

**Carlisle Support Services Group
Limited**

Annual Report and Financial Statements

Year Ended

31 December 2019

Company Number 07880629

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Carlisle Support Services Group Limited

Company Information

Directors	A E Entwistle P A Evans P M R Gaze P T Osborne M B Shirl
Company secretary	M B Shirl
Registered number	07880629
Registered office	First Floor 251 The Boulevard Capability Green Luton United Kingdom LU1 3LU
Independent auditor	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

Carlisle Support Services Group Limited

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Carlisle Support Services Group Limited

CEO's Statement
For the Year Ended 31 December 2019

"Carlisle Support Services has enjoyed another strong year. Solid organic growth was underpinned by exceptional client retention and long-term contract extensions. In support of this our clear vision to be transparent, honest and the most trusted provider of people-based services has allowed us to secure year on year increases and improvements in employee engagement and staff loyalty."

This year's CEO's statement is being written at the time of worldwide uncertainty due to the Coronavirus.

COVID-19 and beyond

Whilst 2019 was a successful year, at the time of writing this annual report the world was experiencing a devastating pandemic that has had a drastic impact on many UK industries and business.

Carlisle Support Services Group Limited ("Company") and its subsidiaries ("Carlisle Group"), with a large client base in the UK events industry, suffered severely in the early onset of the crisis, as we saw nearly all revenues from that sector disappear. Furthermore, across all Group operations we saw client demand drop rapidly by 32% in the four-week period following the first lock-down in late March 2020.

Our business operations and revenues levelled off at that point and remained constant for a further four to six weeks. However, due to several new contract wins, relaxation of initial lock-down restrictions and our focussed approach to enhancing our service offerings where possible, we were able to see client demand start to gradually recover and increase.

Performance during the 2nd half of the year was positive and in late 2020 we surpassed pre-Covid demand and monthly revenue levels. It is a real testament to the professionalism of our staff across the business and the loyal support of our clients, that we have been able to deliver such unwavering levels of service.

During the crisis I can confirm that we had to furlough up to 900 colleagues (mainly from our Events division). Up to August 2020 we also participated business-wide in the Government's Coronavirus Job Retention Scheme. Beyond August our participation in this scheme was selective and implemented in conjunction with client involvement and sponsorship.

It is clear from my many years in the support services sector that this crisis is unprecedented and will have long-term ramifications for all businesses and clients alike. I am pleased, and proud, that the business responded quickly, helped by clear customer centric management philosophy, and implemented contingency and communication plans immediately. As a precaution, we secured agreement, in principle, to increase our bank facility early in the pandemic. However, the successful performance of the business resulted in healthy cash flows and the new facility was not implemented. The option to increase the facility remains available to the business and will be used to fund business growth, the prospect of which appears promising.

During the crisis, our over-riding concern has been the safety of our employees and the well-being of our clients. This will continue as the pandemic passes and beyond. Sadly, since the crisis began, we have lost several colleagues to the virus.

Carlisle Support Services Group Limited

CEO's Statement For the Year Ended 31 December 2019

2019 Financial Performance

	2019	2018	Change
Turnover (£000)	65,072	56,701	14.8%
Gross profit (£000)	6,056	4,733	28.0%
Administrative expenses (excluding exceptional) (£000)	(4,748)	(4,347)	9.2%
Operating profit (excluding exceptionals) (£000)	1,308	386	338.9%
Gross profit (%)	9.3%	8.3%	1.0%
Conversion rate (%)	21.6%	8.2%	13.0%

*operating profit to gross profit

Revenue for the Group in 2019 increased by 14.8% over 2018 and was made up of both organic client growth and the addition of a small number of new contract wins. The average customer order value remains very positive at c.£1m per client. Furthermore, the successful implementation of our business strategy has resulted in a 96.4% client retention rate across the year.

At an operational level, the business enjoyed an increase in gross margin to 9.3% (2018 - 8.3%), with an improved return in operating profit (before exceptional items) of £1,308k (2018 - £386k) on revenues of £65.1million (2018 - £56.7million).

As a debt free business our cashflow showed continued resilience throughout the entire period, with a DSO of 38 days, a level that is well below the peer average.

Over the last 8 years Carlisle has made impressive progress in its revenue and client base, its operational and staffing structure, its back office and administrative systems and its profitability. Carlisle is now re-established as a well-known and widely respected provider of people-based services. In 2015 we re-ignited the Carlisle brand and launched our current business strategy. We are so pleased to have seen the business go from strength to strength during the last few years.

Operating in a hugely competitive marketplace we have also seen the commercial landscape continually evolve. The public demise of Carillion in 2018 was the start of many other large and small providers declaring unexpected losses and significant financial concerns. Due to a decade of pricing and margin erosion in the sector, the need to identify and select like-minded clients has been, and will be, key to our success.



Carlisle Support Services Group Limited

CEO's Statement For the Year Ended 31 December 2019

Demerger from Impellam Group

At the start of 2019 we announced our intention to demerge from the Impellam Group plc. Certain non-recurring gains and costs were incurred during the demerger process and these have been treated as exceptional items in the 2019 financial statements of Carlisle. The rationale for the demerger is clear. As a stand-alone business, Carlisle has significantly more control over its strategy and decision making and the long-term destiny of the company. Carlisle now has complete control over its decision making for investment strategy, funding and M&A activity - this will be of paramount importance as we move forward.

We are pleased to confirm that the demerger was successfully completed during 2019. This involved the removal of substantially all dependencies on the Impellam Group during 2019. The financial accounting and support systems were completed during 2020. In-line with the demerger we also moved our Head Office to new premises in Luton. This enabled us to retain all employees due to the short distance from our previous office location at a nearby Impellam Group office.

There were no negative long-term impacts suffered because of the demerger, and we are pleased that all clients and employees were unaffected with trading operations continuing as expected and without interruption.

Strategic Journey

Underpinned by our four values, our business strategy remains unchanged and we are clear that our direction of travel will remain the same for the foreseeable future.

Our values underpin our desire to be the most trusted provider of people-based services in the UK, and we do this by being transparent and honest in all our actions. Each value is delivered in a manner to articulate our real passion for ensuring that we do all we can to develop exceptional people to provide first class service to our clients:

- **Sector Based Experts**

Carlisle owes its success to its frontline colleagues, and I would like to thank them all for their dedication and hard work during the year. We are committed to developing exceptional people and we have worked hard this year to offer training pathways for all employees. Beyond this we continue with our promise that any employee in the business can make a request of Carlisle to invest in any area of training / development that will support their personal and professional enhancement.

