Financial Statements Liverpool Streetscene Services Limited (formerly Enterprise-Liverpool Limited)

For the period ended 30 March 2016

Registered number: 04161448

Company Information

Directors	Mr S P Munby Ms A M L O'Byrne Mr R Odunaiya
Registered number	04161448
Registered office	Newton Road Liverpool Merseyside L13 3HS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor Royal Liver Building Liverpool L3 1PS
Bankers	Barclays Bank plc Liverpool L2 1TD
Solicitors	DWF LLP 2 Hardman Street Manchester M3 3AA

Contents

Strategic Report
For the period ended 30 March 2016

The directors present their strategic report for Liverpool Streetscene Services Limited for the period ended 30 March 2016.

Business review

On 25 November 2015, Enterprise Public Services Limited, (a member of the group including Amey UK plc) transferred 80,001 of its shares to Liverpool City Council, which became the ultimate parent and controlling entity from that date.

Following this change of ownership the Directors repeatedly requested the Company's books and records from Amey UK Plc. The matter was escalated to Senior Management within current parent company Liverpool City Council to demand the information. This extension provided Amey UK Plc with further time to supply the requested information. Amey UK Plc failed to provide the supporting information requested, resulting in the audit having to be completed with insufficient information, resulting in a disclaimer of opinion as explained further in note 2.1.

The Company changed its name from Enterprise-Liverpool Limited to Liverpool Streetscene Services Limited on 25 February 2016.

On 21 December 2016, the directors shortened the company's accounting reference date from 31 March 2016 to 30 March 2016.

Principal risks and uncertainties

The company uses various financial instruments and these include cash and other items such as trade debtors, trade creditors and intercompany trading balances that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved through intra group funding and support.

This report was approved by the board and signed on its behalf.

S. Munby

Mr S P Munby
Director

Date: 17/3/17

Directors' Report
For the period ended 30 March 2016

The directors present their report and the financial statements for the period ended 30 March 2016.

Principal activity

The principal activity of the comapny is supplying Public Realm Services to Liverpool City Council ("the Council"). There have been no changes in the Company's activities in the period under review. During the year, the Company has provided grounds maintenance and refuse collection services for the Council under long-term contracts.

During the period, Enterprise Public Services Limited transferred 80,001 of their shares in the company to Liverpool City Council for £1.

Results and dividends

The loss for the period, after taxation, amounted to £2,467 thousand (2015 - loss £1,202 thousand).

The directors do not recommend the payment of a dividend in respect of the period ended 30 March 2016 or at 31 March 2015.

Directors

The directors who served during the period were:

Mr S P Munby
Ms A M L O'Byrne (appointed 17 September 2015)
Mr R Odunaiya (appointed 21 January 2016)
Mr D Atherton (resigned 25 November 2015)
Mr A L Nelson (resigned 25 November 2015)
Mr M Jenks (resigned 25 November 2015)
Mr M Kennedy (resigned 17 September 2015)

Future developments

After a short mobilisation period the company is now stabilised and the senior management team is in the process of developing, with its parent, the detailed business plan to cover the next 5 year period. Against a backdrop of ever decreasing Public Sector budgets, the Business Plan will focus on improving the levels of service across its core Public Sector business areas whilst exploring the opportunities for increasing additional commercial revenue streams.

Directors' Report (continued)

For the period ended 30 March 2016

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Disclosure of information to auditor

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion 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.Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Report (continued)
For the period ended 30 March 2016

Auditor

Grant Thornton UK LLP were appointed as auditor after the period end and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board and signed on its behalf.

S. Munby

Mr S P Munby
Director

Date: 17/3/17

Grant Thornton

Independent Auditor's Report to the Members of Liverpool Streetscene Services Limited

We have audited the financial statements of Liverpool Streetscene Services Limited for the period ended 30 March 2016, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards , including FRS102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland."

