

**OFJ Connections Limited**

Report and Financial Statements

Period Ended

30 November 2016

Company Number 08833972

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# **OFJ Connections Limited**

## **Report and financial statements for the period ended 30 November 2016**

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### **Directors**

John King  
Antony Marke

### **Secretary and Registered office**

World Business Centre 2  
Newall Road  
London Heathrow Airport  
Hounslow  
England  
TW6 2SF

### **Company number**

08833972

### **Auditors**

BDO LLP, Level 12, Thames Tower, Reading, Berkshire, RG1 1LX

# **OFJ Connections Limited**

## **Strategic report for the period ended 30 November 2016**

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The Directors present the strategic report of the group with the audited consolidated financial statements for the 11 month period ended 30th November 2016.

### **Strategy, objectives and future developments**

The group's strategy is to continue to provide bus services to airports and airlines across the South East of the UK, with the objective to continue to grow the business nationally and operate profitably year on year.

On 1 April 2016, the company acquired OFJ Airlinks Limited (formerly "Airlinks Airport Services Limited") from National Express Holdings Limited. OFJ Airlinks Limited provides the airside busing operation at London Gatwick Airport.

The group was acquired by Omni Serv Limited on 1 December 2016. Omni Serv Limited is a group undertaking of ABM industries Inc., a publicly traded company on the New York Stock Exchange.

### **Business Review**

During this period the group achieved a turnover of £9,256,000 of which OFJ Airlinks Limited contributed £4,493,000 (2015 - £11,922,000 of which £4,970,000 is from continuing operations).

The key performance indicators set by management are:

- To be able to demonstrate outstanding commitment to health, safety and wellbeing of our employees;
- To achieve sustainable growth in the business, maintain margins and strengthen the financial position of the company;
- To continue to innovate and implement technology solutions to drive employee behaviour and improve the passenger experience; and
- To continue to increase the training, skills and motivation of our workforce.

The board are pleased with the progress of the group against these objectives during the period.

### **Principal risks and uncertainties**

#### *Competitor Risk*

The ongoing developments in the group's recruitment, retention and motivational programmes and the enhanced technology solutions to provide Employees with appropriate customer facing capabilities continues to augment the service delivery and keep us ahead of the competition.

#### *Credit risk*

Credit risk relates principally to trade receivables from customers. Longer term contracts entered into with customers stipulate within the terms & conditions the receivables policy, which is monitored on a regular basis. For shorter term contracts, the company assesses all customers and sets appropriate credit limits before trading commences and has detailed policies and procedures to monitor each situation.

#### *Liquidity risk*

The Board reviews cash flow on a timely basis to ensure that appropriate facilities are available as and when required. This discipline, combined with a review of banking facilities ensure that liquidity risk is minimised.

# OFJ Connections Limited

Strategic report (*continued*)  
for the period ended 30 November 2016

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## *Foreign currency risk*

All purchase and sales transactions are denominated in pounds sterling so there is no exposure to exchange risk. The directors will continue to monitor the implications of the UK's decision to exit the European Union, which are as yet uncertain.

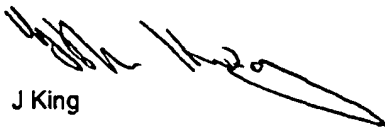
## *Interest rate risk*

With no long term debt other than in respect of finance leases, on which the rate of interest is fixed at the inception of each lease, the exposure to interest rate fluctuations is limited.

## **Strategy and objectives**

The company remains focussed on delivering bus services to airports and airlines using technology, training and employee engagement programmes to elevate the passenger experience.

On behalf of the Board



J King

**Director**

28 March 2018

# **OFJ Connections Limited**

## **Directors' report for the period ended 30 November 2016**

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The directors present their report for the period ended 30 November 2016.

### **Principal activities**

The principal activity of the company in the period under review was that of the provision of bus and coaching services.

### **Results**

The statement of comprehensive income is set out on page 8 and shows the loss for the period.

The directors do not propose the payment of a final dividend (31 December 2015 - £Nil). No interim dividends were paid during the period (31 December 2015 - £Nil).

