Company Registration No. 01094178

JLA Limited

Report and Financial Statements

31 October 2014

JLA Limited

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Officers and professional advisers

Directors

S Baxter
P Humphreys

Registered Office

Meadowcroft Lane
Halifax Road
Ripponden
West Yorkshire
HX6 4AJ

Bankers

Lloyds Bank
Church Street
Sheffield
S1 2FF

Auditor

Deloitte LLP
Chartered Accountants & Statutory Auditor
Leeds

JLA Limited

Strategic report

Business strategy

JLA Limited is part of the JLA Group.

Over the last few years the Board of the JLA Group, have developed a very clear strategic vision which is being successfully deployed within the business. The strategy will look to continue to grow market share within the existing core business segments, along with identifying opportunities for growth in adjacent markets through both organic product and service development and strategic acquisitions.

The group will continue to provide a complete sales, service and finance solution to support its customer base, both existing and new, through the whole life cycle of their critical assets that are operated within their business. Through the group's unique sales infrastructure and national service support capability, it will bring new product offerings to the existing customer base and gain market share within adjacent targeted markets.

The group will continue to invest in its sales and service capability in the laundry and catering divisions. The group will also continue to keep the key customer promise made at the point of sale, where service excellence is guaranteed 365 days a year - 24/7 to maintain their critical asset base.

The group's ambitious growth plans are underpinned by a robust deployment plan which has allowed the business to cascade the strategy down through the organisation. The ten specific strategic work-streams, of which six are associated to revenue growth and four to drive operational excellence, will deliver the strategic vision and are supported by both the significant cash generation from the business and an appropriate level of bank funding.

Business review

The principal activity of the company during the year under review was the supply of laundry equipment, related parts and maintenance service.

The company's key performance target is to grow income and profits in the long term. In the year under review turnover was 9.2% higher at £27.5m (2013: £25.2m) mainly driven by new product sales. The company has continued to develop new product opportunities which it expects to contribute to further growth.

The balance sheet on page 11 shows the company's financial position at the period end. The company's financial position was considered satisfactory in terms of working capital and confirmed group support and the directors believe the company to be well positioned for future growth. Further details of the companies funding can be found on page 4.

The profit for the year, before taxation, amounted to £1.6m (2013 restated – profit £2.4m). The directors have not recommended a dividend (2013: £nil).

Exceptional costs in the year of £1.5m (2013: £0.8m) predominantly relate to the reorganisation of the acquisitions made in the year and the reorganisation of the group.

On 31 October 2014, all trade and assets from Commercial Kitchen Maintenanace Limited ('CKM'), Carford Group Limited ('CGL'), Red Squared Food Service and Laundry Solutions Limited ('RS'), fellow trading subsidiaries of JLA Equityco Limited, were transferred to JLA Limited, in order to improve operational efficiency. Further details are provided in note 21.

JLA Limited

Strategic report

Future developments

The Board has plans to grow the business significantly, both in terms of revenue and profitability through organic growth within its existing core market segments and through acquisition in adjacent market sectors, which have similar market characteristics and leverage the unique JLA business model.

On 18 February 2015, the group acquired 100% of the issued share capital of a catering business, Comcat Engineering Limited.

On 19 February 2015, the group acquired 100% of the issued share capital of a catering business, Newco Catering Equipment Limited.

On 19 June 2015, the group acquired 100% of the issued share capital of Project Alpha 2015 Limited, a laundry business. Project Alpha 2015 Limited includes the Laundryserv trade and assets from PHS Group and was acquired for an initial cash consideration of £13m.

This business, along with the acquisitions made within the current financial year, provide JLA with a meaningful position within the UK catering sales and service market and have established a strong platform to leverage this sizeable market opportunity.

Principal risks and uncertainties

We outline below the principal risks specific to our business and how we manage and mitigate them.

Not all these factors are within our direct control and the list is not exhaustive. There may be other risks and uncertainties that are unknown to us and the list may change as something that seems immaterial now assumes greater importance in the future, and vice versa.

