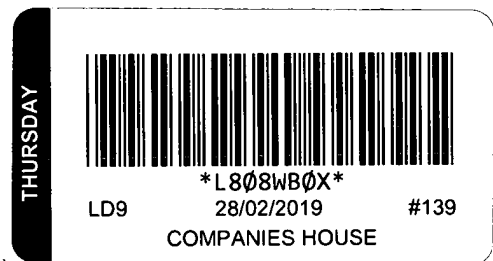


Registration number: 07362435

# Marston Regulated Services Limited (formerly known as Engage Services Limited)

Annual report and financial statements

for the year ended 31 May 2018



## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Contents**

Company information	1
Directors' report	2
Independent auditor's report	4
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Company information**

<b>Directors</b>	G Jones
	R J Shearer
	M Wolfenden
	R Anderson
<b>Company secretary</b>	Squire Patton Boggs Secretarial Services Limited
<b>Registered office</b>	Embassy House 60 Church Street Birmingham B3 2OJ
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Directors' report**

#### **For the year ended 31 May 2018**

The directors present their annual report on the affairs of Marston Regulated Services Limited (formerly known as Engage Services Limited) ("the company"), together with the financial statements and auditor's report for the year ended 31 May 2018.

The directors took advantage of the small companies' exemption provided by section 415A of the Companies Act 2006 in not preparing a Strategic report. The directors have taken the exemptions provided to small companies and no enhanced business review is provided.

#### **Directors' responsibilities statement**

The directors are responsible for preparing 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 United Kingdom Accounting Standards (UK GAAP), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. 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 year. 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Results and dividends**

The loss for the financial year was £286,000 (2017: profit: £328,000).

The directors do not recommend the payment of a dividend for the year (2017: £nil).

#### **Principal activity**

The principal activity in the year was that of debt collection services.

#### **Events after the balance sheet date**

The company changed its name to Marston Regulated Services Limited on 1 October 2018.

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Directors' report (continued) For the year ended 31 May 2018**

#### **Directors**

The directors, who served throughout the year except as noted, were as follows:

G Jones

R J Shearer

M Wolfenden

R Anderson (appointed 18 December 2017)

#### **Disclosure of information to the auditors**

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

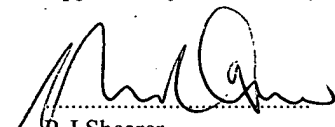
- so far as the director are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director have taken all the steps that they ought to have taken as director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

#### **Reappointment of auditor**

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

Approved by the Board on 27 February 2019 and signed on its behalf by:



R J Shearer  
Director

## **Independent auditor's report to the members of Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Opinion**

We have audited the financial statements of Marston Regulated Services Limited (the 'company') for the year ended 31 May 2018 which comprise the profit and loss account, the balance sheet the statement of changes in equity 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

### **Opinion on the 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 May 2018 and of its loss 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.

### **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 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.

### **Who we are reporting to**

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.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Independent auditor's report to the members of Marston Regulated Services Limited (formerly known as Engage Services Limited) (continued)**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

### **Matters on which we are required to report by exception**

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, 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 2, 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 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 company or to cease operations, or have no realistic alternative but to do so.

**Independent auditor's report to the members of Marston Regulated Services Limited  
(formerly known as Engage Services Limited) (continued)**

**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.

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

*Grant Thornton UK LLP*

.....  
Gary Jones  
Senior Statutory Auditor  
For and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date: *27/2/19*  
.....



**Marston Regulated Services Limited (formerly known as Engage Services Limited)**

**Profit and loss account  
For the year ended 31 May 2018**

			<b>10 months ended 31 May</b>
	<b>Note</b>	<b>2018 £ 000</b>	<b>2017 £ 000</b>
<b>Turnover</b>	4	6,918	3,581
Administrative expenses		(5,083)	(1,797)
Staff costs	6, 7	(1,895)	(1,421)
Depreciation and amortisation		<u>(93)</u>	<u>(59)</u>
<b>Operating (loss)/profit</b>		(153)	304
Interest payable and similar charges	5	<u>(11)</u>	<u>(5)</u>
<b>(Loss)/profit before taxation</b>	9	(164)	299
Tax (charge)/credit on (loss)/profit	10	<u>(122)</u>	<u>29</u>
<b>(Loss)/profit for the financial year</b>		<u><u>(286)</u></u>	<u><u>328</u></u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the current and prior year other than the results above and therefore, no statement of comprehensive income is presented.