### **Directors**

The directors of the company during the period and up to the date of signing were:

Antony Marke – appointed 1 December 2016

John King – appointed 1 December 2016

Ernest Patterson – appointed 1 December 2016 and resigned 31 October 2017

Thomas Marano – appointed 1 December 2016 and resigned 31 March 2017

Timothy Bloomfield – resigned 1 December 2016

Matthew Clayson – resigned 1 December 2016

Andrew Nicholas – resigned 1 December 2016

### **Directors' responsibilities**

The directors are responsible for preparing the directors' report in the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102. 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.

# OFJ Connections Limited

## Directors' report for the period ended 30 November 2016 *(continued)*

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### Directors' statement as to disclosure of information to auditors

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

### Directors' indemnity

Under the Company's Articles of Association, the company provides an indemnity for its Directors and officers in accordance with the provision of the Companies Act 2006.

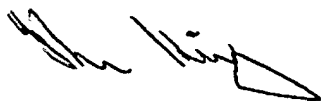
### Subsequent Events

Subsequent events are disclosed in note 26 to the financial statements.

### Auditor

Bristow Burrell resigned as auditors of the company during the period and BDO LLP were appointed as auditors of the company by the directors subsequent to the period end. BDO LLP have expressed their willingness to continue in office.

### On behalf of the Board



J King

Director

28 March 2018

# OFJ Connections Limited

## Independent auditor's report

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### TO THE MEMBERS OF OFJ CONNECTIONS LIMITED

We have audited the financial statements of OFJ Connections Limited ("the Company") for the period ended 30 November 2016, which comprise the consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement, company balance sheet, company statement of changes in equity and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### 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 November 2016 and of its loss for the period 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 matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

## OFJ Connections Limited

### Independent auditor's report (*continued*)

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#### **Matters on which we are required to report by exception**

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

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.

*BDO LLP*

*Christopher Pooles (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Reading  
United Kingdom*

28 March 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



# OFJ Connections Limited

## Consolidated statement of comprehensive income for the period ended 30 November 2016

	Note	11 months ended 30 November 2016 £'000	Continuing operations year ended 31 December 2015 £'000	Discontinued operation year ended 31 December 2015 £'000	Total year ended 31 December 2015 £'000
Turnover		9,256	4,970	6,952	11,922
Cost of sales		(7,087)	(3,955)	(5,734)	(9,690)
<b>Gross profit</b>		<b>2,169</b>	<b>1,014</b>	<b>1,218</b>	<b>2,232</b>
Administration expenses		(2,359)	(763)	(1,412)	(2,176)
<b>Operating (loss) / profit</b>	4	<b>(190)</b>	<b>250</b>	<b>(194)</b>	<b>56</b>
Interest payable and similar charges	7	(47)	(22)	(32)	(54)
<b>(Loss) / profit on ordinary activities before taxation</b>		<b>(237)</b>	<b>228</b>	<b>(226)</b>	<b>2</b>
Taxation on (loss)/profit on ordinary activities	9	(56)	(114)	-	(114)
<b>(Loss) / profit for the financial period</b>		<b>(293)</b>	<b>114</b>	<b>(226)</b>	<b>(112)</b>
<b>Other comprehensive income</b>					
Income tax relating to other comprehensive income		18			(28)
<b>Other comprehensive income for the period, net of tax</b>		<b>18</b>			<b>(28)</b>
<b>Total comprehensive loss for the period</b>		<b>(275)</b>			<b>(140)</b>

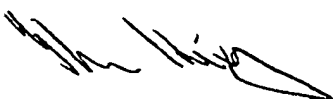
The notes on pages 13 to 34 form part of these financial statements.

# OFJ Connections Limited

## Consolidated balance sheet at 30 November 2016

<i>Company number 08833972</i>	<i>Note</i>	<b>30 November 2016 £'000</b>	<b>30 November 2016 £'000</b>	<b>31 December 2015 £'000</b>	<b>31 December 2015 £'000</b>
<b>Fixed assets</b>					
Intangible assets	10		954		-
Tangible assets	11		2,389		435
			<hr/>		<hr/>
			3,343		435
<b>Current assets</b>					
Stocks	14	10		14	
Debtors	15	1,934		2,998	
Cash at bank and in hand	13	53		208	
		<hr/>		<hr/>	
		1,997		3,220	
Creditors: amounts falling due within one year	16	(3,307)		(2,977)	
		<hr/>		<hr/>	
<b>Net current Liabilities</b>			(1,310)		243
<b>Total assets less current liabilities</b>			<hr/>		<hr/>
			2,033		678
Creditors: amounts falling due after more than one year	17		(1,519)		(72)
Deferred tax liability	21		(103)		(87)
Provisions for liabilities	22		(165)		-
			<hr/>		<hr/>
<b>Net assets</b>			246		521
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	23		3		3
Revaluation reserve			39		114
Retained earnings			204		404
			<hr/>		<hr/>
<b>Total equity</b>			246		521
			<hr/>		<hr/>

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2018.