- The principal risk affecting the group and company relates to any downturn in economic conditions within the markets in which it operates. This is however mitigated to some extent by the long-term contractual nature of the group's income.

- Liquidity/cash flow risk – the group and company are financed through a combination of bank and debt instruments that carry variable and fixed rates of interest. The appropriateness of these bank and debt instruments and the risks related to variable rate debt are periodically reviewed by management and the Group Board. These facilities are secured against the assets of the subsidiary entities including those of the company. This financing provides the necessary headroom to support the expansion plans of the business. Interest rate swap contracts are in place as a requirement of the banking facility to manage the risk of changes in the interest rate of floating-rate borrowings.

Strategic report

Going concern

The financial results of the company and the future developments are discussed above.

On 30 July 2014, the group updated its loan facilities and secured an additional £37m to extend the existing term loan facility. The new facilities comprise a £127m term loan facility to be repaid on 30 July 2019 and a £7.5m revolving credit facility to be repaid on 30 January 2019.

Furthermore on 19 June 2015 the revolving credit facility was extended by a further £5,000,000 to £12,500,000 to be repaid on 30 January 2019.

The company makes use of bank facilities agreed on a JLA Clean group wide basis together with other companies under the control of JLA Clean Limited, whereby each company guarantees the borrowings of the others. Full details of the JLA Clean group's assets and liabilities are disclosed in the accounts of JLA Clean Limited.

Following the refinancing, the group headed by JLA Equityco Limited has considerable financial resources, together with significant forecast cash generation from operations. As a consequence, the directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, and reviewing forecasts which cover a period exceeding 12 months from the date of signature of the financial statements, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future, taking into account reasonably possible changes in trading. Accordingly, they have adopted the going concern basis in preparing the annual report and financial statements.

Approved by the Board of Directors and signed on behalf of the Board

P Humphreys
Director

29 July 2015

JLA Limited

Directors' report

The directors present their report and the financial statements for the year ended 31 October 2014.

Principal activities

The principal activity of the company during the year under review was the supply of laundry and catering equipment, related parts and maintenance service.

Directors

The directors who served during the year and subsequently were:

S Baxter	
A Barr	(resigned 23 January 2015)
P Humphreys	(appointed 22 October 2014)

Provision of information to the auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going concern and financial risk management objectives and policies

The directors set out in the Strategic Report:

- the reasoning for the adoption of the going concern basis in preparing the annual report and accounts for the Company; and
- the financial risk management objectives and policies of the Company.

Prior year adjustment

The 2013 financial statements were prepared under the historical cost convention as modified by the revaluation of freehold property. The group accounting policy is to carry all fixed assets under the historical cost convention. The accounts reflect the restatement of freehold property to historic cost as at 1 November 2012 and the restatement of the 2013 profit and loss account. Further details are contained in note 22.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board

P Humphreys
Director

29 July 2015

Directors' responsibilities statement

The directors are responsible 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). 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of JLA Limited

We have audited the financial statements of JLA Limited for the year ended 31 October 2014 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, and the related notes 1 to 23. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained 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.

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 Practice Board's Ethical Standards for Auditors.

Scope of the audit of 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

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2014 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 matters prescribed in the Companies Act 2006

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

Independent auditor's report to the members of JLA Limited (continued)

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.

Simon Manning

Simon Manning (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds

29 July 2015

JLA Limited

Profit and loss account
For the year ended 31 October 2014

	Notes	2014 £'000	2013 (restated) £'000
Turnover	1, 2	27,549	25,237
Cost of sales		(17,856)	(16,287)
Gross profit		9,693	8,950
Administrative expenses		(8,107)	(6,521)
Operating profit before depreciation, profit on disposal of fixed assets and operating exceptional items		4,429	4,299
Depreciation	10	(1,280)	(1,077)
(Loss)/profit on disposal of fixed assets	3	(46)	31
Operating exceptional items	6	(1,517)	(824)
Operating profit	3-6	1,586	2,429
Interest receivable		-	1
Interest payable	7	-	(3)
Profit on ordinary activities before taxation		1,586	2,427
Tax on profit on ordinary activities	8	91	95
Profit for the financial year	19, 20	1,677	2,522

All amounts relate to continuing operations.