- **Caring Passionately for All**

Championed at all levels we continue to go that extra mile to ensure we make investments into how we make the lives of our employees, our Clients, and their customers even better. Recognising and rewarding behaviours that show empathy and outstanding acts is something that we are immensely proud of. An example of our approach to looking after our colleagues can be seen from our decision to partner with Wagestream, and to have brought an income streaming platform into the business. This new technology allows employees immediate access to their wages mid-month should they need, lessening the burden of financial stress for those facing hardship or emergencies that present themselves from time to time.

- **Customer at the Heart**

With only 65 clients we are committed to have an unchallenged roadmap for how we drive forward our client relationships. Furthermore, our Top 25 accounts made up approximately 83% of our annual revenues, allowing for both strategic and tactical objectives to be delivered across each account. This clear focus on a small number of key clients allows us to offer true vested partnerships with all clients, where we work collaboratively and in support of each other's goals. Our '150 for 150' growth strategy will see us aim for revenues of £150m over the next five years but we intend to do this with no more than 150 clients.

Carlisle Support Services Group Limited

CEO's Statement For the Year Ended 31 December 2019

Strategic Journey (continued)

- **Promise Based Culture**

We have set out our commitment to deliver on all our promises and ensure this is the bedrock of our approach across all our business activities. We have done this by being always totally transparent and honest. Our business management systems are based on regular and clear communication channels being maintained with all employees and clients and, where applicable, remuneration schemes are based on the delivery of such promises.

Trading overview

We welcomed several new clients to the Carlisle family, including but not limited to:

- All England Lawn Tennis Club (Security and Events) £3m+ (commenced January 2020)
- Premier League football club (Security) £1.5m+
- Arriva Rail London (Security, Customer Care and Cleaning) £5m+

Security and Events. This division (split into North and South) represents 67.7% of Group revenues. In 2019 the division achieved a 19% year on year increase in revenues. Carlisle is now regarded as a very capable and credible supplier in the UK Manned Security industry, achieving a position of 20th in the Top 30 security companies based on revenue (www.infologue.com). We have a broad range of clients across the sector and are confident in our ability to continue to achieve our growth plans for the coming years.

Cleaning and Industrial. Primarily operating in the UK Rail sector, this division achieved a 25% year on year increase in revenues. The division benefited from additional service lines being added to existing contracts, additional revenue from client-driven Brexit preparations, and a few contracts being retained beyond their expected termination date. We believe we are well positioned to diversify our cleaning offering to other sectors whilst also further growing its specialism in the Transport sector.

Retail Merchandising. With client orders being mainly project based, this division has suffered due to the ever-changing landscape of the 'Bricks and Mortar' retail marketplace. Our teams in this division provide store support services for key food and DIY retail clients. However we are at the mercy of our client's own financial performance allowing them to maintain their budgeted expenditure relating to merchandising enhancements or store openings. During the year we saw the negative performance of the retail sector where many clients could not complete their full programmes and as a result the 2019 revenues for this division were down by 25% over 2018.

Commitment to the Real Living Wage – 'A Fair Days Pay for a Fair Days Work'

In 2019 we were proud to be awarded a Champions Award by The Living Wage Foundation.

The Living Wage Foundation is a campaigning organisation in the United Kingdom which aims to persuade employers to pay a living wage. The organisation was established in 2011, publishes an annual Living Wage figure and accredits employers who pay this higher rate of pay.

Our alignment to this movement is key to our strategy and I am pleased to say that during this year we saw the number of hours deployed that paid the higher wage level was more than 50%. Our award was due to the work we had done in moving this number forward, but also for our proactive activities in raising the agenda and messaging throughout our business activities.

In an industry that is well documented as being low paid, where many frontline colleagues are paid the 'minimum wage' our approach to engaging our clients to support our desire to pay a higher level of pay has seen staff retention, employee satisfaction and productivity all increase.

Carlisle Support Services Group Limited

CEO's Statement For the Year Ended 31 December 2019

Commitment to the Real Living Wage – 'A Fair Days Pay for a Fair Days Work' (continued)

I was also pleased that during this year I became the co-chair of the foundation's Recognised Service Providers Leadership Group, which is made up of some 140+ facilities companies who have agreed to promote the movement and progressively drive forward wage levels across their client bases. My commitment to this position is to chair quarterly meetings, be a figurehead for the foundation in the support services industry, and an advocate for challenging customers across the UK to allow suppliers to pay a higher level of wages to those employed on the frontline.

Corporate charity

In 2019 we chose a new charity for us to partner with over the coming years. Having raised more than £20,000 for The Alzheimer's Society our fund raising activity for them has ceased, and this activity will switch to supporting Crimestoppers.

Crimestoppers is an independent crime-fighting charitable organisation which operates the 0800 555 111 telephone number – the facility allows people to call anonymously to pass on information about crime.

Conclusion

Finally, I take this opportunity to thank all our employees, clients, board members and shareholders for all their support in 2019. It was encouraging to see revenues continue to increase significantly for the fourth year running, and we are proud to have a prestigious portfolio of world-class brands who have aligned to our business philosophy of being 'high road', open, honest, and transparent at all times.

We will continue to enhance our service offerings and I am confident we will deliver our strategic aims over the coming years. In doing so we will not lose sight of our purpose, this being:

“

Paul Evans
Chief Executive Officer

We want Carlisle to be known for being different in our market-place. We will do this by truly looking after our people, with prominence around our front-line colleagues.

To do this we will ensure we are always visible, that clear routes of communication and feedback exist, that we strive for better and more enjoyable working conditions, and reward and recognise those for doing a job well done!

”



This statement was approved by the board on

15th February 2021

and signed on its behalf.

A handwritten signature in dark ink, appearing to read 'P A Evans'.

P A Evans
Chief Executive Officer

Carlisle Support Services Group Limited

Group Strategic Report For the Year Ended 31 December 2019

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2019.

Business review

A fair review of the business is provided in the CEO's statement as set out on pages 1 to 5.

Going concern

The financial statements have been prepared on the going concern basis as the directors have prepared detailed budgets for a period of at least 12 months from the date of signing the accounts which show that the Carlisle Group is able to meet all its liabilities as they fall due. However, it is acknowledged that the global and UK outbreak of COVID-19 has had a profound impact on the global and UK economy and businesses, and therefore the directors have produced a detailed going concern stress test for the Group for which further details of which are given within note 2.4 to the financial statements. Having completed this and taking into consideration the financing position of the Group the directors are confident of being able to trade for a period of at least 12 months from the date of approval of the financial statements.