Mr J King

Director

The notes on pages 13 to 34 form part of these financial statements.

# OFJ Connections Limited

## Consolidated statement of changes in equity For the period ended 30 November 2016

	Share capital £'000	Revaluation reserve £'000	Retained earnings £'000	Total equity £'000
<b>1 January 2015</b>	<b>3</b>	<b>493</b>	<b>165</b>	<b>661</b>
Loss for the year	-	-	(112)	(112)
Revaluation realised	-	(305)	305	-
Reserves transfer	-	(46)	46	-
Deferred tax	-	(28)	-	(28)
<b>31 December 2015</b>	<b>3</b>	<b>114</b>	<b>404</b>	<b>521</b>
Loss for the period	-	-	(293)	(293)
Revaluation realised	-	(64)	64	-
Reserves transfer	-	(29)	29	-
Deferred tax	-	18	-	18
<b>30 November 2016</b>	<b>3</b>	<b>39</b>	<b>204</b>	<b>246</b>

The notes on pages 13 to 34 form part of these financial statements.

# OFJ Connections Limited

## Consolidated statement of cash flows for the period ended 30 November 2016

	30 November 2016 £'000	31 December 2015 £'000
<b>Cash flows from operating activities</b>		
Loss for the financial period	(294)	(112)
Adjustments for:		
Depreciation of fixed assets	148	140
Amortisation of Intangible asserts	107	-
Net interest payable/(receivable)	48	54
Taxation expense	56	114
Decrease / (increase) in trade and other debtors	1,075	(1,431)
Decrease in stocks	4	14
Increase in trade and other creditors	797	706
Loss / (profit) on disposal of fixed assets	48	(1,081)
<b>Cash from operations</b>	<b>1,989</b>	<b>(1,596)</b>
Interest paid	(37)	(40)
Interest element of hire purchase payments	(11)	(13)
Taxation paid	(56)	-
<b>Net cash generated from operating activities</b>	<b>1,885</b>	<b>(1,649)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of tangible fixed assets	210	620
Purchases of tangible fixed assets	(2,335)	(191)
Proceeds of sale of intangible fixed assets	-	823
Purchase of subsidiary undertaking net of cash	(1,244)	-
<b>Net cash from investing activities</b>	<b>(3,369)</b>	<b>1,252</b>
<b>Cash flows from financing activities</b>		
Capital repayments of finance lease	(58)	(75)
New leases – capital element	1,811	-
<b>Net cash used in financing activities</b>	<b>1,753</b>	<b>(75)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(269)</b>	<b>115</b>
Cash and cash equivalents at beginning of period	(607)	(135)
<b>Cash and cash equivalents at end of period</b>	<b>(338)</b>	<b>(607)</b>
<b>Cash and cash equivalents comprise:</b>		
Cash at bank and in hand	53	208
Invoice discounting facility	(391)	(815)
	<b>(338)</b>	<b>(607)</b>

The notes on pages 13 to 34 form part of these financial statements.