The notes on pages 10 to 19 form an integral part of these financial statements.

# **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

## **Balance sheet** **As at 31 May 2018**

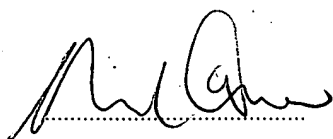
	Note	2018 £ 000	2017 £ 000
<b>Fixed assets</b>			
Intangible assets	12	148	217
Tangible assets	13	31	42
		<u>179</u>	<u>259</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	4,285	1,260
Cash at bank and in hand		658	114
		<u>4,943</u>	<u>1,374</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(5,021)</u>	<u>(1,244)</u>
<b>Net current (liabilities)/assets</b>		<u>(78)</u>	<u>130</u>
<b>Provisions for liabilities</b>		<u>(19)</u>	<u>(21)</u>
<b>Net assets</b>		<u>82</u>	<u>368</u>
<b>Capital and reserves</b>			
Called-up share capital	19	-	-
Share premium	19	27	27
Profit and loss account	19	55	341
<b>Shareholders' funds</b>		<u>82</u>	<u>368</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of Marston Regulated Services Limited (formerly known as Engage Services Limited) (registration number: 07362435) were approved by the Board of directors and authorised for issue on 27 February 2019

They were signed on its behalf by:



R J Shearer  
Director

The notes on pages 10 to 19 form an integral part of these financial statements.

**Marston Regulated Services Limited (formerly known as Engage Services Limited)**

**Statement of changes in equity  
For the year ended 31 May 2018**

	<b>Called-up share capital £ 000</b>	<b>Share premium £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
<b>At 29 July 2016</b>	-	-	13	13
Profit for the year	-	-	328	328
Issued share capital	-	27	-	27
<b>At 31 May 2017</b>	<u>-</u>	<u>27</u>	<u>341</u>	<u>368</u>

	<b>Called-up share capital £ 000</b>	<b>Share premium £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
<b>At 1 June 2017</b>	-	27	341	368
Loss for the year	-	-	(286)	(286)
<b>At 31 May 2018</b>	<u>-</u>	<u>27</u>	<u>55</u>	<u>82</u>

The notes on pages 10 to 19 form an integral part of these financial statements.

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Notes to the financial statements For the year ended 31 May 2018**

#### **1 General information**

Marston Regulated Services Limited (formerly known as Engage Services Limited) ("the company") is a private company limited by share capital incorporated in England and Wales and domiciled in the United Kingdom.

The address of its registered office is:

Embassy House  
60 Church Street  
Birmingham  
B3 2OJ

The nature of the company's operations and its principal activities are set out in the Directors' report on pages 2 to 3.

#### **2 Accounting policies**

##### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of accounting**

These financial statements have been prepared under the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements.

The functional currency of the company is considered to be pounds sterling (£) because that is the currency of the primary economic environment in which the company operates.

##### **Going concern**

The directors have considered forecast financial performance, recoverability of assets and financial viability for a period extending at least 12 months from the date of approval of these financial statements. The directors therefore have reasonable expectation that there are of adequate resources for the company to continue in operational existence for the foreseeable future and have adopted the going concern basis in preparing these financial statements.

##### **Related party disclosure exemption**

The company has taken advantage of the exemption available under FRS 102, section 33.1A, not to disclose transactions with wholly-owned members of the Marston Group headed by Marston Corporate Limited.

##### **Turnover**

Turnover represents amounts chargeable in respect of the sale of goods and services to customers. Turnover arose solely in the United Kingdom.

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Notes to the financial statements (continued)**

**For the year ended 31 May 2018**

#### **2 Accounting policies (continued)**

##### **Intangible assets**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities acquired. It is amortised to the profit and loss account over its estimated economic life.

##### **Amortisation**

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

##### **Asset class**

Development costs

##### **Amortisation rate**

3 years

##### **Tangible fixed assets and depreciation**

Tangible assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of tangible assets, less their estimated residual value, over their expected useful lives on the following bases.

##### **Asset class**

Plant and machinery, etc.

Fixtures and fittings

##### **Depreciation rate and method**

20% reducing balance, 33% straight line

20% reducing balance, 33% straight line

##### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

##### **Tax**

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Notes to the financial statements (continued) For the year ended 31 May 2018**

#### **2 Accounting policies (continued)**

##### **Tax (continued)**

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

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

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

##### **Foreign currency transactions and balances**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

##### **Cash and cash equivalents**

Cash comprises cash at bank after adjustment for any uncredited lodgements and unpresented cheques clearing the bank account following the year end.

