

Company Registration No. 03056267 (England and Wales)

# MOOREPAY COMPLIANCE LIMITED

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2014

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# MOOREPAY COMPLIANCE LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A B Al-Saleh Mr J R Stier
<b>Secretary</b>	Mr D W Schenck
<b>Company number</b>	03056267
<b>Registered office</b>	Peoplebuilding 2 Peoplebuilding Estate Maylands Avenue Hemel Hempstead HP2 4NW
<b>Auditor</b>	Moore and Smalley LLP Richard House 9 Winckley Square Preston PR1 3HP
<b>Bankers</b>	Barclays Bank Plc 28 George Street Luton LU1 2AE

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# **MOOREPAY COMPLIANCE LIMITED**

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# MOOREPAY COMPLIANCE LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2014

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### Review of the business

#### Overview

Moorepay Compliance Limited is a member of the Northgate Information Solutions Group. The company operates from premises in Lancashire and forms part of the group's small and medium business (SMB) division.

#### Operational performance

The economic environment remains difficult and the company's turnover improved during the year. Continued cost and overhead savings and improvements in operational efficiencies have once again resulted in an increase in operating profit. Detailed results are on page 6.

#### Key performance indicators

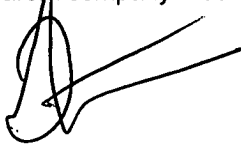
The key performance indicators for the company are client number, average value of service contract, client retention rate and turnover.

#### Expansion and future prospects

Opportunities exist to win new SME customers and continue to grow the business in the following year.

#### Ordinary share capital

In August 2013, the company issued additional ordinary share capital of £1,961,540 which was paid for by its parent company Moorepay Limited.



.....  
Mr J R Stier

Director

9/2/15

# MOOREPAY COMPLIANCE LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2014

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The directors present their report and financial statements for the year ended 30 April 2014.

### Principal activities and review of the business

The principal activity of the company during the year was that of Personnel and Health and Safety consultants.

On 25 September 2013 the company changed its registered name to Moorepay Compliance Limited.

### Results and dividends

The results for the year are set out on page 6.

### Directors

The following directors have held office since 1 May 2013:

Mr A B Al-Saleh

Mr J R Stier

### 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.

### Financial risk management objectives and policies

#### Credit risk

The company's financial assets and liabilities mainly comprise cash, bank borrowings, liquid resources, trade payables and receivables and other payables and receivables arising directly from operations.

The main risks from the company's operations are credit risk. The directors review and agree policies for managing the risk.

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The company does not require collateral in respect of financial assets. Credit insurance is in place for selected companies within the company.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet, principally trade and other receivables.

On behalf of the board



.....  
Mr J R Stier

Director

9/2/15  
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## **MOOREPAY COMPLIANCE LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2014**

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#### **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.

## **MOOREPAY COMPLIANCE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF MOOREPAY COMPLIANCE LIMITED**

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We have audited the financial statements of Moorepay Compliance Limited for the year ended 30 April 2014 set out on pages 6 to 16. 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, 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 30 April 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 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.

## **MOOREPAY COMPLIANCE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF MOOREPAY COMPLIANCE LIMITED**

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##### **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.



**David Ingram (Senior Statutory Auditor)**  
**for and on behalf of Moore and Smalley LLP**  
**Chartered Accountants**  
**Statutory Auditor**

Richard House  
9 Winckley Square  
Preston  
PR1 3HP

11 Feb 2015



**MOOREPAY COMPLIANCE LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 APRIL 2014**

	Notes	2014 £	2013 £
Turnover		8,425,244	9,136,446
Exceptional adjustment		228,683	-
<b>Turnover including exceptional item</b>	<b>2</b>	<b>8,653,927</b>	<b>9,136,446</b>
Cost of sales		(2,098,126)	(2,218,792)
<b>Gross profit</b>		<b>6,555,801</b>	<b>6,917,654</b>
Administrative expenses		(5,064,774)	(6,026,095)
<b>Operating profit</b>	<b>3</b>	<b>1,491,027</b>	<b>891,559</b>
Exceptional items		(30,726)	(92,196)
<b>Profit on ordinary activities before interest</b>		<b>1,460,301</b>	<b>799,363</b>
Interest payable and similar charges	<b>4</b>	(2,301)	(2,688)
<b>Profit on ordinary activities before taxation</b>		<b>1,458,000</b>	<b>796,675</b>
Tax on profit on ordinary activities	<b>5</b>	2,828	(20,908)
<b>Profit for the year</b>	<b>13</b>	<b>1,460,828</b>	<b>775,767</b>