JLA Limited

Statement of total recognised gains and losses
For the year ended 31 October 2014

	Note	2014 £'000	2013 (restated) £'000
Retained profit for the financial year		1,677	2,522
Total recognised gains and losses relating to the year		1,677	2,522
Prior year adjustment	22	(790)	
Total gains and losses since the last annual report		887	

JLA Limited

Balance sheet
31 October 2014

	Notes	2014 £'000	2013 (restated) £'000
Fixed assets			
Intangible fixed assets	9	700	32
Tangible fixed assets	10	3,914	3,398
		4,614	3,430
Current assets			
Stocks	11	7,424	5,610
Debtors	12	50,657	41,057
Cash in hand		4,130	3,629
		62,211	50,296
Creditors: amounts falling due within one year	13	(61,800)	(50,378)
Net current assets/(liabilities)		411	(82)
Total assets less current liabilities		5,025	3,348
Net assets		5,025	3,348
Capital and reserves			
Called up share capital	18	150	150
Profit and loss account	19	4,875	3,198
Shareholders' funds	20	5,025	3,348

The financial statements of JLA Limited registered number 01094178 were approved and authorised by the Board of Directors on 29 July 2015.

Signed on behalf of the Board of Directors

P Humphreys
Director

1. **Accounting policies**

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year except for the change in accounting policies described in Note 22.

The accounts have been prepared on a going concern basis. Further detail is given in the strategic report.

Cash flow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company's cash flows in its own published consolidated cash flow statement.

Turnover

The turnover shown in the profit and loss account represents the value of goods and services provided during the year, stated net of value added tax. Revenue represents the amounts receivable from customers during the year and is recognised on an accruals basis.

Intangible fixed assets and amortisation

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

Tangible fixed assets

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

Freehold property	-	2% on cost
Improvement expenditure	-	5 years
Motor vehicles	-	3-4 years
Fixtures and fittings	-	3-8 years

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowances for obsolete and slow-moving items. Costs include all direct expenditure.

Hire purchase agreements

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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. **Accounting policies (continued)**

Operating lease agreements

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Pension costs

The company participates in a group money purchase pension scheme. Contributions payable for the year in respect of the company's employees are charged to the profit and loss account.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

A net deferred tax asset is regarded as recoverable and therefore, recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

Notes to the financial statements
Year ended 31 October 2014

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company and arise wholly within the United Kingdom.

3. Operating profit

	2014 £'000	2013 (restated) £'000
The operating profit is stated after charging/ (crediting):		
Depreciation of tangible fixed assets:		
- owned by the company	1,237	1,012
- held under finance leases	43	65
Auditor's remuneration for audit services:		
Fees payable to the company's auditor for the audit of the company's annual accounts	80	96
Operating lease rentals:		
- other than land and buildings	772	777
- land and buildings	53	22
Loss/(profit) on disposal of tangible fixed assets	46	(31)

4. Staff costs

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

	2014 £'000	2013 £'000
Wages and salaries	17,019	15,459
Social security costs	1,847	1,768
Other pension costs	456	376
	19,322	17,603

The average monthly number of staff during the year was as follows:

	2014 No.	2013 No.
Selling and production	357	378
Administration and management	51	38
Research	2	2
	410	418

Notes to the financial statements
Year ended 31 October 2014

5. Directors' emoluments

	2014 £'000	2013 £'000
Emoluments	722	795

During the year no retirement benefits were accrued for the directors (2013 - nil) in respect of money purchase pension schemes.

The highest paid director received remuneration of £497,000 (2013 - £514,000).

6. Administrative expenses

During the year there was £1,517,000 (2013: £824,000) of exceptional administrative expenses that related to the restructuring of the group.