Principal risks and uncertainties

The Group has a number of key risks which could have a material impact on its long-term performance. We consider strategic, operational and financial risks and identify actions to mitigate those risks on a regular basis. We recognise that effective risk management is fundamental in helping the company to deliver its strategy.

Risk

Strategic risks	Impact	Mitigation
COVID-19	<p>Reduction in business volumes over a prolonged period.</p> <p>Risk of failing to track, respond to and plan for existing and future impacts of the COVID-19 pandemic including the effects on employees, customers and supply chain.</p>	<p>Senior management team and directors regular situation reviews and communications with customers, employees and suppliers.</p> <p>Use of Government support schemes and regular forecasts and monitoring of financial performance and cash.</p>
Customer concentration	<p>Loss of a key customer within a sector or significant reduction in volume of an account could result in reduced revenue or increased gross profit pressure.</p>	<p>The Group has regular meetings with key customers to discuss opportunities and current service performance.</p> <p>Management discusses and reviews market conditions and sales and account management pipelines on an ongoing basis.</p>

Carlisle Support Services Group Limited

Group Strategic Report (continued) For the Year Ended 31 December 2019

Strategic risks (continued)	Impact	Mitigation
Economic conditions	A downturn in general economic conditions, particularly in the UK, could result in declining business volumes, difficulties in producing accurate forecasts and/or failure to meet the Group's objectives. Improving economic conditions, particularly wage increases, could also create pressure on margins where these cannot be fully passed on to clients.	Flexibility in delivery of our services and reduced fixed costs in operations, allows the Group to manage fluctuations in volume. Diversity of customer base, widespread geographical coverage and expanding into new sectors provide competitive advantage.
Brexit	Increased employment regulations for EU workers leading to labour shortage and inability to deliver services.	Tracking of number of EU workers to evaluate potential risk. Ensure workforce is well paid; the company is a Living Wage Foundation service provider and the proportion of workers paid LWF pay rates increases annually. Continually challenging customers to pay higher wage rates which leads to higher staff retention.
Operational risks	Impact	Mitigation
Health, Safety and Environment	Risk of harm to employees, client staff and their customers leading to fines, financial claims and reputational damage.	Comprehensive health, safety, quality and environment (HSQE) management system in place, accredited to ISO 45001 standards. Monthly HSQE review meetings at divisional and Group level, attended by senior management and directors. Regular training and updates for operational staff.
Technology systems	The Group is committed to investing in technology solutions that will drive revenue growth or improve operational efficiency. Failure to operate rigorous control and oversight may result in returns on such investment being lower than expected.	The Group has strong alliances with key partners to deliver these projects and is continuing to invest in its IT systems following the demerger from the Impellam Group.

Carlisle Support Services Group Limited

Group Strategic Report (continued) For the Year Ended 31 December 2019

Operational risks (continued)	Impact	Mitigation
Cyber and information security	The risk of external cyber-attacks continues to increase. A successful attack could result in loss of sensitive data, business disruption and/or damage to the Group's reputation.	IT managed services are provided by our strategic partner who is well qualified to deliver such services including Cyber and Information security; our partner holds the ISO 27001 standard for managing information securely. All senior, management and support function staff are required to undertake annual online Cyber Security training.
Business continuity	A major disruptive event, such as a fire, severe weather etc., affecting one of the Group's operating locations could lead to loss of business and/or adverse impacts on staff and assets.	Robust cloud-based IT systems and portable IT equipment are in place for all management and support staff working in office locations, enabling those staff to work from any location with an internet connection, including from home.
Financial, regulatory, compliance risks	Impact	Mitigation
Contractual complexity	In certain sectors, the Group's clients are becoming increasingly sophisticated in their procurement and buying activity. Competitive tendering activity and commercial contracts are becoming increasingly complex, with longer lead times in decision-making. This necessitates constant development of the Group's service offering, the sophistication of our selling activities and the management of tendering processes.	The Group has a standardised contract review process in place involving operational, commercial and legal oversight. The Group also continues to invest in specialist resource to support these activities and delivery of clients' service expectations.
Cash and liquidity management	Poor cash and liquidity management may result in a strain on the Group's credit facilities and operational cash issues.	The Group's finance function closely monitor and reviews its cash position and forecasts The Group has a Delegation of Authority policy in place which governs payment terms for suppliers and clients. The Group is debt free and has an overdraft facility in place which is suitable for meeting its liabilities.

Carlisle Support Services Group Limited

Group Strategic Report (continued) For the Year Ended 31 December 2019

Financial, regulatory, compliance risks (continued)

	Impact	Mitigation
Finance control	A failure of financial control could lead to a material loss to the business.	<p>The Group has a Delegation of Authority policy in place which governs approval of decisions and transactions.</p> <p>Appropriate segregation of duties is maintained in all finance processes. All payment runs are reviewed by senior directors.</p> <p>Regular updates relating to financial fraud prevention are communicated to finance staff.</p>

Section 172 (1) statement

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of employees and other stakeholders and other matters in their decision making.

The directors recognise the importance of maintaining strong relationships with all stakeholder groups to ensure their interests are considered when making decisions, and that this is necessary for achieving the long-term success of the group and its subsidiaries.

The following disclosure describes how the board has considered the matters set out in Section 172 (1) (a) to (f) and forms the directors' statement required under the Companies Act 2006.

Carlisle Support Services Group Ltd board of directors

Following the demerger of the Carlisle Group of companies from Impellam Group plc in March 2019, the company appointed a board of directors comprised of experienced executive and non-executive company directors and senior management with many years combined experience working in the group or in similar businesses.

The board holds regular meetings to consider the long-term strategy of the Group and its effect on stakeholders.

An example of a decision made in 2019 where the board had regard to long-term implications is below

Example: Board decision to outsource IT services and provide Cloud-based IT platform to employees

- **Shareholders:** The decision to outsource IT services to a large IT services provider is cost effective and scalable, providing good value and future-proofing the business. This decision has also supported business continuity well, in particular during the CV-19 pandemic in 2020.
- **Customers:** The decision to outsource IT services has enabled active sharing of information related to Carlisle's performance against KPIs with customers.
- **Employees:** Outsourcing IT services has enabled robust IT service provision, strong cyber security and data security, and minimal lost working time.

The decision to outsource IT allows employees to work remotely, including from home. This has served the business well from a business continuity point of view, during the CV-19 pandemic in 2020

Further information on the group's strategy can be found in the CEO's statement.