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

# MOOREPAY COMPLIANCE LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 APRIL 2014

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	Notes	2014 £	2013 £
Profit for the financial year		1,460,828	775,767
Prior year adjustment	13	-	(4,324,673)
Total gains and losses recognised since last financial statements		<u>1,460,828</u>	<u>(3,548,906)</u>

# MOOREPAY COMPLIANCE LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2014

	Notes	2014		2013	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	6		609,912		681,589
Tangible assets	7		6,110		18,930
			<u>616,022</u>		<u>700,519</u>
<b>Current assets</b>					
Debtors	8	1,589,731		1,415,114	
Cash at bank and in hand		1,101,102		769,747	
		<u>2,690,833</u>		<u>2,184,861</u>	
<b>Creditors: amounts falling due within one year</b>	9	(2,089,645)		(3,128,998)	
<b>Net current assets/(liabilities)</b>			<u>601,188</u>		<u>(944,137)</u>
<b>Total assets less current liabilities</b>			<u>1,217,210</u>		<u>(243,618)</u>
<b>Creditors: amounts falling due after more than one year</b>	10		-		(1,961,540)
			<u>1,217,210</u>		<u>(2,205,158)</u>
<b>Capital and reserves</b>					
Called up share capital	12		2,000,000		38,460
Share premium account	13		19,030		19,030
Other reserves	13		11,666		11,666
Profit and loss account	13		(813,486)		(2,274,314)
<b>Shareholders' funds</b>	14		<u>1,217,210</u>		<u>(2,205,158)</u>

Approved by the Board and authorised for issue on 9/2/15

Mr J R Stier  
Director

Company Registration No. 03056267

# MOOREPAY COMPLIANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2014

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### 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 comprises services which are provided under contractual agreements, and services provided on an 'ad hoc' basis which are invoiced accordingly net of value added tax. The company accounts for sales with reference to the duration of the contract and reflects time and costs incurred in servicing agreements.

Turnover in respect of personnel and health and safety consultancy services represents the value of services provided during the period excluding value added tax.

#### 1.4 Goodwill

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - Over 20 years

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets 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:

Land and buildings Leasehold	Over the term of the lease
Plant and machinery	Over 3-5 years
Fixtures, fittings & equipment	25%, 33% and 50% on cost

#### 1.6 Leasing

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

Where the company has vacant property it will assess the market and form a view as to the likelihood of transferring or sub-letting the lease. If it is deemed appropriate a provision will be charged to the profit and loss account representing the future lease payments.

#### 1.7 Long term contracts

Payments received on account for long term contracts are deferred and released over the period of the contract.

#### 1.8 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.

# MOOREPAY COMPLIANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

### 1 Accounting policies

(Continued)

#### 1.9 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.

#### 1.10 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.

#### 1.11 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

### 2 Turnover

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

The exceptional adjustment within turnover relates to an understatement of income in the prior year.

### 3 Operating profit

	2014 £	2013 £
Operating profit is stated after charging:		
Amortisation of intangible assets	71,677	41,308
Depreciation of tangible assets	12,820	23,752
Loss on foreign exchange transactions	855	-
Operating lease rentals		
- Plant and machinery	144,604	138,320
and after crediting:		
Profit on foreign exchange transactions	-	(21)

Auditors' remuneration in respect of the audit fee for these financial statements total £9,200 (2013: £9,200).

The remuneration of the auditors was borne by another group undertaking in the current and the previous year.

The exceptional costs relate to one-off employee costs incurred by the company in the year.

# MOOREPAY COMPLIANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

<b>4</b>	<b>Interest payable</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	2,301	2,688
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Total current tax</b>	-	-
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(2,828)	20,908
		<u>          </u>	<u>          </u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	1,458,000	796,675
		<u>          </u>	<u>          </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 22.84% (2013 - 23.92%)	332,943	190,547
		<u>          </u>	<u>          </u>
	Effects of:		
	Non deductible expenses	18,264	12,727
	Depreciation in excess of capital allowances	5,995	6,623
	Tax losses utilised	(303,708)	(187,961)
	Other tax adjustments	(53,494)	(21,936)
		<u>          </u>	<u>          </u>
		(332,943)	(190,547)
		<u>          </u>	<u>          </u>
	<b>Current tax charge for the year</b>	-	-
		<u>          </u>	<u>          </u>

No tax is expected to arise in the current year as the directors believe sufficient group losses to be available to offset against the taxable profits of this company.