7. Interest payable

	2014 £'000	2013 £'000
On finance leases and hire purchase contracts	-	3

8. Taxation

	2014 £'000	2013 £'000
Analysis of tax credit in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	-	-
Adjustments in respect of prior periods	(77)	(60)
Total current tax	(77)	(60)
Deferred tax (see note 14)		
Origination and reversal of timing differences	(84)	(98)
Adjustment in respect of prior periods	70	46
Effect of change in tax rate	-	17
Total deferred tax	(14)	(35)
Tax on profit on ordinary activities	(91)	(95)

Notes to the financial statements
Year ended 31 October 2014

8. Taxation (continued)

Factors affecting tax credit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK 21.9% (2013 - 23.4%). The differences are explained below:

	2014 £'000	Restated 2013 £'000
Profit on ordinary activities before tax	1,586	2,427
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.9% (2013 – 23.4%)	347	568
Effects of:		
Expenses not deductible for tax purposes	15	39
Timing differences on fixed assets	92	94
Group relief	(454)	(701)
Prior period adjustment	(77)	(60)
Current tax credit for the year (see note above)	(77)	(60)

9. Intangible fixed assets

	Goodwill £'000
Cost	
At beginning of year	32
Transfers in (refer note 21)	668
	700
Amortisation	
At beginning and end of year	-
Net book value	
At 31 October 2014	700
At 31 October 2013	32

Notes to the financial statements
Year ended 31 October 2014

10. Tangible fixed assets

	Freehold property £'000	Improvement expenditure £'000	Plant & Machinery £'000	Motor vehicles £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation						
At the beginning of the year - as previously reported	2,200	218	1,081	1,084	3,784	8,366
Prior year adjustment (note 22)	(534)	-	-	-	-	(534)
At the beginning of the year - as restated	1,666	218	1,081	1,084	3,784	7,832
Additions	-	-	527	-	1,132	1,659
Disposals	-	-	(72)	(223)	(3)	(298)
Transfers in	73	80	43	61	27	284
At 31 October 2014	1,739	298	1,579	922	4,940	9,477
Depreciation						
At the beginning of the year - as previously reported	226	207	489	595	2,661	4,178
Prior year adjustment (note 22)	256	-	-	-	-	256
At the beginning of the year - as restated	482	207	489	595	2,661	4,434
Charge for the year	46	5	327	231	671	1,280
Disposals	-	-	(8)	(142)	(1)	(151)
At 31 October 2014	528	212	808	684	3,331	5,563
Net book value						
At 31 October 2014	1,210	86	771	238	1,609	3,914
At 31 October 2013 (restated note 22)	1,184	11	592	489	1,123	3,398

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2014 £'000	2013 £'000
Plant and machinery	43	62

During the period all trade and assets from Commercial Kitchen Maintenance Limited, Carford Group Limited, Red Squared Food Service and Laundry Solutions Limited, fellow trading subsidiaries of JLA Equityco Limited, were transferred to JLA Limited. Refer note 21 for further details.

Notes to the financial statements
Year ended 31 October 2014

11. Stocks

	2014 £'000	2013 £'000
Finished goods and goods for resale	7,424	5,610

12. Debtors

	2014 £'000	2013 £'000
Trade debtors	6,322	3,476
Amounts owed by group undertakings	42,292	36,818
Other debtors	506	-
Prepayments and accrued income	1,247	527
Corporation tax	46	-
Deferred tax asset (see note 14)	244	236
	50,657	41,057

13. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Net obligations under finance leases and hire purchase contracts	27	20
Trade creditors	8,078	4,636
Amounts owed to group undertakings	48,842	42,644
Corporation tax	-	198
Social security and other taxes	880	763
Other creditors	864	22
Accruals and deferred income	3,109	2,095
	61,800	50,378

Other creditors include contributions payable of £154,000 (2013 - £53,000) arising from the company's participation in a group defined contribution pension scheme.

Notes to the financial statements
Year ended 31 October 2014

14. Deferred tax asset

	2014 £'000	2013 £'000
At beginning of year	236	195
Movement	14	35
Transfer from group company (note 21)	(6)	6
At end of year (see note 12)	244	236

The deferred tax asset is made up as follows:

	2014 £'000	2013 £'000
Accelerated capital allowances	244	233
Short term timing differences	-	3
	244	236

There are no unprovided elements of deferred taxation in the current or prior year.