Carlisle Support Services Group Limited

**Group Strategic Report (continued)
For the Year Ended 31 December 2019**

Section 172 (1) statement (continued)

Shareholders

Board decision to ensure shares can be traded:

The directors have ensured that shares are Crest enabled and listed on the JP Jenkins share trading platform to allow shares to be bought and sold and maintain a market-value.

Employees and workers

The board receives regular updates on employee related matters.

The directors have committed that group companies will continue to be a recognised Living Wage Foundation service provider, and are committed to increasing pay rates and working with our customers to achieve this. The directors support the continuation of employee reward and recognition schemes.

The directors host monthly Town-Hall meetings for all management and support staff. These meetings are used to provide an update on business performance and business strategy to promote employee engagement. Employee questions are and participation are encouraged. A social media platform for all employees is active and regular business updates provide information to the employees. This allows them to raise questions on an ongoing basis which are responded to by senior management.

The board took the decision to implement an independent whistleblowing helpline and service and information on this helpline is regularly shared with employees and provided to all new employees as they join the company. For employees working in the Rail sector the Company also provides information about the RSSB's confidential reporting for safety service (CIRAS).

The board decided to move to improved offices in Luton, near to the previous office, following the demerger from Impellam Group. This ensured continuity of employment for office staff, and a good working environment.

Customer and supplier relationships

The directors are committed to encouraging strong customer and supplier relationship. The board receives regular updates from the CEO on customer and supplier matters.

The group hosts its annual Innovation Lab event each year and the board is committed to maintaining these annual events (where permissible in COVID-19 times). Customers, suppliers and management attend.

Customers

Customers are at the heart of Group's businesses and the board is committed to continuing monthly "temperature check" reviews with key clients and monitoring the results.

The board supports the group's strategy to work with a small number of larger customers, as noted in the CEO's statement.

Suppliers

The board supports the increased levels of supplier engagement activity in 2020 to ensure suppliers are regularly engaged with, fully compliant and financially sustainable.

Carlisle Support Services Group Limited

Group Strategic Report (continued)
For the Year Ended 31 December 2019

Section 172 (1) statement (continued)

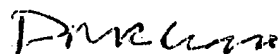
Ethical business practice

The Carlisle Group has a responsibility to show the highest levels of ethical practices.

To support this mandatory training is provided to all management and support staff through an online learning platform and modules include modern slavery, whistleblowing, anti-bribery, equality and diversity and data protection. Carlisle's Modern Slavery statement is available on our website.

Carlisle Group Policies and procedures inclusive of the above are made available to employees through our IT platform.

This report was approved by the board on 15th February 2021 and signed on its behalf.



P M R Gaze
Director

Carlisle Support Services Group Limited

Directors' Report For the Year Ended 31 December 2019

The directors present their report together with the audited financial statements for the year ended 31 December 2019.

Results and dividends

The profit for the year, after taxation, amounted to £1,146 thousand (2018 -£314 thousand).

During the year, the directors paid dividends of £Nil (2018 - £Nil).

Directors

The directors who served during the year were:

A.E Entwistle (appointed 7 March 2019)
P.A Evans (appointed 7 March 2019)
P.M.R Gaze (appointed 7 March 2019)
P.T Osborne (appointed 7 March 2019)
M.B Shirt (appointed 7 March 2019)

Political contributions

The Group has made no political donations during the current or prior periods.

Directors liabilities

During the period and up to the date of these financial statements, the Company had in force an indemnity provision in favour of one or more directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

Financial instruments

Objectives and policies

During the year, the Group's principal financial instruments comprised access to funding from a revolving credit facility, cash and short-term deposits. Following the demerger, the access to the revolving credit facility held by Impellam Group plc was replaced by an overdraft facility within the demerged Carlisle Group. The main purpose of these financial instruments is to raise finance for the group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The Group does not enter into derivative transactions.

Price risk, credit risk, liquidity risk and cash flow risk

The main risk arising from the Group's financial instruments are interest rate risk and foreign currency risk. The board reviews and agrees policies for managing of these risks as summarised below:

Interest rate risk

The Group's exposure to interest rate risk is minimal as borrowings are held at a group level. The Group does not currently hedge this risk.

Statement of Corporate Governance arrangements

The Group did not formally apply a code of governance but broadly followed the Wates Principles in applying its corporate governance arrangements during the year. References to these arrangements are covered in both the CEO's Statement and the Strategic Report, including the S.172 Statement.

Carlisle Support Services Group Limited

Directors' Report (continued) For the Year Ended 31 December 2019

Employee involvement

The Group recognises that it is essential to maintain a highly skilled workforce. To this year end the policy of training and development is incorporated in the company plan. It is the policy to promote from within the organisation wherever the possibility exists.

Health and safety measures are given particular attention by the directors and a written policy exists and is known throughout the Group.

The Group recognises the need for employees to be informed of the Group's activities and performance. A corporate intranet for all employees provides a wide range of information and provides an increasingly important communication tool for policies and procedures as well as the sharing of information, document storage and specific news. Meetings are held between management and employees to allow sharing of information and consultation. Employees participate directly in the performance of the business through the Group's bonus arrangements.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Post balance sheet events

Since the balance sheet date, the severe global disruption caused by COVID-19 has continued. This is a non-adjusting post balance sheet event. The directors have considered the impact of COVID-19 on the going concern of the Group in the going concern section of note 2.4 to these financial statements..

Disclosure of information to auditor

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 and the Group'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 and the Group's auditor is aware of that information.

Auditor

The auditor, BDO LLP, who was appointed in the year, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *15th February 2021* and signed on its behalf.



P A Evans
Director

Carlisle Support Services Group Limited

Directors' Responsibilities Statement For the Year Ended 31 December 2019

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 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 the Group and Company and of the profit or loss of the group and 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 UK 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 Group will continue in business.

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

Carlisle Support Services Group Limited

Independent Auditor's Report to the Members of Carlisle Support Services Group Limited

Opinion

We have audited the financial statements of Carlisle Support Services Group Limited ("the parent company") and its subsidiaries ("the group") for the year ended 31 December 2019 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2019 and of the group's 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.

Basis for opinion

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

Conclusions relating to going concern

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 group or the parent 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.

