

Sodexo Property Solutions Limited

**Directors' report and financial
statements**

Registered number 02574887

Year ended 31 August 2017

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Directors' Report

The directors present their annual report and financial statements for the year ended 31 August 2017.

Proposed dividend

The directors do not recommend the payment of dividend for the year (2016: £nil).

Going concern

On 1st May 2016 the Company transferred its entire trade and assets to Sodexo Limited, its immediate parent undertaking, at book value for intercompany consideration. The company has been dormant since that point. In accordance with the requirements of IAS 1: Presentation and Disclosure, these financial statements are prepared on a basis other than going concern to reflect the fact that trading has ceased. The effect of this is explained in note 1 to the financial statements.

Directors

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

S M Haley	
N D Murray	Resigned 31 August 2017
S A Carter	
L C Mawdsley	Resigned 15 April 2017
L Arnaudo	Appointed 15 April 2017
J N E Cowdell	Appointed 14 June 2017, Resigned 15 June 2017

Staff

No staff were employed by the Company during the year (2016: £nil).

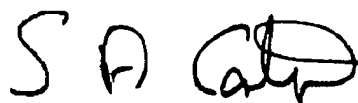
Insurance of directors

The Company maintains insurance for directors and officers in respect of their duties as directors and officers of the Company.

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

This report was approved by the board on 29 May 2018 and signed on its behalf



SA Carter
Director

One Southampton Row
London
United Kingdom
WC1B 5HA

Statement of Directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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. As explained in note 1 the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 August 2017

	<i>Note</i>	2017 £000	2016 £000
Turnover	2	-	27,421
Operating expenses		-	(25,508)
		<hr/>	<hr/>
Operating profit	3	-	1,913
Other interest receivable and similar income	6	-	17
Interest payable and similar charges	7	-	(234)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	1,696
Tax on profit on ordinary activities	8	-	(318)
		<hr/>	<hr/>
Profit for the financial year and other comprehensive income		-	1,378
		<hr/>	<hr/>

Results for the year ended 31 August 2017 arise from discontinued operations as the company has not traded in the year. (2016: The company traded for the first 8 months of the year).

The notes from pages 6 - 11 form part of the financial statements.

Balance Sheet
at 31 August 2017

	<i>Note</i>	2017 £000	2016 £000
Current assets			
Debtors	9	4,564	4,564
Net current assets		4,564	4,564
Net assets		4,564	4,564
Capital and reserves			
Called up share capital	10	11,495	11,495
Profit and loss account		(6,931)	(6,931)
Shareholders' funds		4,564	4,564

The notes from pages 6 – 11 form part of the financial statements.

These financial statements were approved by the board of directors on 29 May 2018 and were signed on its behalf by:



S Carter
 Director
 Company number: 02574887

Statement of Changes in Equity
for the year ended 31 August 2017

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
Balance at 1 September 2015	11,495	(8,309)	3,186
Total comprehensive income for the period			
Profit or loss	-	1,378	1,378
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	1,378	1,378
	<hr/>	<hr/>	<hr/>
Balance at 31 August 2016	11,495	(6,931)	4,564
	<hr/>	<hr/>	<hr/>

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
Balance at 1 September 2016	11,495	(6,931)	4,564
Total comprehensive income for the period			
Profit or loss	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 August 2017	11,495	(6,931)	4,564
	<hr/>	<hr/>	<hr/>

The notes from pages 6 – 11 form part of the financial statements.

Notes forming part of the financial statements

1 Accounting policies

Sodexo Property Solutions Limited (the "Company") is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2013/14 Cycle) issued in July 2015 and effective immediately have been applied. The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital

As the consolidated financial statements of Sodexo S.A include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Going concern

On 1st May 2016 the Company transferred its entire trade and assets to Sodexo Limited, its immediate parent undertaking, at book value for intercompany consideration. The company has been dormant since that point. In accordance with the requirements of IAS 1: Presentation and Disclosure, these financial statements are prepared on a basis other than going concern to reflect the fact that trading has ceased. Nevertheless, assets continue to be carried at their recoverable amount which reflects the expected amounts to be recovered on settlement as appropriate. In addition, assets and liabilities are classified as current or non-current in accordance with the contractual terms of those balances and the anticipated timing of settlement.