Funds held on behalf of third parties are not recognised on the company balance sheet.

##### **Trade and other debtors**

Trade debtors are amounts due from clients for services provided in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Notes to the financial statements (continued)**

**For the year ended 31 May 2018**

#### **2 Accounting policies (continued)**

##### **Trade and other creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Provisions**

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 2, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no significant estimates or judgements used in preparing these accounts.

#### **4 Turnover**

The total turnover of the company for the current and prior years have been derived from its principal activity wholly undertaken in the United Kingdom.

#### **5 Interest payable and similar charges**

	2018	10 months ended 31 May
	2017	
	£ 000	£ 000
Bank loans and overdrafts	11	5

**Marston Regulated Services Limited (formerly known as Engage Services Limited)**

**Notes to the financial statements (continued)**

**For the year ended 31 May 2018**

**6 Staff costs**

The average monthly number of employees (including executive directors) was:

	<b>10 months ended 31 May</b>	
	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
Operational	65	52
Administration	10	11
	<u>75</u>	<u>63</u>

Their aggregate remuneration comprised:

	<b>10 months ended 31 May</b>	
	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Wages and salaries	1,733	1,304
Social security costs	153	111
Other pension costs	9	6
	<u>1,895</u>	<u>1,421</u>

**7 Directors' remuneration**

The directors' remuneration for the year was as follows:

	<b>10 months ended 31 May</b>	
	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Emoluments	<u>25</u>	<u>22</u>

**8 Auditor's remuneration**

Fees payable to the auditor and their associates for the audit of the company's annual accounts were £5,000 (2017: £5,000). See table below for analysis.

	<b>10 months ended 31 May</b>	
	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>5</u>	<u>5</u>
<b>Total audit fees</b>	<u>5</u>	<u>5</u>



# Marston Regulated Services Limited (formerly known as Engage Services Limited)

## Notes to the financial statements (continued) For the year ended 31 May 2018

### 9 (Loss)/profit before taxation

(Loss)/profit before taxation is stated after charging:

	2018	10 months ended 31 May 2017
	£ 000	£ 000
Depreciation of tangible fixed assets	20	9
Amortisation of goodwill	72	50
Operating leases - other operating lease costs	59	41

### 10 Tax on (loss)/profit

The tax charge/(credit) comprises:

	2018	10 months ended 31 May 2017
	£ 000	£ 000
<b>Current tax</b>		
UK corporation tax	124	-
UK corporation tax adjustment to prior periods	-	(19)
<b>Total current tax charge/(credit)</b>	<b>124</b>	<b>(19)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(12)	(9)
Arising from changes in tax rates and laws	10	(1)
<b>Total deferred tax charge/(credit)</b>	<b>(2)</b>	<b>(10)</b>
<b>Total tax charge/(credit) on (loss)/profit</b>	<b>122</b>	<b>(29)</b>

The tax on (loss)/profit before tax for the year is lower than the standard rate of corporation tax in the UK (2017: lower than the standard rate of corporation tax in the UK) of 19% (2017: 20%).

The differences between the total tax charge/(credit) shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss)/profit before tax is as follows:

	2018	10 months ended 31 May 2017
	£ 000	£ 000
<b>(Loss)/profit before taxation</b>	<b>(164)</b>	<b>299</b>
Tax on profit at standard UK corporation tax rate of 19% (2017: 20%)	(31)	59
Effects of:		
Expense not deductible in determining taxable profit	444	13
Decrease in UK and current tax from adjustment for prior periods	9	(19)
Group relief	(300)	(82)
<b>Tax charge/(credit) for the year</b>	<b>122</b>	<b>(29)</b>

# **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

## **Notes to the financial statements (continued)**

**For the year ended 31 May 2018**

### **11 Dividends**

The directors are proposing a final dividend of £Nil (2017: £Nil) per share totalling £4,567.00 (2017: £677,888.00). This dividend has not been accrued in the balance sheet.