Carlisle Support Services Group Limited

Independent Auditor's Report to the Members of Carlisle Support Services Group Limited (continued)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Carlisle Support Services Group Limited

Independent Auditor's Report to the Members of Carlisle Support Services Group Limited (continued)

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the parent 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 Parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Christopher Driver (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton
United Kingdom

15th February 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Carlisle Support Services Group Limited

Consolidated Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £000	2018 £000
Turnover	4	65,072	56,701
Cost of sales		(59,016)	(51,968)
Gross profit		6,056	4,733
Administrative expenses		(4,748)	(4,347)
Exceptional administrative gains	11	3	-
Operating profit	5	1,311	386
Interest payable and similar charges	9	(21)	(24)
Profit before taxation		1,290	362
Tax on profit	10	(144)	(48)
Profit for the financial year		1,146	314
Actuarial (losses)/gains on defined benefit pension scheme	19	(239)	99
Movement of deferred tax relating to pension deficit	16	45	(30)
Other comprehensive income for the year		(194)	69
Profit and total comprehensive income for the year		952	383
Profit for the year attributable to:			
Owners of the parent company		1,146	314
Total comprehensive income for the year attributable to:			
Owners of the parent company		952	383

There were no recognised gains or losses for 2019 or 2018 other than those included in the consolidated statement of comprehensive income.

The above results relate to continuing activities.

The notes on pages 24 to 47 form part of these financial statements.

Carlisle Support Services Group Limited

Registered number: 07880629

Consolidated Statement of Financial Position As at 31 December 2019

	Note	2019 £000	2019 £000	As restated 2018 £000	As restated 2018 £000
Fixed assets					
Tangible assets	12		141		240
Current assets					
Debtors: amounts falling due within one year	14	10,951		9,568	
Cash at bank and in hand		3,115		2,078	
		<u>14,066</u>		<u>11,646</u>	
Creditors: amounts falling due within one year	15	(11,577)		(10,082)	
Net current assets			<u>2,489</u>		<u>1,564</u>
Total assets less current liabilities			<u>2,630</u>		<u>1,804</u>
Provisions for liabilities					
Pension liability	19		(136)		(262)
Net assets			<u>2,494</u>		<u>1,542</u>
Capital and reserves					
Called up share capital	17		1,671		1,671
Merger reserve	18		(1,037)		(1,037)
Profit and loss account	18		1,860		908
Total equity			<u>2,494</u>		<u>1,542</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
15th February 2021.



M B Shirt
Director

The notes on pages 24 to 47 form part of these financial statements.

Carlisle Support Services Group Limited

Registered number: 07880629

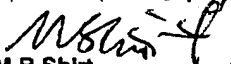
Company Statement of Financial Position As at 31 December 2019

	Note	2019 £000	2019 £000	As restated 2018 £000	As restated 2018 £000
Fixed assets					
Investments	13		1,670		1,670
Current assets					
Debtors: amounts falling due within one year	14	867		195	
Cash at bank and in hand		-		-	
		<u>867</u>		<u>195</u>	
Creditors: amounts falling due within one year	15	(776)		-	
Net current assets			<u>91</u>		<u>195</u>
Net assets			<u><u>1,761</u></u>		<u><u>1,865</u></u>
Capital and reserves					
Called up share capital	17		1,671		1,671
Profit and loss account	18		90		194
Total equity			<u><u>1,761</u></u>		<u><u>1,865</u></u>

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the parent company for the year was £104k (2018 - £Nil).

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

15th February 2021


M B Shiri
Director

The notes on pages 24 to 47 form part of these financial statements.

Carlisle Support Services Group Limited

Consolidated Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2019	1,671	(1,037)	908	1,542
Comprehensive Income for the year				
Profit for the year	-	-	1,146	1,146
Actuarial losses on pension scheme	-	-	(194)	(194)
Total comprehensive income for the year	-	-	952	952
At 31 December 2019	1,671	(1,037)	1,860	2,494

Consolidated Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2018	1,671	(1,037)	525	1,159
Comprehensive Income for the year				
Profit for the year	-	-	314	314
Actuarial gains on pension scheme	-	-	69	69
Other comprehensive income for the year	-	-	69	69
Total comprehensive income for the year	-	-	383	383
At 31 December 2018	1,671	(1,037)	908	1,542

The notes on pages 24 to 47 form part of these financial statements.

Carlisle Support Services Group Limited

Company Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2019	1,671	194	1,865
Comprehensive Income for the year			
Loss for the year	-	(104)	(104)
	-	(104)	(104)
Total comprehensive income for the year			
	-	(104)	(104)
At 31 December 2019	1,671	90	1,761

Company Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2018	1,671	194	1,865
Comprehensive Income for the year			
Profit for the year	-	-	-
	-	-	-
Total comprehensive income for the year			
	-	-	-
At 31 December 2018	1,671	194	1,865

The notes on pages 24 to 47 form part of these financial statements.

Carlisle Support Services Group Limited

Consolidated Statement of Cash Flows For the Year Ended 31 December 2019

	2019 £000	2018 £000
Cash flows from operating activities		
Profit for the financial year	1,146	314
Adjustments for:		
Depreciation of tangible assets	184	138
Interest paid	21	24
Taxation charge	144	48
(Increase)/decrease in debtors	(1,415)	2,239
Increase/(decrease) in creditors	1,436	(4,285)
Difference between net pension expense and cash contribution	(365)	(76)
Corporation tax paid	(8)	-
Net cash generated from operating activities	1,143	(1,598)
Cash flows from investing activities		
Purchase of tangible fixed assets	(97)	(92)
Sale of tangible fixed assets	12	-
Net cash from investing activities	(85)	(92)
Cash flows from financing activities		
Interest paid	(21)	(24)
Net cash used in financing activities	(21)	(24)
Net increase/(decrease) in cash and cash equivalents	1,037	(1,714)
Cash and cash equivalents at beginning of year	2,078	3,792
Cash and cash equivalents at the end of year	3,115	2,078
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,115	2,078

The notes on pages 24 to 47 form part of these financial statements.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

1. General Information

Carlisle Support Services Group Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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.

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

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Acquisitions are accounted for under the acquisition method, except for group reconstructions that are accounted for by way of merger accounting.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.3 Parent company exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available to qualifying entities in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- No cash flow statement or net debt reconciliation has been presented for the parent company;
- Disclosures in respect of the parent company's income, expense, net gains and net losses on financial instruments measured at amortised cost have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

2.4 Going concern

The financial statements have been prepared on the going concern basis as the directors have prepared detailed budgets for a period of at least 12 months from the date of signing the accounts which show that the group is expected to be able to meet all its liabilities as they fall due. However, it is acknowledged that the global and UK outbreak of COVID-19 has had a profound impact on the global and UK economy and businesses.