Turnover

Revenue is recognised in the year in which services are provided in accordance with the terms of the contractual relationships with third parties. Revenue represents the fair value of the consideration received or receivable for goods and services provided in the normal course of business, excluding value added tax and similar sales taxes.

Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date.

Notes (continued)

1 Accounting policies (continued)

Basic Financial Instruments

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

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Financial guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee. The Company does not expect the amendments to have any impact on the financial statements.

Notes *(continued)*

1 Accounting policies *(continued)*

Accounting estimates and judgements

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

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

The directors do not believe that there are any accounting policies that would be likely to produce materially different results should there be a change to the underlying judgements, estimates and assumptions.

Notes (continued)

2 Turnover

	2017 £000	2016 £000
Rendering of services	-	27,421
Total turnover	-	27,421

All turnover is derived from UK operations and is recognised when the goods/service are delivered.

3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2017 £000	2016 £000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
<i>Auditors' remuneration:</i>		
Audit of these financial statements	-	25

4 Staff numbers and cost

No persons were employed by the Company during the current or previous financial year.

5 Directors' emoluments

No directors received emoluments for their services to the Company (2016: £nil) as the amount of service provided by the director to the Company is not material.

6 Interest receivable and similar charges

	2017 £000	2016 £000
Net exchange gain	-	17

Notes (continued)

7 Interest payable and similar charges

	2017 £000	2016 £000
Group interest payable	-	185
Actualisation on working capital and financial debt	-	49
	<u>-</u>	<u>234</u>

8 Taxation

Recognised in the profit and loss account

	2017 £000	£000	2016 £000	£000
<i>UK Corporation Tax charge</i>				
UK corporation tax	-		321	
		<u>-</u>		<u>321</u>
Total current tax		-		321
<i>Deferred tax (see note 15)</i>				
Origination and reversal of temporary differences	-		3	
Adjustments in respect of previous years	-		(6)	
	<u>-</u>		<u>3</u>	
Total deferred tax		-		(3)
		<u>-</u>		<u>318</u>
Tax on profit on ordinary activities		-		318

The total tax charge for 2016 was lower than the standard rate of corporation tax of 20%.

	2017 £000	2016 £000
Profit on ordinary activities before tax	-	1,696
	<u>-</u>	<u>1,696</u>
Total tax at the standard (2016: standard) rate of 20% (2016: 20%) would be:	-	339
<i>The taxation charge has been reduced by:</i>		
Additional expenditure deductible for tax purposes	-	(15)
Adjustments in respect of previous years	-	(6)
	<u>-</u>	<u>(21)</u>
Total tax expense	-	318

Notes (continued)

9 Debtors

	2017 £000	2016 £000
Amounts owed by parent and group undertakings	4,564	4,564

Amounts owed by parent and group undertakings relate to Sodexo Ltd and are payable on demand.

10 Called up share capital

	2017 £000	2016 £000
<i>Allotted, called up and fully paid</i>		
Equity: 11,495,002 (2016: 11,495,002) ordinary shares of £1 each	11,495	11,495

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

11 Related party disclosures

Transactions with other fellow wholly owned subsidiaries of Sodexo S.A. are not disclosed as the Company has taken advantage of the exemption available under paragraph 8(k) of FRS 101. No transactions have arisen with other related parties.

12 Ultimate parent company and ultimate controlling party

The Company's ultimate parent company and controlling party is Sodexo S.A., a company incorporated in France. This is the smallest group of undertakings for which consolidated financial statements are prepared. Copies of the consolidated financial statements can be obtained from The Secretary, Sodexo S.A., 255 Quai de la Bataille de Stalingrad, 92866 Issy-Les-Moulineaux, France.

The Company's immediate parent undertaking and controlling party is Sodexo Limited, a company incorporated in England and Wales.