# MOOREPAY COMPLIANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2014

### 6 Intangible fixed assets

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 May 2013 & at 30 April 2014	1,433,552
<b>Amortisation</b>	
At 1 May 2013	751,963
Charge for the year	71,677
At 30 April 2014	823,640
<b>Net book value</b>	
At 30 April 2014	609,912
At 30 April 2013	681,589

### 7 Tangible fixed assets

	<b>Land and buildings Leasehold £</b>	<b>Plant and machinery £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 May 2013 & at 30 April 2014	15,500	126,796	280,663	422,959
<b>Depreciation</b>				
At 1 May 2013	12,258	118,659	273,112	404,029
Charge for the year	1,822	3,933	7,065	12,820
At 30 April 2014	14,080	122,592	280,177	416,849
<b>Net book value</b>				
At 30 April 2014	1,420	4,204	486	6,110
At 30 April 2013	3,242	8,137	7,551	18,930

# MOOREPAY COMPLIANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2014

8	Debtors	2014 £	2013 £
	Trade debtors	273,599	367,331
	Other debtors	894	1,221
	Prepayments and accrued income	1,184,936	919,088
	Deferred tax asset (see note 11)	130,302	127,474
		<u>1,589,731</u>	<u>1,415,114</u>
9	Creditors: amounts falling due within one year	2014 £	2013 £
	Payments received on account	95,663	108,064
	Trade creditors	27,749	32,094
	Amounts owed to parent and fellow subsidiary undertakings	367,250	1,613,654
	Taxes and social security costs	534,099	555,023
	Other creditors	31	13,800
	Accruals and deferred income	1,064,853	806,363
		<u>2,089,645</u>	<u>3,128,998</u>
10	Creditors: amounts falling due after more than one year	2014 £	2013 £
	Group debt reclassified as share capital post year end	-	1,961,540



# MOOREPAY COMPLIANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

### 11 Provisions for liabilities

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

	2014 £
Balance at 1 May 2013	(127,474)
Profit and loss account	(2,828)
Balance at 30 April 2014	<u>(130,302)</u>

	2014 £	2013 £
Decelerated capital allowances	(92,326)	(92,979)
Other timing differences	(37,976)	(34,495)
	<u>(130,302)</u>	<u>(127,474)</u>

### 12 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>38,460</u>

1,961,540 £1 Ordinary Shares were issued at par on 21 August 2013.

# MOOREPAY COMPLIANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2014

### 13 Statement of movements on reserves

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 May 2013	19,030	11,666	(2,274,314)
Profit for the year	-	-	1,460,828
Balance at 30 April 2014	19,030	11,666	(813,486)
<b>Other reserves</b>			
<b>Capital redemption reserve</b>			
Balance at 1 May 2013 & at 30 April 2014		11,666	

### 14 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	1,460,828	775,767
Proceeds from issue of shares	1,961,540	-
Net addition to shareholders' funds	3,422,368	775,767
Opening shareholders' funds	(2,205,158)	(2,980,925)
Closing shareholders' funds	1,217,210	(2,205,158)

### 15 Financial commitments

At 30 April 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2015:

	Other 2014 £	2013 £
Operating leases which expire:		
Within one year	5,610	4,311
Between two and five years	86,586	23,069
	92,196	27,380

## MOOREPAY COMPLIANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2014

#### 16 Employees

##### Number of employees

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

	2014 Number	2013 Number
Administration and selling	96	131
Employment costs	2014 £	2013 £
Wages and salaries	3,163,984	3,676,269
Social security costs	325,281	446,763
Other pension costs	123,425	162,070
	3,612,690	4,285,102

#### 17 Control

The immediate parent company is Moorepay Limited, a company registered in England and Wales. The ultimate parent company is New NIS Holdings S.a.r.l., a company registered in Luxembourg, which in turn is controlled by funds advised by Kohlberg Kravis Roberts & Cp. LP.

The largest group in which the results of the company are consolidated is that headed by New NIS Holdings S.a.r.l., and the smallest group is that headed by Northgate Information Solutions Limited, a company registered in England and Wales. No other group financial statements include the results of the company. Copies of the group accounts can be obtained from the registered office at Peoplebuilding 2, Peoplebuilding Estate, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 4NW.

#### 18 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.