To date the group has seen some significant disruption as a result of COVID-19, notably:

- Reduction in activity in events security and stewarding;
- Reduced activity for retail in-store projects due to social distancing measures; and
- Increased impact on operating costs and time associated due to the reactive management of the impact of COVID-19

However, in the 12 month period to 31st December 2020 the group has reported a strong level of profits.

The group has also taken advantage of the VAT deferral scheme.

The group continues to hold a significant level of cash reserves and, following the de-merger from Impellam Group plc on 8 March 2019, established a rolling overdraft facility with Barclays Bank of £2m which is not due for renewal in the forecast period. Further to this the group remains in a strong net current asset and net asset position.

The directors have prepared forecasts to 31 March 2022 which show continued profitability and cash generation. These forecasts have been based on a current contracted order book for that period, and an expectation to secure new contracts that are in-line with performance levels similar to prior years.

The directors have also produced a detailed going concern stress test for Carlisle Support Services Group Limited which assumes there is a fall in cash inflows of 15% from current forecasts throughout the forecast period to 31 March 2022, with no reductions in operating expenditure. The conclusion of the stress test for Carlisle Support Services Group Limited is that the business will not exceed its current banking facilities in this considered unlikely scenario for at least 12 months from the date of signing these financial statements.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.4 Going concern (continued)

Based on the continued strong trading results reported post year end, the financing arrangements in place and the significant level of new customer wins and on-going tenders the directors are confident of being able to trade for a period of at least 12 months from the approval of the financial statements and have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis and that no material uncertainty exists in this regard.

2.5 Revenue recognition

Recognition

The group earns revenue from the provision of services relating to cleaning, security and events stewarding services and from the provision of staffing services relating to retail merchandising and retail store development projects.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Performance obligations

The main performance obligations in contracts consist of either:

- the provision of a certain number of hours of cleaning or the cleaning of a certain location, depending on the contract;
- the provision of suitably trained and qualified personnel to provide security services, events stewarding services, transport security and safety services; or
- the provision of labour supply to fulfil retail merchandising and store development services.

For all contracts the stage of completion and delivery of performance obligations are measured at the statement of financial position date by the number of days cleaning provided.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.5 Revenue recognition (continued)

Principal versus agent

The group has arrangements whereby it needs to determine if it acts as a principal or an agent as more than one party is involved in providing the goods and services to the customer. The group acts as a principal if it controls a promised good or service before transferring that good or service to the customer. The group is an agent if its role is to arrange for another entity to provide the goods or services. Factors considered in making this assessment are most notably the discretion the group has in establishing the price for the specified good or service, whether the group has inventory risk and whether the group is primarily responsible for fulfilling the promise to deliver the service or good.

Where the group is acting as a principal, revenue is recorded on a gross basis. Where the group is acting as an agent revenue is recorded at a net amount reflecting the margin earned.

The group has reviewed its contracts and is satisfied that it acts as the principal in all situations.

2.6 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.7 Operating leases: the group as lessee

Rentals payable under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.8 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the term of the lease
Plant and machinery	- 25% straight line per annum
Fixtures and fittings	- 15% - 33% straight line per annum
Office equipment	- 20% - 33% straight line per annum

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 profit or loss.

2.9 Valuation of investments

Fixed asset investments are stated at cost less a provision for impairment. The carrying values of investments are reviewed for impairment at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating unit to which the assets are allocated. Estimating the value in use requires the company to make an estimate of the future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

2.10 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.

2.11 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.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.12 Financial instruments

The Group only enters into basic financial instrument 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 consolidated 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 of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

2.13 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.

2.14 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the statement of financial position date.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.15 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

Defined benefit pension plan

The group also operates 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.

The liability recognised in the statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.16 Exceptional items

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

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting date in the countries where the company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

2.18 Prior year adjustment

In the prior year there was an error in respect of the classification of credit balances held within the group's credit note provisions. As the error was material, the comparative information has been restated.

The impact was to increase trade debtors and accruals by £225k. This has no profit impact and therefore no impact to opening reserves brought forward at 1 January 2019.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

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

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred for the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty are:

- Tangible fixed assets (see note 12)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Defined benefit pension scheme (see note 19)

The group operates a defined benefit pension scheme, in accordance with the accounting policy stated above. The future pension liabilities that will arise and the expected return on scheme assets are based upon various assumptions such as mortality rates, investment returns and future inflation. The calculation of the scheme deficit/surplus is based on these assumptions which are discussed and agreed with the scheme's actuary who assists the directors with the calculation of the figures included in note 19. The principal actuarial assumptions used at the statement of financial position date are included in note 19.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

4. Turnover

The analysis of the group's turnover relating wholly to the provision of cleaning, security and retail merchandising services for the year from continuing operations is as follows:

	2019 £000	2018 £000
Rendering of services	47,729	40,717
Rendering of cleaning services	12,677	9,251
Rendering of retail merchandising	4,666	6,733
	<u>65,072</u>	<u>56,701</u>

Analysis of turnover by country of destination:

	2019 £000	2018 £000
United Kingdom	64,197	55,584
Europe	875	1,117
	<u>65,072</u>	<u>56,701</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2019 £000	2018 £000
Depreciation of tangible fixed assets	184	138
Exchange differences	14	(5)
Operating leases expense	802	685
Defined contribution pension cost	787	445
Defined benefit cost	13	54
	<u>1,800</u>	<u>1,327</u>

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

6. Auditor's remuneration

	2019 £000	2018 £000
Fees payable to the group's auditor and its associates for the audit of the group's annual financial statements	55	65
Fees payable to the group's auditor and its associates in respect of:		
Taxation compliance services	15	-
Other services relating to taxation	3	-
All other services	8	-
	26	-

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Wages and salaries	48,249	41,536	-	-
Social security costs	3,421	2,853	-	-
Cost of defined benefit scheme	13	54	-	-
Cost of defined contribution scheme	787	445	-	-
	52,470	44,888	-	-

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

7. Employees (continued)

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

	2019 No.	2018 No.
Operations	3,715	2,344
Operations management	51	41
Sales / Marketing	8	7
Admin / Support	41	38
	<u>3,815</u>	<u>2,430</u>

The average monthly number of employees during the year, including the directors, calculated on a full time equivalent (FTE) basis was 2,108 (2018 - 1,988).

The company has no employees other than the directors, who did not receive any remuneration (2018 - £Nil).

8. Directors' remuneration

	2019 £000	2018 £000
Directors' emoluments	366	-
Company contributions to defined contribution pension schemes	17	-
	<u>383</u>	<u>-</u>

The emoluments of the directors in office during the year were paid by Carlisle Security Services Limited with their remuneration as disclosed in the financial statements of that company.

