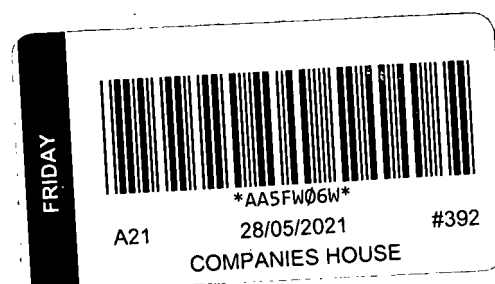


Registration number: 11732887

IPSERV Direct Services Limited

Annual Report and Financial Statements

for the Period from 18 December 2018 to 31 March 2020



IPSERV Direct Services Limited

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IPSERV Direct Services Limited

Company Information

Directors	J D Fairclough
	C Kreidewolf
	L Trenchard
	C Spittlehouse
	R S Williams
Company secretary	J A Mitchell
Registered office	Grafton House
	Russell Road
	Ipswich
	Suffolk
	IP1 2DE
Auditors	Grant Thornton UK LLP
	Priory Place
	New London Road
	Chelmsford
	Essex CM2 0PP

IPSERV Direct Services Limited

Directors' Report for the Period from 18 December 2018 to 31 March 2020

The directors present their report and the financial statements for the period from 18 December 2018 to 31 March 2020.

Incorporation

The company was incorporated and commenced trading on 18 December 2018.

Directors of the company

The directors who held office during the period were as follows:

J D Fairclough (appointed 18 December 2018)

C Kreidewolf (appointed 18 December 2018)

A J Leeder (appointed 18 December 2018 and ceased 13 June 2019)

L Trenchard (appointed 17 July 2019)

C Spittlehouse (appointed 18 December 2018)

R S Williams (appointed 18 December 2018)

Principal activity

The principal activity of the company is to provide Ipswich Borough Council with a partner which will service their contracts.

Business review

The company was incorporated on 18th December 2018 with 10 Ordinary Shares with an aggregate nominal value of £10 owned by Ipswich Borough Council. The loss for the year before taxation is £3,508. The directors do not recommend that a dividend is paid for the year.

Future developments

The company will continue to deliver services to its parent entity as required.

Going concern

The directors have considered the ability of the company to continue as a going concern, and are confident that there are no issues that would adversely affect the company. Contracted services are provided by connected companies to the parent company and its subsidiaries. Having made enquiries of other companies in the group, the directors are satisfied that profitable activities will continue and that it is appropriate to prepare these accounts on a going concern basis.

Disclosure of information to the auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The directors did not prepare a Strategic report because they took advantage of the small companies exemption stipulated by the Companies Act 2006.

IPSERV Direct Services Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

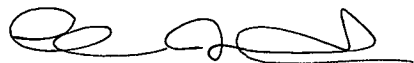
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial reporting standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Approved by the Board on 27 May 2021 and signed on its behalf by:



.....
C Kreidewolf
Director

IPSERV Direct Services Limited

Independent Auditor's Report to the Members of IPSERV Direct Services Limited

Opinion

We have audited the financial statements of IPSERV Direct Services Limited for the period from 18 December 2018 to 31 March 2020, which comprises the Profit & loss Account, Statement of Total comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

IPSERV Direct Services Limited

Independent Auditor's Report to the Members of IPSERV Direct Services Limited

Conclusions relating to going concern

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

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

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from Brexit and Covid-19, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

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.

IPSERV Direct Services Limited

Independent Auditor's Report to the Members of IPSERV Direct Services Limited

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

IPSERV Direct Services Limited

Independent Auditor's Report to the Members of IPSERV Direct Services Limited

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Timothy Taylor

Grant Thornton UK LLP

Timothy Taylor (Senior Statutory Auditor)

For and on behalf of Grant Thornton UK LLP, Statutory Auditor

Priory Place
New London Road
Chelmsford
Essex
CM2 0PP

27 May 2021

IPSERV Direct Services Limited

Income Statement for the Period from 18 December 2018 to 31 March 2020

	Note	2020 £
Turnover		<u>7,215</u>
Gross profit		7,215
Administrative expenses		<u>(10,723)</u>
Operating loss		<u>(3,508)</u>
Loss before tax		(3,508)
Tax Credit		<u>667</u>
Loss for the financial period		<u><u>(2,841)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

The notes on pages 12 to 15 form an integral part of these financial statements.