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Basis for disclaimer of opinion on financial statements

The audit evidence available to us was limited because we were unable to obtain the underlying books and records and other supporting evidence for certain transactions and balances (described in more detail in note 2.1), due to limitations placed on the scope of our work. This was due to the lack of complete accounting information possessed by the Company for the period up to 29 February 2016, when the current management team took over maintenance of the accounting records following the acquisition of the Company by Liverpool City Council on 25 November 2015. As a result, we have been unable to obtain sufficient appropriate audit evidence concerning the financial statements.

Disclaimer of opinion on financial statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion on Financial Statements paragraph, to the financial statements, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion 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.

Grant Thornton

Independent Auditor's Report to the Members of Liverpool Streetscene Services Limited

Matters on which we are required to report by exception

In respect of the Disclaimer of opinion on the financial statements, the following matters, that are required by the Companies Act 2006, are reported to the members of the company:

- we were unable to determine whether adequate accounting records had been kept, prior to the date of 29 February 2016;
- the financial statements are not in agreement with the accounting records and returns; and
- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit for the period to 30 March 2016.

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

- returns adequate for our audit have not been received by branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made.

Grant Thornton UK LLP

Emma Stoddart (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Senior Statutory Auditor
Chartered Accountants
Liverpool
Date: 17 March 2017

Statement of Comprehensive Income

For the period ended 30 March 2016

	Note	2016 £000	2015 £000
Turnover	4	**15,457**	15,234
Cost of sales		**(16,219)**	(15,437)
Exceptional cost of sales		**(800)**	-
Gross loss		**(1,562)**	(203)
Administrative expenses		**(873)**	(1,007)
Operating loss	5	**(2,435)**	(1,210)
Interest receivable and similar income	8	**-**	11
Interest payable and expenses	9	**(32)**	-
Loss before tax		**(2,467)**	(1,199)
Tax on loss		**-**	(3)
Loss for the period		**(2,467)**	(1,202)

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

All amounts relate to continuing operations.

The notes on pages 11 to 23 form part of these financial statements.

Liverpool Streetscene Services Limited
Registered number:04161448

Balance Sheet

As at 30 March 2016

	Note		30 March 2016 £000		31 March 2015 £000
Fixed assets					
Tangible assets	12		**1,804**		262
			1,804		262
Current assets					
Stocks	13	**22**		24	
Debtors: amounts falling due within one year	14	**619**		7,040	
Cash at bank and in hand	15	**1,603**		806	
		2,244		7,870	
Creditors: amounts falling due within one year	16	**(5,462)**		(9,262)	
Net current liabilities			**(3,218)**		(1,392)
Total assets less current liabilities			**(1,414)**		(1,130)
Creditors: amounts falling due after more than one year	17		**(1,483)**		-
Net liabilities			**(2,897)**		(1,130)
Capital and reserves					
Called up share capital	19		**100**		100
Capital contribution reserve	20		**700**		-
Profit and loss account	20		**(3,697)**		(1,230)
			(2,897)		(1,130)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

S. Munby

Mr S P Munby
Director

Date: 17/3/17

The notes on pages 11 to 23 form part of these financial statements.

Statement of Changes in Equity

For the period ended 30 March 2016

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2014	100	-	(28)	72
Comprehensive income for the year				
Loss for the year	-	-	(1,202)	(1,202)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(1,202)	(1,202)
At 1 April 2015	100	-	(1,230)	(1,130)
Comprehensive income for the period				
Loss for the period	-	-	(2,467)	(2,467)
Total comprehensive income for the period	-	-	(2,467)	(2,467)
Capital contribution	-	700	-	700
Total transactions with owners	-	700	-	700
At 30 March 2016	100	700	(3,697)	(2,897)