During the year, retirement benefits accrued to two directors in respect of defined contribution pension schemes.

The highest paid director received remuneration of £233,397.

The value of the group's contributions paid to a defined contribution pension scheme amounted to £12,750.

The value of the group's contributions paid to a defined benefit pension scheme amounted to £Nil.

In 2018, the emoluments of the directors in office during the year were paid by the ultimate parent company at that time, Impellam Group plc. The emoluments attributable to services in relation to this company were £58,000.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

9. Interest payable and similar charges

	2019 £000	2018 £000
Bank interest payable	19	14
Net interest on defined benefit pension liability	2	10
	<u>21</u>	<u>24</u>

10. Taxation

	2019 £000	2018 £000
Corporation tax		
Current tax on profits for the year	53	-
Adjustments in respect of previous periods	14	-
Foreign tax		
Foreign tax on income for the year	-	8
Total current tax	<u>67</u>	<u>8</u>
Deferred tax		
Origination and reversal of timing differences	70	12
Adjustments in respect of previous periods	7	28
Total deferred tax	<u>77</u>	<u>40</u>
Taxation on profit on ordinary activities	<u>144</u>	<u>48</u>

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £000	2018 £000
Profit on ordinary activities before tax	1,290	362
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	245	70
Effects of:		
Expenses not deductible for tax purposes	8	17
Write off of amounts owed to Impellam Group plc companies	(121)	-
Fixed asset differences	(2)	-
Transfer pricing adjustments	1	(24)
Adjustments to tax charge in respect of prior periods	21	28
Deferred tax not recognised	(8)	-
Group relief surrender	-	(43)
Total tax charge for the year	144	48

Factors that may affect future tax charges

A change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted for UK GAAP purposes on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19%, rather than the previously enacted reduction to 17%.

11. Exceptional items

	2019 £000	2018 £000
Exceptional administrative gains	659	-
Exceptional administrative expenses	(656)	-
	3	-

Exceptional administrative gains are in relation to a one off settlement and write off of amounts owed to Impellam Group plc at the date of demerger of Carlisle Support Services Group Limited.

Exceptional administrative expenditure is in relation to one off costs incurred as a result of the de-merger of Carlisle Support Services Group Limited from Impellam Group plc.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

12. Tangible fixed assets

Group

	Short-term leasehold property £000	Plant and machinery £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost or valuation					
At 1 January 2019	253	276	864	2,212	3,605
Additions	-	-	77	20	97
Disposals	(126)	(219)	(641)	(1,286)	(2,272)
At 31 December 2019	127	57	300	946	1,430
Depreciation					
At 1 January 2019	247	162	827	2,129	3,365
Charge for the year	4	104	18	58	184
Disposals	(126)	(219)	(632)	(1,283)	(2,260)
At 31 December 2019	125	47	213	904	1,289
Net book value					
At 31 December 2019	2	10	87	42	141
At 31 December 2018	6	114	37	83	240

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

13. Fixed asset investments

Company

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2019	1,670
At 31 December 2019	1,670
Net book value	
At 31 December 2019	1,670
At 31 December 2018	1,670

Details of the subsidiaries at 31 December 2019 are as follows:

Name	Country of incorporation	Holding	Principal activity
Carlisle Security Services Limited	United Kingdom	100%	Security services
Carlisle Retail Services (Luton) Plc	United Kingdom	100%	Retail merchandising
Carlisle Cleaning Services Limited	United Kingdom	100%	Contract cleaning services
Carlisle Interior Services Limited*	United Kingdom	100%	Dormant

* indicates indirect investment of the company

The registered office of all subsidiaries incorporated in the UK is First Floor, 251 The Boulevard, Capability Green, Luton, Bedfordshire, LU1 3LU.

Carlisle Cleaning Services Spain SL, which was a subsidiary at 31 December 2018, was liquidated during the year following the demerger of Carlisle Support Services Group Limited from Impellam Group plc. The registered office of Carlisle Cleaning Services Spain SL until the date of its liquidation was Paseo de la Castellana 259C, 28046 Madrid, Spain. Carlisle Interior Services Limited was exempt from audit.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

14. Debtors: amounts falling due within one year

	Group 2019 £000	As restated Group 2018 £000	Company 2019 £000	Company 2018 £000
Trade debtors	8,411	7,512	-	-
Amounts owed by group undertakings	-	-	867	195
Amounts owed by related parties	-	21	-	-
Other debtors	327	16	-	-
Prepayments and accrued income	2,015	1,789	-	-
Deferred taxation (note 16)	198	230	-	-
	<u>10,951</u>	<u>9,568</u>	<u>867</u>	<u>195</u>

15. Creditors: amounts falling due within one year

	Group 2019 £000	As restated Group 2018 £000	Company 2019 £000	Company 2018 £000
Trade creditors	790	847	-	-
Amounts owed to group undertakings	-	-	757	-
Amounts owed to related parties	-	590	-	-
Corporation tax	67	8	-	-
Other taxation and social security	2,638	2,107	-	-
Other creditors	4,964	4,341	-	-
Accruals and deferred income	3,118	2,189	19	-
	<u>11,577</u>	<u>10,082</u>	<u>776</u>	<u>-</u>

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

16. Deferred taxation

Group

	2019 £000
At beginning of year	230
Charged to profit or loss	(77)
Charged to other comprehensive income	45
At end of year	<u>198</u>

The deferred tax asset is made up as follows:

	Group 2019 £000	Group 2018 £000
Fixed asset timing differences	154	176
Short term timing differences	21	9
Amounts attributable to pension scheme	23	45
	<u>198</u>	<u>230</u>

17. Share capital

	2019 £000	2018 £000
Allotted, called up and fully paid		
1,671,000 ordinary shares of £1 each	<u>1,671</u>	<u>1,671</u>

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

18. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Merger reserve

Under merger accounting principles the merger reserve arose following the de-merger of the group from Impellam Group plc on 8 March 2019.

In accordance with merger accounting under FRS 102 the merger reserve is accounted for as having been in existence since the date the subsidiaries of the group were originally acquired by the group.

Profit and loss account

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

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

19. Pension commitments

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £787k (2018 - £445k). Contributions totalling £373k (2018 - £192k) were payable to the fund at the reporting date and are included in creditors.

Defined benefit pension scheme

The group operates a defined benefit pension scheme. A limited number of employees are members of the Carlisle Services Shared Cost Section of the Railway Pension Scheme ("RPS"). The RPS provides benefits based on the final salary for members of the scheme.

