

UNITECH SERVICES GROUP LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015
Company Registration No. 05103812 (England and Wales)

COPY FOR SUBMISSION TO THE
REGISTRAR OF COMPANIES



UNITECH SERVICES GROUP LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | R Croatti G Bakevich S Sintros |
| Secretary | S Sintros |
| Company number | 05103812 |
| Registered office | Ruthlyn House 90 Lincoln Road Peterborough PE1 2SP |
| Auditors | Rawlinsons Chartered Accountants Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP |
| Business address | Unit 5 Oakwood Close Pen-Y-Fan Industrial Estate Crumlin South Wales NP11 3HY |

UNITECH SERVICES GROUP LIMITED

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UNITECH SERVICES GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The directors present the strategic report and financial statements for the year ended 31 August 2015.

Review of the business

The Oakdale facility has now been operating for nearly 6 years and the business has seen a steady growth in revenue and profit over that period.

The Directors have in place a series of operational and financial controls that will preserve that profitability for future years and have recently won a significant 4 year contract with a major customer in the UK which could be extended another 3 years following successful completion. This will provide security and the potential for further growth.

Following another very successful year the Directors are pleased to have maintained OHSAS 18001 for Health and Safety and ISO9001 (for quality) and 14001 (for Environment) certifications following a review audit earlier in the year. In addition to this the Oakdale facility was successful in gaining the Investors in People Award (IIP) earlier in the year which demonstrates on on-going commitment to staff development and high staff moral.

The company was recently successful in its application for an operators licence which has enabled it to run its own transport vehicles. This will provide greater efficiency going forward.

Risks

The Directors recognise the inherent risks of operating within the nuclear industry and have in place strategies to minimise exposure in all areas where risk exists. Principal amongst those risks facing the business are:

- Political commitment to the future growth of the nuclear energy sector in the UK
- Government funding for the accelerated decommissioning of nuclear installations
- Customer willingness to consume non-launderable garments

Operational risks are mitigated by the availability of capacity within our sister plant in Holland.

The company continues to monitor and control its principal assets of stock, trade debtors and loans in such a manner as to maximise the company's operations in a volatile market.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Position of the company at the year end

The Balance Sheet shows considerable improvement in the company's financial position over the past year. The Profit and Loss account shows a consolidation of the performance.

Details of debtors are shown in note 8 and details of creditors are shown in note 9.

UNITECH SERVICES GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Key performance indicators (KPI's)

Commercial indicators

Revenue per pound of laundry processed

Develop revenue from new income streams

Minimise costs

Health and safety indicators

Number of workplace or reportable accidents

Lost time due to accidents in days

Improve the promotion, monitoring and measurement of the safety culture

Environment

Maintain and exceed all the environmental legislation that relates to the Company

Trending of gas, electric and water consumption per pound of laundry processed

Reduce the amount of waste going to landfill

Quality

Maintain ISO9001, 14001 and OSHAS 18001 accreditation

Undertake an annual customer satisfaction survey

Meet and exceed customer quality expectations

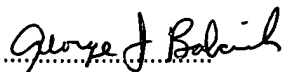
Complete 100% of internal audit schedule and monthly review meetings

Radiological indicators

Personal contamination events

Annual dose for all < 1 man/mSv per year

On behalf of the board



G Bakevich

Director

3-7-16

UNITECH SERVICES GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The directors present their report and financial statements for the year ended 31 August 2015.

Principal activities

The principal activity of the company continues to be the radiological decontamination and laundry of garments and other items associated with the nuclear industry. In addition to this the company took on more work in its scaffold monitoring and recycling service.

Results and dividends

The results for the year are set out on 7.

Future developments

The directors have consolidated Unitech Services Group Limited position for providing an efficient and effective laundry processing service in the Nuclear industry, and are the first contingency choice for facilities that are carrying out their own laundry processing. The directors also see the potential for growth of other revenue streams at the Oakdale Facility. One key area for potential growth is the successful bid for a tool and metal decontamination services for a major customer in the UK which has provided an additional revenue stream.

The directors achieved Investors in People early in 2015 to complement the existing ISO certifications.

Directors

The following directors have held office since 1 September 2014:

R Croatti
G Bakevich
S Sintros

Auditors

The auditors, Rawlinsons Chartered Accountants, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

UNITECH SERVICES GROUP LIMITED

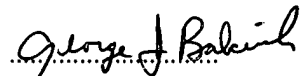
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



G. Bakevich

Director

3-2-16

UNITECH SERVICES GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UNITECH SERVICES GROUP LIMITED

We have audited the financial statements of Unitech Services Group Limited for the year ended 31 August 2015 set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 - 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

UNITECH SERVICES GROUP LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF UNITECH SERVICES GROUP LIMITED

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.