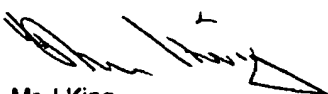
# OFJ Connections Limited

## Company balance sheet at 30 November 2016

<b>Company number 08833972</b>	<b>Note</b>	<b>30 November 2016 £'000</b>	<b>30 November 2016 £'000</b>	<b>31 December 2015 £'000</b>	<b>31 December 2015 £'000</b>
<b>Fixed assets</b>					
Tangible assets	11		406		435
Investments	12		2,092		-
			<hr/>		<hr/>
			2,498		435
<b>Current assets</b>					
Stocks	14	10		14	
Debtors	15	1,373		2,998	
Cash at bank and in hand	13	26		208	
		<hr/>		<hr/>	
		1,409		3,220	
<b>Creditors: amounts falling due within one year</b>	16	(3,998)		(2,977)	
		<hr/>		<hr/>	
<b>Net current assets</b>			(2,589)		243
<b>Total assets less current liabilities</b>			<hr/>		<hr/>
			(91)		678
<b>Creditors: amounts falling due after more than one year</b>	17		-		(72)
<b>Deferred tax liability</b>	21		(40)		(87)
			<hr/>		<hr/>
<b>Net (liabilities) / assets</b>			(131)		521
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	23		3		3
Revaluation reserve			39		113
Retained (deficit) / earnings			(173)		405
			<hr/>		<hr/>
<b>Shareholders' funds</b>			(131)		521
			<hr/>		<hr/>

The total comprehensive loss in respect of the company for the period was £670,000 (2015: £112,000).

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2018.

  
Mr J King  
Director

The notes on pages 13 to 34 form part of these financial statements.

# OFJ Connections Limited

## Company statement of changes in equity For the period ended 30 November 2016

	Share capital £'000	Revaluation reserve £'000	Retained earnings £'000	Total equity £'000
1 January 2015	3	493	165	661
Loss for the year	-	-	(112)	(112)
Revaluation realised	-	(305)	305	-
Reserves transfer	-	(46)	46	-
Deferred tax	-	(28)	-	(28)
31 December 2015	3	114	404	521
Loss for the period	-	-	(670)	(670)
Revaluation realised	-	(64)	64	-
Reserves transfer	-	(29)	29	-
Deferred tax	-	18	-	18
30 November 2016	3	39	(173)	(131)

The notes on pages 13 to 34 form part of these financial statements.

# OFJ Connections Limited

## Notes forming part of the financial statements for the period ended 30 November 2016

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### 1 Accounting policies

OFJ Connections Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies.

#### *Parent company disclosure exemptions*

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments and share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

#### *Basis of consolidation*

The consolidated financial statements present the results of OFJ Connections Limited and its subsidiaries ("the group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

#### *Going concern*

The consolidated and parent company financial statements have been prepared on a going concern basis. The group recorded a loss after taxation of £293,000 for the period (year ended 31 December 2015 - £112,000) and had net current liabilities of £1,443,000 (31 December 2015 - net current assets £243,000) at the balance sheet date. The company recorded a loss after taxation for the period of £670,000 (year ended 31 December 2015 - £112,000).

The directors have reviewed the cash flow requirements for the group for a period including twelve months from the date of approval of these financial statements. They do not consider that any further financing will be required from the group's shareholders and loan note holders during the next 12 months from the date of approval of these financial statements.

# OFJ Connections Limited

## Notes forming part of the financial statements for the period ended 30 November 2016 (continued)

### 1 Accounting policies (continued)

#### *Going concern (continued)*

The company is supported by its parent company Omni Serv Limited, which has confirmed that it will continue to support the company for a period of at least 12 months from the date of approval of these financial statements.

As a result of the above the Board considers it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

#### *Turnover*

Revenue from the sales of goods is recognised when the group has transferred the significant risks and rewards of ownership to the buyer and it is probable that the group will receive the previously agreed upon payment. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

#### *Tangible fixed assets*

Tangible fixed assets, other than motor vehicles, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Motor vehicles are stated at fair value.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

#### *Depreciation*

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	-	3 – 5 years straight line
Fixtures and fittings	-	5 years straight line
Motor vehicles	-	10 - 15 years straight line
Computer equipment	-	4 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income or losses' in the statement of comprehensive income.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.



# OFJ Connections Limited

## Notes forming part of the financial statements for the period ended 30 November 2016 (*continued*)

### 1 Accounting policies (*continued*)

#### *Current and deferred taxation*

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### *Lease commitments*

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of the useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Incentives received to enter into operating lease agreements are released to the profit and loss account over the period to the date on which the rent is first expected to be adjusted to the prevailing market rate.

#### *Pension costs*

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

# OFJ Connections Limited

## Notes forming part of the financial statements for the period ended 30 November 2016 (continued)

### 1 Accounting policies (continued)

#### *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and is carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

#### *Valuation of investments*

Investments in subsidiaries are measured at cost less any provision for impairment. Profits or losses arising from the disposal of fixed asset investments are recognised within the statement of comprehensive income.

