the year ended 31 December 2014.

The Employer's contribution rate during 2014 was 30.3% of the pensionable salary roll from 1 October. The current Schedule of Contributions gives a future Employer contribution rate of 30.3% of pensionable salary roll until 30 September 2015.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

13. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2014	2013
	£'000	£'000
Present value of funded obligations	(662)	(565)
Fair value of plan assets	<u>492</u>	<u>380</u>
	(170)	(185)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	(170)	(185)
Deferred tax asset	<u>34</u>	<u>37</u>
Net liability	<u>(136)</u>	<u>(148)</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2014	2013
	£'000	£'000
Current service cost	-	-
Interest cost	25	25
Expected return	(22)	(16)
Past service cost	<u>-</u>	<u>-</u>
	<u>3</u>	<u>9</u>
Actual return on plan assets	<u>33</u>	<u>43</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2014	2013
	£'000	£'000
Opening defined benefit obligation	565	584
Interest cost	25	25
Actuarial losses/(gains)	75	50
Benefits paid	<u>(3)</u>	<u>(94)</u>
	<u>662</u>	<u>565</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

13. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2014	2013
	£'000	£'000
Opening fair value of scheme assets	380	349
Contributions by employer	82	82
Expected return	22	16
Actuarial gains/(losses)	11	27
Benefits paid	(3)	(94)
	<u>492</u>	<u>380</u>

The amounts recognised in the statement of recognised gains and losses are as follows:

	Defined benefit pension plans	
	2014	2013
	£'000	£'000
Actuarial gains/(losses)	(75)	(50)
Actual return less expected return on pension scheme assets	11	27
	<u>(64)</u>	<u>(23)</u>
Cumulative amount of actuarial gains/(losses)	<u>(259)</u>	<u>(195)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2014	2013
	£'000	£'000
Equities	280	208
Gilts	53	48
Bonds	52	67
Property	74	57
Cash	33	-
	<u>492</u>	<u>380</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate	3.50%	4.50%
Future inflation increases	3.10%	3.40%
Increases to pensions in payme	3.10%	3.40%
Revaluation of early leavers' benefits	2.20%	2.70%

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

13. EMPLOYEE BENEFIT OBLIGATIONS - continued

Mortality assumptions:

Investigations have been carried out within the past three years into the mortality experience of the Group's defined benefit schemes. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

Valuation at	2014	2013
Retiring today:		
Males	24.9	24.9
Females	27.0	27.2
Retiring in 20 years:		
Males	26.3	26.4
Females	28.6	28.8

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 9%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 9%
Rate of salary growth	Increase/decrease by 0.5%	Increase/decrease by 1%
Rate of mortality	Increase by 1 year	Increase by 3%

Amounts for the current and previous four periods are as follows:

	2014 £'000	2013 £'000	2012 £'000	2011 £'000	2010 £'000
Defined benefit pension plans					
Defined benefit obligation	(662)	(565)	(584)	(554)	(592)
Fair value of scheme assets	492	380	349	346	424
Deficit	(170)	(185)	(235)	(208)	(168)
Experience adjustments on scheme liabilities	(11)	(20)	(95)	(84)	(155)
Experience adjustments on scheme assets	11	27	15	(22)	102

14. ULTIMATE PARENT COMPANY

Maclellan Group Limited, a company registered in England and Wales is the company regarded by the directors as the immediate parent company.

Interserve Plc, a company registered in England and Wales, is the company regarded by the directors as the ultimate parent company and controlling party and is the smallest and largest group for which group financial statements are prepared. Copies of the financial statements of Interserve Plc can be obtained from the Company Secretary, Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU.

15. CONTINGENT LIABILITIES

At 31 December 2014 contingent liabilities in respect of guarantees given in the ordinary course of business were £nil (2013: £nil).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

16. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 "Related Party Disclosures" not to report transactions with other group companies as it is a wholly owned subsidiary of Interserve Plc.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£'000	£'000
Profit for the financial year	73	103
Other recognised gains and losses relating to the year (net)	<u>(66)</u>	<u>(40)</u>
Net (reduction)/addition to shareholders' funds	7	63
Opening shareholders' funds	<u>156</u>	<u>93</u>
Closing shareholders' funds	<u><u>163</u></u>	<u><u>156</u></u>