Contributions payable to the pension scheme at the end of the year are £Nil (2018 - £Nil). The expected contributions to the plan for the next reporting period are £24,000. The weighted average duration of the defined benefit obligation at the end of the reporting period is 18 years (2018 - 19 years).

Reconciliation of present value of plan liabilities:

	2019 £000	2018 £000
Reconciliation of present value of plan liabilities		
At the beginning of the year	2,537	2,585
Current service cost	13	29
Past service cost	-	25
Actuarial loss/(gain) arising from changes in financial assumptions	282	(89)
Interest cost	70	64
Contributions by scheme participants	6	8
Benefits paid	(102)	(85)
Experience losses arising on the scheme liabilities	(2)	-
At the end of the year	2,804	2,537

Composition of plan liabilities:

	2019 £000	2018 £000
Present value of scheme liabilities arising from wholly or partly funded schemes	2,804	2,537
Total plan liabilities	2,804	2,537

Reconciliation of present value of plan assets:

2019	2018
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Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

19. Pension commitments (continued)

	£000	£000
At the beginning of the year	2,275	2,148
Interest income	68	54
Actuarial gains arising from changes in financial assumptions	41	10
Employer contributions	380	140
Contributions by scheme participants	6	8
Benefits paid	(102)	(85)
At the end of the year	2,668	2,275

Composition of plan assets:

	2019 £000	2018 £000
UK Government bond pooled funds	752	634
Cash	6	14
Investment funds	1,910	1,627
Total plan assets	2,668	2,275

	2019 £000	2018 £000
Fair value of plan assets	2,668	2,275
Present value of plan liabilities	(2,804)	(2,537)
Net pension scheme liability	(136)	(262)

The amounts recognised in profit or loss are as follows:

	2019 £000	2018 £000
Current service cost	13	29
Past service cost	-	25
Gains on curtailments and settlements	2	-
Total	15	54

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

19. Pension commitments (continued)

The pension scheme has not invested in any of the group's own financial instruments or in properties or other assets used by the group.

The overall expected return on assets assumption is derived as the weighted average of the expected returns from each of the main asset categories.

The cumulative amount of actuarial gains and losses recognised in the statement of comprehensive income since 1 January 2002 is £346,000 (2018 - £585,000).

The group expects to contribute £24,000 to its defined benefit pension scheme in 2020.

The group expects to contribute £NIL to its defined benefit pension scheme in 2020.

	2019 £000	2018 £000
Analysis of actuarial loss recognised in Other Comprehensive Income		
Actuarial gains and (losses)	(280)	89
Changes in assumptions underlying the present value of the scheme liabilities	41	10
	<u>(239)</u>	<u>99</u>

Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages):

	2019	2018
Discount rate	3.00%	2.80%
Future salary increases	2.20%	2.35%
Future pension increases	2.20%	2.35%
Mortality rates		
Current UK pensioners at retirement age - male	84.60 years	85.20 years
Future UK pensioners at retirement age - male	<u>87.30 years</u>	<u>87.20 years</u>

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

20. Commitments under operating leases

At 31 December 2019 the Group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Not later than 1 year	401	332	239	-
Later than 1 year and not later than 5 years	639	408	561	-
Later than 5 years	640	-	640	-
	<u>1,680</u>	<u>740</u>	<u>1,440</u>	<u>-</u>

21. Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Demerger of Carlisle Support Services Group Limited

In March 2019 Carlisle Support Services Group Limited, a wholly owned subsidiary of Impellam Group, and its subsidiaries was demerged from Impellam Group, a Company registered in England and Wales. On 20 February 2019, the Impellam Group Board declared a dividend in specie in respect of the demerger amounting to £1.7m which was paid on 8 March 2019 to all Impellam Group shareholders on the register at 1 March 2019.

On the date of demerger Impellam Group made a payment of £350,000 to the defined benefit pension scheme held in Carlisle Cleaning Services Limited. Amounts owed to Impellam Group by the Carlisle Group totalling £658,760 were waived and these are recognised as exceptional administrative gains in the Carlisle Group statement of comprehensive income.

This decision was taken with a view as to how best to drive profit and growth in Carlisle Group's core Global Managed Solutions and Specialist Staffing businesses. Carlisle Group was non core to Impellam Group. The Carlisle Group Board believed the Demerger would enable its management team and employees to increase investment in new business and to improve focus on the development of its own client portfolio and services. The demerger resulted in qualifying Impellam Group shareholders being issued with an equivalent number of shares in Carlisle.

Transactions with Impellam

During the year the group made sales of £140,471 (2018 - £179,130) to Impellam Group plc relating to the provision of security and cleaning services. At 31 December 2019 amounts totalling £16,314 (2018 - £13,307) were outstanding and included in trade debtors.

During the year the group made purchases of £734,263 (2018 - £1,072,097) from Impellam Group plc. At 31 December 2019 amounts totalling £141,492 (2018 - £Nil) were outstanding and included in trade creditors and accruals.

The Impellam Group plc is a related party by virtue of common shareholding.

Carlisle Support Services Group Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

21. Related party transactions (continued)

Other related party transactions

During the year the group made purchases of £836,638 (2018 - £935,040) from Blue Arrow Limited, a wholly owned subsidiary of Impellam Group plc. At 31 December 2019 amounts totalling £216,109 (2018 - £46,555) were outstanding and included in trade creditors and other creditors.

During the year the group made purchases of £105,707 (2018 - £Nil) from Lorien Resourcing Limited, a wholly owned subsidiary of Impellam Group plc. At 31 December 2019 amounts totalling £Nil (2018 - £Nil) were outstanding and included in trade creditors. The entity is a related party by virtue of a common share holding.

Key management remuneration

Key management personnel include all directors and a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group.

The total compensation paid to key management personnel for services provided to the group was £924,440 (2018 - £895,432).

22. Post balance sheet events

Since the balance sheet date the global disruption caused by COVID-19 has become ever more evident. This is a non-adjusting post balance sheet event. The directors have considered the impact of COVID-19 on the going concern position of the group in the going concern section of note 2.4 to these accounts.

23. Controlling party

Prior to 8 March 2019, the company's immediate and ultimate parent was Impellam Group plc.

On 8 March 2019 the company, along with its subsidiaries, was demerged from Impellam Group plc.

From this date, in the view of the directors, the group and company are under the ultimate control of Lord Ashcroft KCMG, PC, by virtue of his majority shareholding in the group.