Statement of Cash Flows

For the period ended 30 March 2016

	30 March 2016 £000	31 March 2015 £000
Cash flows from operating activities		
Loss for the financial period	**(2,467)**	(1,202)
Adjustments for:		
Depreciation of tangible assets	**374**	153
Impairments of fixed assets	**800**	-
Interest paid	**32**	-
Interest received	**-**	(11)
Taxation charge	**-**	3
Decrease in stocks	**2**	66
Decrease/(increase) in debtors	**4,413**	(755)
Decrease/(increase) in amounts owed by groups	**2,008**	(855)
(Decrease)/increase in creditors	**(4,284)**	2,046
Increase in amounts owed to groups	**1,467**	-
Increase in amounts owed to participating interests	**500**	-
Net cash generated from operating activities	**2,845**	(555)
Cash flows from investing activities		
Purchase of tangible fixed assets	**(2,716)**	-
Interest received	**-**	11
Net cash from investing activities	**(2,716)**	11
Cash flows from financing activities		
Interest paid	**(32)**	-
Capital contribution received	**700**	-
Net cash used in financing activities	**668**	-
Net increase/(decrease) in cash and cash equivalents	**797**	(544)
Cash and cash equivalents at beginning of period	**806**	1,350
Cash and cash equivalents at the end of period	**1,603**	806
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	**1,603**	806
	1,603	806

Notes to the Financial Statements

For the period ended 30 March 2016

1. General information

Liverpool Streetscene Services Limited is a limited company incorporated in the United Kingdom. The registered office is Newton Road, Liverpool, Merseyside, L13 3HS. The principal activity of the company is supplying Public Realm Services to Liverpool City Council.

2. Accounting policies

2.1 Basis of preparation of financial statements

As referred to in the strategic report, Liverpool City Council acquired all of the shares of the company on 25 November 2015. The current management team took over the accounting for the company from the previous management on 29 February 2016. During the audit of the financial statements for the period ended 30 March 2016 management identified a lack of information, books and records and other required documents covering the period up to 29 February 2016 and have so far been unable to locate this information from the previous shareholders.

As a result, for the period the company has not kept adequate accounting records – namely a full nominal ledger, sales and purchase invoices, payroll records, access to bank statements, journal entries, a reconciliation of the fixed assets register to the previous financial statements, full detail of creditors and accruals and related party transactions for the period to 29 February 2016. The lack of such records resulted in the auditors not being able to complete audit work on the revenue, overheads and journals for the period or the bank and certain inherited accruals as at 30 March 2016. In addition there was a lack of records supporting the debtors at 29 February 2016, which has resulted in a material provision for doubtful debts in the financial statements because they have not yet been recovered; and a lack of detail supporting certain accruals resulting in material, unknown accruals at period end. All of these issues collectively have led to the disclaimer of audit opinion in these financial statements because of the number of areas of the financial statements which could not be audited.

The acquisition of 100% of the shares took place and a period was agreed whereby the previous owners' management team would continue to process the accounting entries, manage the bank account; with processes in place for approval of expenditure; and maintain the records. The agreement for the acquisition included clauses for the previous shareholder to deliver the books and records to the new shareholder. However this has not been received. Once the lack of information was identified by the auditor, the directors took action to try to obtain the required information. As explained above they have been unable to progress this matter sufficiently in advance of the requirement to file accounts with Companies House but they continue to take action to obtain the books and records. Controls and processes are now in place to ensure the company's books and records have been maintained since 29 February 2016.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 26.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

Notes to the Financial Statements

For the period ended 30 March 2016

2. Accounting policies (continued)

2.2 Going concern

Notwithstanding the loss for the period and the shareholders' deficit as at 30 March 2016, the directors consider that it is appropriate to prepare the financial statements on a going concern basis, having given consideration and applied relevant sensitivities. The directors are satisfied that the company has adequate resources and the support of its parent entity, Liverpool City Council, to enable it to continue trading for the foreseeable future.

2.3 Revenue

Revenue is stated net of VAT. Revenue from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date revenue represents the value of the servie provided to date based on a proportion of the total contract value. Where payments from customers are received in advance of services provided, the amounts are recorded as deferred income and included as part of the creditors: amounts falling due within one year.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Vehicles	-	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.5 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Notes to the Financial Statements
For the period ended 30 March 2016

2. Accounting policies (continued)

2.6 Stocks

Stocks and work in progress is valued at the lower of cost and net realisable value.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company contributes to a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. However as the Company is unable to identfy its share of the assets of the plan it is treated as a defined contribution scheme in accordance with FRS102 Section 28.11.