Graham Jones BA FCA (Senior Statutory Auditor)
for and on behalf of Rawlinsons Chartered Accountants

8-2-16

Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

UNITECH SERVICES GROUP LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

| | Notes | 2015 £ | 2014 £ |
|---|-----------|-------------|-------------|
| Turnover | 2 | 4,917,116 | 4,838,828 |
| Change in stocks of finished goods and work in progress | | (50,754) | (101,289) |
| Raw materials and consumables | | (624,518) | (689,723) |
| Other external charges | | (138,071) | (216,970) |
| Staff costs | | (1,144,951) | (943,834) |
| Depreciation on fixed assets | | (469,414) | (552,221) |
| Other operating charges | | (1,069,192) | (1,125,557) |
| Amortisation of government grant | | 9,355 | 9,355 |
| Other operating income | | 40 | 69,175 |
| Operating profit | 3 | 1,429,611 | 1,287,764 |
| Interest payable and similar charges | 4 | (35,574) | (57,919) |
| Profit on ordinary activities before taxation | | 1,394,037 | 1,229,845 |
| Tax on profit on ordinary activities | 5 | (316,837) | (291,039) |
| Profit for the year | 14 | 1,077,200 | 938,806 |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

UNITECH SERVICES GROUP LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|------------------|----------------|
| Profit for the financial year | | 1,077,200 | 938,806 |
| Prior year adjustment | 14 | - | (99,902) |
| Total gains and losses recognised since last financial statements | | <u>1,077,200</u> | <u>838,904</u> |

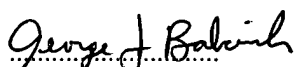
UNITECH SERVICES GROUP LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2015

| | Notes | 2015 £ | £ | 2014 £ | £ |
|---|-------|-------------|-----------|-------------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 6 | | 3,007,252 | | 3,346,076 |
| Current assets | | | | | |
| Stocks | 7 | 710,416 | | 761,170 | |
| Debtors | 8 | 822,711 | | 918,683 | |
| Deferred tax asset | 8 | 40,584 | | 25,688 | |
| Cash at bank and in hand | | 1,458,067 | | 1,606,619 | |
| | | 3,031,778 | | 3,312,160 | |
| Creditors: amounts falling due within one year | 9 | (1,458,143) | | (3,167,230) | |
| Net current assets | | | 1,573,635 | | 144,930 |
| Total assets less current liabilities | | | 4,580,887 | | 3,491,006 |
| Provisions for liabilities | 10 | | (315,849) | | (293,813) |
| Accruals and deferred income | 11 | | (287,715) | | (297,070) |
| | | | 3,977,323 | | 2,900,123 |
| Capital and reserves | | | | | |
| Called up share capital | 13 | | 1,000 | | 1,000 |
| Share premium account | 14 | | 99,000 | | 99,000 |
| Profit and loss account | 14 | | 3,877,323 | | 2,800,123 |
| Shareholders' funds | 15 | | 3,977,323 | | 2,900,123 |

Approved by the Board and authorised for issue on 03 FEB 2016


G Bakevich
Director

Company Registration No. 05103812

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|----------------------------------|----------------------------------|
| Freehold land and buildings | 2.8%, 6.6% and 10% straight line |
| Plant and machinery | 6.6%, 10% and 20% Straight line |
| Fixtures, fittings and equipment | 33.3% and 12.5% Straight line |

1.5 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stock

Stock is valued at the lower of cost and net realisable value. Circulating inventory is being amortised over 15, 24 or 36 months.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.10 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Unifirst Corporation, a company incorporated in the USA, and is included in the consolidated accounts of that company.

1.12 Asset decommissioning provision

The legal obligations of the nuclear industry require costs to be incurred in the future for the decommissioning of the plant. These costs can be forecasted based upon similar experiences within the group. In order to show a true and fair view and to be consistent with other companies in the group, the directors have decided that provisions for decommissioning costs should be made in accordance with group policy. A provision is made in accordance with ASC 410-20 for consistency, this is not materially different to UK GAAP.