#### *Goodwill*

Goodwill represents the excess of the cost of a business combination over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life. If a reliable estimate cannot be made, the useful life of goodwill is presumed to be 5 years. Goodwill is being amortised over 5 years.

Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

#### *Customer Relationships*

Customer relationships acquired as part of the acquisition of subsidiary undertakings are carried at fair value less accumulated amortisation and accumulated impairment losses. The fair value and useful life are determined by at the date of acquisition. Amortisation is calculated by applying the straight-line method to useful life. Customer relationships are being amortised over 11 years.

#### *Impairment of fixed assets and goodwill*

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

#### *Financial assets*

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

#### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (*continued*)

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## 1 Accounting policies (*continued*)

### *Finance costs*

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### *Reserves*

The group and company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Revaluation reserve represents the accumulated movements arising from the revaluation of motor vehicles
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustment

## 2 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements requires the directors to make estimates, assumptions and judgements that can have a significant impact on the reported amounts of assets and liabilities, revenue and expenses and related disclosure of contingent assets and liabilities, at the respective dates of the financial statements. Management base their estimates, assumptions and judgments on historical experience and various other factors that management believe to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. Management evaluates estimates, assumptions and judgements on a regular basis and makes changes accordingly.

The following are considered critical accounting policies because they are important to the portrayal of the financial condition or results of operations of the company and they require critical management estimates and judgments about matters that are uncertain.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

## OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (*continued*)

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### 2 Judgements in applying accounting policies and key sources of estimation uncertainty (*continued*)

#### *Other key sources of estimation uncertainty*

- *Tangible fixed assets (see note 11)*

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The directors assess the fair value of motor vehicles at each period end based on their knowledge of the sector, the value of the respective vehicles should they be sold and their age and condition.

- *Intangible fixed assets (see note 10)*

The directors estimate the useful economic life of goodwill and customer relationships based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill or customer relationship is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses. These factors are reviewed annually to ensure that there are no indicators of impairment. Where there is an indication of impairment, the recoverable amount is determined based on value in use calculations. This method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of cash flows.

- *Investments (see note 12)*

Investments in subsidiary undertakings are stated at cost less accumulated provisions for impairment. The directors assess annually whether there are any indicators of impairment by considering the expected future profitability and cash generation of each business unit.

- *Provisions for liabilities (see note 21)*

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. The directors exercise judgement on the applicable tax rates and whether there will be sufficient profits in the future to absorb the reversal of the underlying timing differences.

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

<b>3 Employees</b>	<b>11 months ended 30 November 2016 £'000</b>	<b>Year ended 31 December 2015 £'000</b>
Staff costs (including directors) consist of:		
Wages and salaries	4,802	6,255
Social security costs	422	446
Other pension costs	49	110
	<u>5,273</u>	<u>6,811</u>
The average number of employees (including directors) during the period was as follows:		
	<b>11 months ended 2016 Number</b>	<b>Year ended 2015 Number</b>
Administration, Management and direct staff	220	194
Directors	3	3
	<u></u>	<u></u>
<b>4 Operating (loss)/profit</b>	<b>11 months ended 30 November 2016 £'000</b>	<b>Year ended 31 December 2015 £'000</b>
This is arrived at after charging/(crediting):		
Hire of plant and equipment	18	43
Operating Lease charges		
Other	591	192
Depreciation:		
owned assets	107	106
assets on hire purchase contracts	41	34
Amortisation	107	-
Loss/(profit) on disposal of fixed assets	48	(1,081)
	<u></u>	<u></u>
<b>5 Directors' remuneration</b>	<b>11 months ended 30 November 2016 £'000</b>	<b>Year ended 31 December 2015 £'000</b>
Directors' remuneration	34	30
Directors' pension contributions to money purchase schemes	-	-
	<u></u>	<u></u>

There were 3 directors in the group's defined contribution pension scheme (2015 – 3).