Notes to the Financial Statements
For the period ended 30 March 2016

2. Accounting policies (continued)

2.12 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.13 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Notes to the Financial Statements
For the period ended 30 March 2016

2. Accounting policies (continued)

2.14 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.15 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made included a bad debt provision, depreciation and the net realisabale value of fixed assets.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company and all turnover arose within the United Kingdom.

Notes to the Financial Statements

For the period ended 30 March 2016

5. Operating loss

The operating loss is stated after charging:

	2016 £000	2015 £000
Depreciation of tangible fixed assets	**374**	153
Impairment of tangible fixed assets	**800**	-
Audit fees	**15**	15
Pension costs	**427**	373

During the period, no director received any emoluments (2015 - £NIL).

6. Employees

Staff costs were as follows:

	2016 £000	2015 £000
Wages and salaries	**8,722**	39
Social security costs	**380**	595
Pension costs	**427**	373
	9,529	1,007

The average monthly number of employees, including the directors, during the period was as follows:

	2016 No.	2015 No.
Production	**300**	288
Administration	**32**	31
	332	319

7. Directors' remuneration

The highest paid director received remuneration of £NIL (2015 - £NIL).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2015 - £NIL).

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £NIL (2015 - £NIL).

Notes to the Financial Statements
For the period ended 30 March 2016

8. Interest receivable

	2016 £000	2015 £000
Other interest receivable	-	11
	-	11

9. Interest payable and similar charges

	2016 £000	2015 £000
Loans from group undertakings	32	-
	32	-

10. Taxation

	2016 £000	2015 £000
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	3
Total deferred tax	-	3
Taxation on profit on ordinary activities	-	3

Notes to the Financial Statements

For the period ended 30 March 2016

10. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is the same as (2015 - the same as) the standard rate of corporation tax in the UK of 20% (2015 - 21%) as set out below:

	2016	2015
	£000	£000
Loss on ordinary activities before tax	**(2,467)**	(1,199)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	**(493)**	(252)
Effects of:		
Transfer from deferred tax asset	**-**	3
Capital allowances for period/year in excess of depreciation	**412**	15
Adjustent to closing deferred tax	**38**	-
Chargeable gains/(losses)	**140**	-
Other timing differences leading to an increase (decrease) in taxation	**-**	(15)
Unrelieved tax losses carried forward	**(97)**	-
Non-payment for group relief	**-**	252
Total tax charge for the period/year	**-**	3

Factors that may affect future tax charges

The company has tax losses of £1,100,000 (2015: £nil) available to utilise against future profits however is not recognising a deferred tax asset at this time, due to uncertainty over when they will be utilised.

11. Exceptional items

	2016	2015
	£000	£000
Vehicles impairment charge	**800**	-
	800	-

Notes to the Financial Statements

For the period ended 30 March 2016

12. Tangible fixed assets

	Vehicles £000
Cost or valuation	
At 1 April 2015	1,187
Additions	2,716
Disposals	(395)
At 30 March 2016	3,508
Depreciation	
At 1 April 2015	925
Charge for the period on owned assets	374
Disposals	(395)
Impairment charge	800
At 30 March 2016	1,704
Net book value	
At 30 March 2016	1,804
At 31 March 2015	262

A fixed charge is held over certain vehicles wth a NBV of £1,576,500 (2015: £nil) as security for a loan.

13. Stocks

	30 March 2016 £000	31 March 2015 £000
Raw materials	22	24
	22	24

Notes to the Financial Statements

For the period ended 30 March 2016

14. Debtors

	30 March 2016 £000	31 March 2015 £000
Trade debtors	6	1,883
Amounts owed by group undertakings	466	2,474
Other debtors	-	8
Prepayments and accrued income	147	425
Amounts recoverable on long term contracts	-	2,250
	619	7,040

15. Cash and cash equivalents

	30 March 2016 £000	31 March 2015 £000
Cash at bank and in hand	1,603	806
	1,603	806

Cash includes £250,000 held in an ESCROW account and managed by the Company's solicitors.