2 Turnover and profit on ordinary activities before taxation

| | Turnover 2015 £ | 2014 £ |
|---|-----------------------|------------------|
| Class of business | | |
| Direct sales | 767,293 | 1,119,073 |
| Laundry processing and garment leasing and repair | 4,149,823 | 3,719,755 |
| | <u>4,917,116</u> | <u>4,838,828</u> |

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3 Operating profit

| | 2015 £ | 2014 £ |
|--|-----------|-----------|
| Operating profit is stated after charging: | | |
| Depreciation of tangible assets | 469,414 | 552,221 |
| Loss on disposal of tangible assets | 17,585 | - |
| Auditors' remuneration (including expenses and benefits in kind) | 6,755 | 8,500 |
| and after crediting: | | |
| Government grants | 9,355 | 9,355 |
| Profit on foreign exchange transactions | (2,886) | (2,100) |

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

| | | | |
|----------|---|------------------|------------------|
| 4 | Interest payable | 2015 | 2014 |
| | | £ | £ |
| | On amounts payable to group companies | - | 875 |
| | On bank loans and overdrafts | 35,574 | 57,044 |
| | | <u>35,574</u> | <u>57,919</u> |
| 5 | Taxation | 2015 | 2014 |
| | | £ | £ |
| | Domestic current year tax | | |
| | U.K. corporation tax | 331,733 | 350,042 |
| | Total current tax | <u>331,733</u> | <u>350,042</u> |
| | Deferred tax | | |
| | Origination and reversal of timing differences | (14,896) | (59,003) |
| | | <u>316,837</u> | <u>291,039</u> |
| | Factors affecting the tax charge for the year | | |
| | Profit on ordinary activities before taxation | <u>1,394,037</u> | <u>1,229,845</u> |
| | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 21.00%) | <u>278,807</u> | <u>258,267</u> |
| | Effects of: | | |
| | Non deductible expenses | 5,807 | 4,724 |
| | Depreciation add back | 93,883 | 114,002 |
| | Capital allowances | (56,773) | (60,204) |
| | Changes in tax rates | 245 | 18,348 |
| | Other tax adjustments | 9,764 | 14,905 |
| | | <u>52,926</u> | <u>91,775</u> |
| | Current tax charge for the year | <u>331,733</u> | <u>350,042</u> |

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Tangible fixed assets

| | Freehold land and buildings £ | Plant and machinery £ | Fixtures, fittings and equipment £ | Total £ |
|-----------------------|--|-----------------------------|---|------------|
| Cost | | | | |
| At 1 September 2014 | 4,078,445 | 2,168,670 | 105,567 | 6,352,682 |
| Additions | 38,568 | 109,870 | 8,058 | 156,496 |
| Disposals | - | (55,856) | (42,797) | (98,653) |
| At 31 August 2015 | 4,117,013 | 2,222,684 | 70,828 | 6,410,525 |
| Depreciation | | | | |
| At 1 September 2014 | 1,662,879 | 1,259,074 | 84,653 | 3,006,606 |
| On disposals | - | (29,950) | (42,797) | (72,747) |
| Charge for the year | 274,876 | 180,913 | 13,625 | 469,414 |
| At 31 August 2015 | 1,937,755 | 1,410,037 | 55,481 | 3,403,273 |
| Net book value | | | | |
| At 31 August 2015 | 2,179,258 | 812,647 | 15,347 | 3,007,252 |
| At 31 August 2014 | 2,415,566 | 909,596 | 20,914 | 3,346,076 |

Included above are assets held under finance leases or hire purchase contracts as follows:

| | Plant and machinery £ |
|---|-----------------------------|
| Net book values | |
| At 31 August 2015 | - |
| At 31 August 2014 | 3,594 |
| Depreciation charge for the year | |
| At 31 August 2015 | - |
| At 31 August 2014 | 1,199 |

Freehold land and buildings includes capitalised finance costs of £131,039.

7 Stocks

| | 2015 £ | 2014 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 710,416 | 761,170 |

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

| 8 Debtors | 2015 £ | 2014 £ |
|---|----------------|----------------|
| Trade debtors | 758,672 | 867,870 |
| Amounts owed by parent and fellow subsidiary undertakings | 736 | - |
| Other debtors | 1,097 | - |
| Prepayments and accrued income | 62,206 | 50,813 |
| Deferred tax asset (see note 10) | 40,584 | 25,688 |
| | <u>863,295</u> | <u>944,371</u> |

Included in the deferred tax asset is £20,025 which relates to the asset decommissioning provision which is expected to be realised in more than 5 years.

| 9 Creditors: amounts falling due within one year | 2015 £ | 2014 £ |
|---|------------------|------------------|
| Bank loans and overdrafts | 900,000 | 2,550,000 |
| Net obligations under finance leases | - | 2,065 |
| Trade creditors | 96,076 | 99,443 |
| Amounts owed to parent and fellow subsidiary undertakings | 80,874 | 55,623 |
| Corporation tax | 171,733 | 192,042 |
| Other taxes and social security costs | 97,481 | 119,658 |
| Accruals and deferred income | 111,979 | 148,399 |
| | <u>1,458,143</u> | <u>3,167,230</u> |

The security on the loan has been provided by Unifirst Corporation and UniTech Services Group Inc.