### **12 Intangible assets**

	<b>Development costs £ 000</b>
<b>Cost or valuation</b>	
At 1 June 2017	361
Additions acquired separately	<u>3</u>
At 31 May 2018	<u>364</u>
<b>Amortisation</b>	
At 1 June 2017	144
Amortisation charge for the year	<u>72</u>
At 31 May 2018	<u>216</u>
<b>Net book value</b>	
At 31 May 2018	<u>148</u>
At 31 May 2017	<u>217</u>

### **13 Tangible assets**

	<b>Plant and machinery £ 000</b>	<b>Fixtures and fittings £ 000</b>	<b>Total £ 000</b>
<b>Cost</b>			
At 1 June 2017	48	21	69
Additions	4	6	10
Disposals	<u>-</u>	<u>(1)</u>	<u>(1)</u>
At 31 May 2018	<u>52</u>	<u>26</u>	<u>78</u>
<b>Depreciation</b>			
At 1 June 2017	20	7	27
Charge for the year	<u>16</u>	<u>4</u>	<u>20</u>
At 31 May 2018	<u>36</u>	<u>11</u>	<u>47</u>
<b>Net book value</b>			
At 31 May 2018	<u>16</u>	<u>15</u>	<u>31</u>
At 31 May 2017	<u>28</u>	<u>14</u>	<u>42</u>

# **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

## **Notes to the financial statements (continued)** **For the year ended 31 May 2018**

### **14 Funds held on behalf of third parties**

At the balance sheet date the company held third party funds excluded from the balance sheet as follows:

	2018 £ 000	2017 £ 000
Client money	-	110

### **15 Debtors: amounts falling due within one year**

	2018 £ 000	2017 £ 000
Trade debtors	1,612	683
Amounts owed by group undertakings	2,340	68
Other debtors	116	-
Prepayments and accrued income	217	442
Corporation tax	-	67
	<u>4,285</u>	<u>1,260</u>

### **16 Creditors: amounts falling due within one year**

	2018 £ 000	2017 £ 000
Trade creditors	82	162
Corporation tax	124	-
Social security and other taxes	229	63
Other payables	-	4
Accruals and deferred income	1,441	174
Amounts owed to group undertakings	3,145	841
	<u>5,021</u>	<u>1,244</u>

### **17 Obligations under leases and hire purchase contracts**

#### **Operating leases**

The total of future minimum lease payments is as follows:

	2018		2017	
	Land and buildings £ 000	Other £ 000	Land and buildings £ 000	Other £ 000
Within one year	40	9	40	11
Between one and five years	70	9	35	18
	<u>110</u>	<u>18</u>	<u>75</u>	<u>29</u>

# Marston Regulated Services Limited (formerly known as Engage Services Limited)

## Notes to the financial statements (continued)

For the year ended 31 May 2018

### 18 Provisions

	Deferred taxation £ 000
At 1 June 2017	21
Charged to profit and loss account	(2)
At 31 May 2018	19

The deferred tax liability is made up as follows:

	2018 £ 000	2017 £ 000
Fixed asset timing differences	19	21

### 19 Called-up share capital and reserves

#### Allotted, called-up and fully paid shares

	No.	2018 £	No.	2017 £
Ordinary A shares of £1 each	100	100	100	100
Ordinary B shares of £1 each	-	-	-	-
Ordinary C shares of £1 each	-	-	-	-
Ordinary D shares of £1 each	-	-	-	-
Ordinary B1 shares of £0.001 each	24,400	24	24,400	24
Ordinary B2 shares of £0.001 each	3,000	3	3,000	3
	<u>27,500</u>	<u>127</u>	<u>27,500</u>	<u>127</u>

A ordinary shares confer the right to 78.5% of the total voting rights which are allocated pro-rata across the number of shares held.

B1 and B2 ordinary shares confer the right to 21.5% of the total voting rights which are allocated pro-rata across the number of shares held.

Holders of A, B1 & B2 ordinary shares are entitled to participate in dividends declared for ordinary shareholders.

The company's other reserves are as follows:

#### *Profit and loss reserve*

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

#### *Share premium*

The share premium contains the premium arising on issue of equity shares, net of issue expenses.

## **Marston Regulated Services Limited (formerly known as Engage Services Limited)**

### **Notes to the financial statements (continued)**

**For the year ended 31 May 2018**

#### **20 Ultimate controlling party**

Marston (Holdings) Limited is the immediate parent undertaking of Marston Group Limited. Marston (Holdings) Limited has included the company in its group financial statements, copies of which are available from its registered office - Rutland House, 148 Edmund Street, Birmingham, B3 2JR.

The smallest group of undertakings for which consolidated financial statements have been drawn up is that headed by Marston (Holdings) Limited. The largest group of undertakings for which group accounts have been drawn up is that headed by the ultimate parent company and controlling party as at 31 May 2018, Marston Corporate Limited. Consolidated accounts are available from Embassy House, 60 Church Street, Birmingham, B3 2DJ.