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

## 6 Auditors' remuneration

	11 months ended 2016 £'000	Year ended 2015 £'000
<b>Fees payable for the audit of the financial statements</b>		
Audit fee applicable to the audit of the company	14	-
Fees for the audit of the company payable to the predecessor auditor	-	10
Audit fee applicable to the audit of the subsidiaries of the company	12	-
Tax compliance and other non-audit services	12	-
	<hr/>	<hr/>
Total fees payable to the company's auditors	38	10
	<hr/>	<hr/>

## 7 Interest payable and similar charges

	11 months ended 2016 £'000	Year ended 2015 £'000
Bank interest	1	3
Bank loan interest	36	38
Finance lease and hire purchase interest	11	13
	<hr/>	<hr/>
	48	54
	<hr/>	<hr/>

## 8 Parent company loss for the period

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss of the parent company for the period was £ 578,000 (2015: profit of £140,000).

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

## 9 Taxation on loss on ordinary activities

### Analysis of taxation charge in the period Group

	11 months ended 30 November 2016 £'000	Year ended 31 December 2015 £'000
<i>Current tax</i>		
UK corporation tax on losses for the period	-	55
	-	55
<i>Deferred tax (note 21)</i>		
Origination and reversal of timing differences	56	59
	56	59
Tax charge on loss on ordinary activities	56	114

### Tax on items charged to equity

	11 months ended 30 November 2016 £'000	Year ended 31 December 2015 £'000
Deferred tax (credit) / charge on revaluation	(18)	28

The tax assessed on the profit on ordinary activities for the period differs from the standard rate of corporation tax in the UK. The differences are reconciled below:

	11 months ended 30 November 2016 £'000	Year ended 31 December 2015 £'000
Loss on ordinary activities before tax	(237)	2
Loss on ordinary activities at the standard rate of corporation tax in the UK of 20% (31 December 2015 - 20.25%)	(47)	-
Effects of:		
Expense not deductible	110	7
Effect of change in tax rate in the period	(7)	-
Depreciation in excess of capital allowances	-	79
Deferred tax on revaluation	-	28
Total tax charge	56	114

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (*continued*)

## 10 Intangible assets

Group	Customer relationships £'000	Goodwill on consolidation £'000	Total £'000
<i>Cost or valuation</i>			
At 1 January 2016	-	-	-
On acquisition of subsidiary	480	581	1,061
	<hr/>	<hr/>	<hr/>
At 30 November 2016	480	581	1,061
	<hr/>	<hr/>	<hr/>
<i>Amortisation</i>			
At 1 January 2016	-	-	-
Amortisation for the period	(29)	(78)	(107)
	<hr/>	<hr/>	<hr/>
At 30 November 2016	(29)	(78)	(107)
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 30 November 2016	451	503	954
	<hr/>	<hr/>	<hr/>
At 31 December 2015	-	-	-
	<hr/>	<hr/>	<hr/>

Goodwill and the customer relationships arising on consolidation are being amortised over the directors' estimate of its useful life of 5 years and 11 years respectively. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.



# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (*continued*)

## 11 Tangible fixed assets

Group	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
<i>Cost or valuation</i>					
At 1 January 2016	3	-	540	5	548
Additions	8	17	2,311	-	2,336
Disposals	-	-	(357)	(1)	(358)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 November 2016	11	17	2,494	4	2,526
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 January 2016	(1)	-	(111)	(1)	(113)
Charge for period	(1)	(1)	(145)	(1)	(148)
Disposals	-	-	124	-	124
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 November 2016	(2)	(1)	(132)	(2)	(137)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 30 November 2016	9	16	2,362	2	2,389
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2015	2	-	429	4	435
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Cost or valuation at 30 November 2016 is represented by:

Group	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Valuation	-	-	110	-	110
Cost	11	17	2,384	4	2,416
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 November 2016	11	17	2,494	4	2,526
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

## 11 Tangible fixed assets (continued)

The figures stated above include the following balances held under finance leases:

					Motor vehicles £'000
<b>Net book value:</b>					
At 31 December 2016					1,975
At 31 December 2015					165
<b>Depreciation charge:</b>					
2016					40
2015					40