Net obligations under finance leases

| | | |
|---|----------|--------------|
| Repayable within one year | - | 2,065 |
| Finance charges and interest allocated to future accounting periods | - | - |
| | <u>-</u> | <u>2,065</u> |

The loan is repayable on demand. The interest rate per annum is 1.5 per cent above LIBOR.

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

10 Provisions for liabilities

| | Other £ |
|-----------------------------|----------------|
| Balance at 1 September 2014 | 293,813 |
| Profit and loss account | 22,036 |
| | <u>315,849</u> |
| Balance at 31 August 2015 | <u>315,849</u> |

The deferred tax asset (included in debtors, note 8) is made up as follows:

| | 2015 £ | |
|-----------------------------|-----------------|--|
| Balance at 1 September 2014 | (25,688) | |
| Profit and loss account | (14,896) | |
| | <u>(40,584)</u> | |
| Balance at 31 August 2015 | <u>(40,584)</u> | |

| | 2015 £ | 2014 £ |
|--------------------------------|-----------------|-----------------|
| Accelerated capital allowances | 40,438 | 56,722 |
| Other timing differences | (81,022) | (82,410) |
| | <u>(40,584)</u> | <u>(25,688)</u> |

11 Accruals and deferred income

| | Government grants £ |
|-----------------------------|---------------------------|
| Balance at 1 September 2014 | 297,070 |
| Amortisation in the year | (9,355) |
| | <u>287,715</u> |
| Balance at 31 August 2015 | <u>287,715</u> |

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

12 Retirement Benefits

| | 2015 £ | 2014 £ |
|---|-----------|-----------|
| Contributions payable by the company for the year | 11,087 | 6,230 |

13 Share capital

| | 2015 £ | 2014 £ |
|---|-----------|-----------|
| Allotted, called up and fully paid | | |
| 1,000 Ordinary shares of £1 each | 1,000 | 1,000 |

14 Statement of movements on reserves

| | Share premium account £ | Profit and loss account £ |
|-----------------------------|----------------------------------|------------------------------------|
| Balance at 1 September 2014 | 99,000 | 2,800,123 |
| Profit for the year | - | 1,077,200 |
| Balance at 31 August 2015 | 99,000 | 3,877,323 |

The prior year adjustment relates to an asset decommissioning provision. The legal obligations of the nuclear industry require costs to be incurred in the future for the decommissioning of the plant. These costs can be forecasted based upon similar experiences within the group. In order to show a true and fair view and to be consistent with other companies in the group, the directors have decided that provisions for decommissioning costs should be made in accordance with group policy.

15 Reconciliation of movements in Shareholders' funds

| | 2015 £ | 2014 £ |
|-------------------------------|-----------|-----------|
| Profit for the financial year | 1,077,200 | 938,806 |
| Opening Shareholders' funds | 2,900,123 | 1,961,317 |
| Closing Shareholders' funds | 3,977,323 | 2,900,123 |

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

16 Financial commitments

At 31 August 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 August 2016:

| | Other 2015 £ | 2014 £ |
|--------------------------------|--------------------|--------------|
| Operating leases which expire: | | |
| Within one year | - | 1,664 |
| Between two and five years | 2,667 | 2,667 |
| | <u>2,667</u> | <u>4,331</u> |

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

| | 2015 Number | 2014 Number |
|-----------------------|----------------|----------------|
| Office and management | 9 | 8 |
| Sales staff | 2 | 2 |
| Production | 30 | 31 |
| | <u>41</u> | <u>41</u> |

Employment costs

| | 2015 £ | 2014 £ |
|-----------------------|------------------|----------------|
| Wages and salaries | 1,036,488 | 856,605 |
| Social security costs | 97,376 | 80,999 |
| Other pension costs | 11,087 | 6,230 |
| | <u>1,144,951</u> | <u>943,834</u> |

18 Control

The immediate parent company is Unitech Services Group Inc., which is registered in the United States.

The ultimate parent company is Unifirst Corporation, which is also registered in the United States.

No one individual has a controlling interest in the company.

UNITECH SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Related party relationships and transactions

As a wholly-owned subsidiary undertaking, the company has taken advantage of the exemption contained in FRS 8 'Related Party Disclosures' and has not disclosed transactions or balances with entities which form part of the group.

There were no other related party transactions during the year.