16. Creditors: Amounts falling due within one year

	30 March 2016 £000	31 March 2015 £000
Trade creditors	183	482
Amounts owed to group undertakings	3,471	3,405
Amounts owed to related undertakings	500	-
Taxation and social security	589	775
Accruals and deferred income	719	4,600
	5,462	9,262

Notes to the Financial Statements
For the period ended 30 March 2016

17. Creditors: Amounts falling due after more than one year

	30 March 2016 £000	31 March 2015 £000
Amounts owed to group undertakings	**1,483**	-
	1,483	-

Secured loans

The amounts owed to group undertakings are secured by way of a fixed charge against the assets to which they relate.

18. Financial instruments

	30 March 2016 £000	31 March 2015 £000
Financial assets		
Financial assets measured at amortised through profit or loss	**1,603**	806
Financial assets that are debt instruments measured at amortised cost	**51**	4,365
	1,654	5,171
Financial liabilities		
Financial liabilities measured at amortised cost	**(6,356)**	(8,487)
	(6,356)	(8,487)

Financial assets measured at amortised cost through profit or loss comprise trade debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors, accruals and deferred income.

Notes to the Financial Statements
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19. Share capital

	30 March 2016 £000	31 March 2015 £000
Shares classified as equity		
Allotted, called up and fully paid		
19,999 'A' Ordinary shares of £1 each shares of £1 each	-	20
80,001 'B' Ordinary shares of £1 each shares of £1 each	-	80
100,000 Ordinary shares shares of £1 each	**100**	-
	100	100

On 25 November 2015 a special resolution was passed and 'A' and 'B' ordinary shares were re-designated as ordinary shares of £1 each having the same rights and restrictions.

20. Reserves

Capital contribution reserve

£700,000 was received by the departing shareholder during the period and was a capital contribution.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

21. Contingent liabilities

The directors have confirmed that there were no contingent liabilities which should be disclosed at 30 March 2016 or 31 March 2015.

22. Capital commitments

The directors have confirmed that there were no capital commitments which should be disclosed at 30 March 2016 or 31 March 2015.

23. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £368,000 (2015: £373,000).

The Company participates in a local government, multi-employer defined benefit pension scheme. The valuation performed by the actuary as at 31 March 2016 concluded that the Company was in a fully funded position with no deficit funding required. The assets of the Company could not be identifed and the plan is therefore accounted for on a defined contribution basis. Contributions payable by the Coman

Notes to the Financial Statements

For the period ended 30 March 2016

24. Related party transactions

As explained further in Note 2.1, the Company is unable to identify related party transactions for the period 1 April 2015 to 29 February 2016. During the period 29 February 2016 to 30 March 2016, the company incurred charges in respect of services and resources supplied by members of the Amey group. These totalled £254,000 for the period 29 February 2016 to 30 March 2016 (for the year to 31 March 2015: £7,065,000). As per note 12, during the period £2,605,000 of additions were purchased from Enterprise Managed Services Limited, a fellow group member of the previous shareholder. At 30 March 2016 creditors included balances of £500,000 (2015: £2,943,000). At 30 March 2016, debtors included £Nil (2015: £2,474,000) owed from members of the Amey group.

The company recognised revenue of £8.0m up to 25 November 2015 (2015: £14.5m) from Liverpool City Council, the parent entity in respect of services provided. The company incurred costs recharged from Liverpool City Council of £0.5m up to 25 November 2015 (2015: £0.9m) in respect of services and resources provided. On 25 November 2015, the company became wholly owned by Liverpool City Council and has taken exemption under FRS102 Section 33.1A from disclosing transactions with its parent. At 30 March 2016 debtors included balances of £466,000 (2015: £1,533,000) owing from Liverpool City Council. At 30 March 2016, creditors included balances of £4,954,000 (2015: £462,000) owing to Liverpool City Council.

25. Controlling party

At the start of the period, the company was a 80% owned subsidiary of Enterprise Public Services Limited (a member of the Amey group), with the remaining 20% of the company owned by Liverpool City Council. On 25 November 2015, Enterprise Public Services Limited transferred 80,001 'A' shares to Liverpool City Council at nominal value. At 30 March 2016, the ultimate parent and controlling entity was Liverpool City Council.

26. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.