IPSERV Direct Services Limited

**Statement of Comprehensive Income for the Period from 18 December 2018 to 31
March 2020**

	2020 £
Loss for the period	<u>(2,841)</u>
Total comprehensive income for the period	<u><u>(2,841)</u></u>

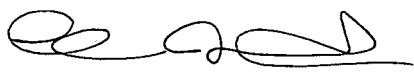
IPSERV Direct Services Limited

(Registration number: 11732887)
Balance Sheet as at 31 March 2020

	Note	2020 £
Current assets		
Debtors	6	158,554
Cash at bank and in hand		<u>21,544</u>
		180,098
Creditors: Amounts falling due within one year	7	<u>(182,929)</u>
Net liabilities		<u>(2,831)</u>
Capital and reserves		
Called up share capital	8	10
Profit and loss account		<u>(2,841)</u>
Shareholders' deficit		<u>(2,831)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 27 May 2021 and signed on its behalf by:



.....
C Kreidewolf
Director

IPSERV Direct Services Limited

Statement of Changes in Equity for the Period from 18 December 2018 to 31 March 2020

	Share capital	Profit and loss account	Total
	£	£	£
At 18 December 2018	10	-	10
Loss for the period	-	(2,841)	(2,841)
Total comprehensive income	-	(2,841)	(2,841)
At 31 March 2020	10	(2,841)	(2,831)

IPSERV Direct Services Limited

Notes to the Financial Statements for the Period from 18 December 2018 to 31 March 2020

1 General information

Country of incorporation

The address of its registered office is:

Grafton House

Russell Road

Ipswich

Suffolk

IP1 2DE

England

These financial statements were authorised for issue by the Board on 27 May 2021.

Statutory Information

The company is a private company, limited by shares and registered in England. Its registered number is 11732887. Its registered office is Grafton House, Russell Road, Ipswich, Suffolk, IP1 2DE. Presentation Currency is GB pounds denoted by the £ sign, the functional currency is also GB pounds.

The primary activities of the company are;

- to provide Ipswich Borough Council with a partner which will service their contracts.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland".

- The requirements of section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7;
- the requirements of Section 11 Financial Instruments paragraph 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c).

2 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with the accounting policies set out below. These financial statements have been prepared in accordance with FRS 102, section 1A - The Financial Reporting Standard applicable to the UK and Republic of Ireland and the Companies Act 2006.

IPSERV Direct Services Limited

Notes to the Financial Statements for the Period from 18 December 2018 to 31 March 2020

Going concern

The directors have considered the ability of the company to continue as a going concern, and are confident that there are no issues that would adversely affect the company. Turnover is generated by the parent company, with cost of sales being delivered by other group entities.

As the company is showing a shareholder's deficit on the balance sheet, the directors have sought, and obtained a letter of comfort from the sole shareholder, Ipswich Borough Council, confirming that the shareholder will provide financial support for a period at least until 31 March 2023. The directors are confident that the company will be in a position to realise profits by this date.

Revenue recognition

Revenue represents the amounts charged for services provided and is stated net of credits, allowances and Value Added Tax. Revenue is recognised when the service is performed. Income relating to future periods is deferred and held within deferred income.

Tax

Taxation represents the sum of tax currently payable and deferred tax.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Share capital

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

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 0.

IPSERV Direct Services Limited

Notes to the Financial Statements for the Period from 18 December 2018 to 31 March 2020

4 Taxation

Tax charged/(credited) in the income statement

2020
£

Current taxation

UK corporation tax

(667)

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK of 19%.

The differences are reconciled below:

2020
£

Loss before tax

(3,508)

Corporation tax at standard rate

(667)

Total tax credit

(667)

5 Auditors' remuneration

2020
£

Audit of the financial statements

8,500

Other fees to auditors

Taxation compliance services

2,213

6 Debtors

2020
£

Note

Amounts owed by group undertakings and undertakings in which the company has a participating interest

157,877

Other debtors

677

158,554

IPSERV Direct Services Limited

Notes to the Financial Statements for the Period from 18 December 2018 to 31 March 2020

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £
Due within one year		
Amounts owed to group undertakings and undertakings in which the company has a participating interest		72,309
Accruals and deferred income		110,267
Other creditors		353
		<u>182,929</u>

8 Share capital

Allotted, called up and fully paid shares

	No.	2020 £
Ordinary shares of £1 each	<u>10</u>	<u>10</u>

Upon incorporation on 18 December 2018, the company issued 10 Ordinary shares of £1 each at par. The Ordinary shares carry equal rights to voting, dividend and to a distribution upon winding up of the company.

9 Parent and ultimate parent undertaking

The company's immediate and ultimate parent undertaking is Ipswich Borough Council, incorporated in England.

The results of the company are included in the consolidated financial statements of Ipswich Borough Council, which are available from the registered office:

Grafton House
Russell Road
Ipswich
Suffolk
IP1 2DE "