15. Operating lease commitments

At 31 October 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Motor vehicles 2014 £'000	Property 2014 £'000	Motor vehicles 2013 £'000	Property 2013 £'000
Expiry date:				
Within 1 year	162	19	152	-
Between 2 and 5 years	654	30	336	23
Greater than 5 years	-	81	-	-

16. Guarantee

The company makes use of bank facilities agreed on a JLA Clean group wide basis together with other companies under the control of JLA Clean Limited, whereby each company guarantees the borrowings of the others. Full details of the JLA Clean group's assets and liabilities are disclosed in the accounts of JLA Clean Limited.

17. Related party transactions

The company has taken advantage of the exemption granted by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with other wholly owned group companies.

Notes to the financial statements
Year ended 31 October 2014

18. Share capital

	2014 £'000	2013 £'000
Allotted, called up and fully paid		
150,000 Ordinary shares of £1 each	150	150

19. Reserves

	Revaluation reserve £'000	Profit and loss account £'000
At the beginning of the year – as previously reported	790	3,198
Prior year adjustment – note 22	(790)	-
At the beginning of the year – as restated	-	3,198
Profit for the financial year	-	1,677
At the end of the year	-	4,875

20. Reconciliation of movement in shareholders' funds

	2014 £'000	2013 (restated) £'000
Opening equity shareholders' funds – as previously reported	4,138	1,629
Prior year adjustment (note 22)	(790)	(803)
Opening equity shareholders' funds – as restated	3,348	826
Profit for the year	1,677	2,522
Closing equity shareholders' funds	5,025	3,348

Notes to the financial statements
Year ended 31 October 2014

21. Group transfer in

On 31 October 2014, all trade and assets from Commercial Kitchen Maintenanace Limited ('CKM'), Carford Group Limited ('CGL'), Red Squared Food Service and Laundry Solutions Limited ('RS'), fellow trading subsidiaries of JLA Equityco Limited, were transferred to JLA Limited.

Details of the assets and liabilities transferred and the settlement is shown in the table below:

	CKM £000	CGL £000	RS £000	Total £000
Fixed assets				
Tangible	173	111	-	284
Intangible	-	668	-	668
Current assets				
Debtors	618	2,635	127	3,380
Stock	110	768	-	878
Cash	116	-	278	394
Total current assets	844	3,403	405	4,652
Creditors				
Creditors	(607)	(2,934)	(93)	(3,634)
Net assets	410	1,248	312	1,970
Satisfied by:				
Cash	(72)	-	-	(72)
Amounts owed by group undertaking	(338)	(1,248)	(312)	(1,898)

22. Prior year adjustment

The accounting policy for tangible fixed assets was changed during the year to align it with the rest of the Group. Previously tangible fixed assets were recorded at valuation less accumulated depreciation. Under the new policy tangible fixed assets are accounted for at cost less accumulated depreciation and any necessary provision for impairment.

The effect of the change in accounting policy has been to increase the profit for the year ended 31 October 2013 by £13,000 and to decrease closing net assets at 31 October 2013 by £790,000. It is not practicable to quantify the impact of the change of policy on the results for the year ended 31 October 2014 as no closing property valuation was performed.

23. Ultimate parent undertaking and controlling party

The company's immediate holding company is Vanilla Group Limited and the ultimate holding company is JLA Equityco Limited, which is incorporated in England and Wales and domiciled in the UK.

The largest group in which the results of the Company are consolidated is that headed by JLA Equityco Limited. The smallest group in which they are consolidated is headed by JLA Clean Limited. No other group financial statements include the results of the company.

The consolidated financial statements of these groups are available to the public and may be obtained from Companies House.

According to the register maintained by the group, a number of limited partnerships which are managed by Hg Pooled Management Limited (holding through a nominee company) held a significant interest in the ordinary shares of the ultimate parent company at 31 October 2014. The directors deem there not to be an ultimate controlling party as none of the limited partners in the limited partnerships managed by Hg Pooled Management Limited has an ownership of more than 20% of the issued share capital of the ultimate parent company.