Company	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
<i>Cost or valuation</i>					
At 1 January 2016	3	-	540	5	548
Additions	-	17	294	-	311
Disposals	-	-	(357)	(1)	(358)
At 30 November 2016	3	17	477	4	501
<i>Depreciation</i>					
At 1 January 2016	(1)	-	(111)	(1)	(113)
Charge for period	-	(1)	(104)	(1)	(106)
Eliminated on disposals	-	-	124	-	124
At 30 November 2016	(1)	(1)	(91)	(2)	(95)
<i>Net book value</i>					
At 30 November 2016	2	16	386	2	406
At 31 December 2015	2	-	429	4	435

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

## 11 Tangible fixed assets (continued)

Cost of valuation at 30 November 2016 is represented by:

Group	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Valuation	-	-	110	-	91
Cost	3	17	367	4	410
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 November 2016	3	17	477	4	501
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The figures stated above include the following balances held under finance leases:

	Motor vehicles £'000
Net book value:	-
At 31 December 2016	<hr/>
At 31 December 2015	165
	<hr/>
Depreciation charge:	-
2016	<hr/>
2015	40
	<hr/>

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (*continued*)

## 12 Fixed asset investments

Company	Investment in subsidiary company £'000
<i>Cost</i>	
At 1 January 2016	-
Additions	2,092
	<hr/>
At 30 November 2016	2,092
	<hr/>
<i>Net book value</i>	
At 30 November 2016	2,092
	<hr/>
At 31 December 2015	-
	<hr/>

Investments in subsidiaries are shares in unlisted companies which have been measured at cost.

### Subsidiary Undertakings

Company name	Country of incorporation and operation	Class of share capital held	Proportion held by the Company	Registered address
OFJ Airlinks Limited	England and wales	Ordinary	100%	World Business Centre 2 Newall Road London Heathrow Airport Hounslow England TW6 2SF

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

## 13 Financial Instruments

	Group 30 November 2016 £'000	Group 31 December 2015 £'000	Company 30 November 2016 £'000	Company 31 December 2015 £'000
<b>Financial Assets</b>				
Bank and cash	54	208	26	208
Financial assets measured at amortised cost	1,755	2,256	1,267	2,256
<b>Total</b>	<b>1,809</b>	<b>2,464</b>	<b>1,293</b>	<b>2,464</b>
<b>Financial Liabilities</b>				
Financial liabilities measured at amortised cost	2,929	2,739	2,575	2,739

Financial assets measured at amortised cost comprise cash, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise invoice discounting facilities, trade creditors, other creditors, accruals and amounts owed to group undertakings.

Information regarding the entities exposure to and management of foreign currency risk, interest rate risk, liquidity risk and credit risk is included in the strategic report.

## 14 Stocks

	Group 30 November 2016 £'000	Group 31 December 2015 £'000	Company 30 November 2016 £'000	Company 31 December 2015 £'000
Stocks	10	14	10	14

## 15 Debtors

	Group 30 November 2016 £'000	Group 31 December 2015 £'000	Company 30 November 2016 £'000	Company 31 December 2015 £'000
Trade debtors	1,581	1,968	1,093	1,968
Other debtors	174	288	174	288
VAT	42	629	25	628
Prepayments and accrued income	136	113	81	113
<b>Total</b>	<b>1,934</b>	<b>2,998</b>	<b>1,373</b>	<b>2,977</b>

Bad debts written off to the statement of comprehensive income for the period amounted to £139,000.

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

## 16 Creditors: amounts falling due within one period

	Group 30 November 2016 £'000	Group 31 December 2015 £'000	Company 30 November 2016 £'000	Company 31 December 2015 £'000
Amounts due under invoice discounting facility	391	815	304	815
Trade creditors	975	1,171	856	1,171
Amounts due by group undertakings	-	-	1,353	-
Corporation Tax	-	55	-	55
Taxation and social security	145	127	73	127
Obligations under finance leases and hire purchases	234	55	-	55
Other creditors	1,255	618	1,085	618
Accruals and deferred income	307	136	327	136
	<u>3,307</u>	<u>2,977</u>	<u>3,998</u>	<u>2,977</u>

Advances under the invoice discounting facility are secured by way of floating and fixed charges over the assets of the group.

## 17 Finance leases

### Group:

#### 2016

Future lease payments are due as follows:

	Minimum Lease Payments £'000	Interest £'000	Present Value £'000
Not later than one year	292	(58)	234
Later than one year, but not later than five years	1,168	(144)	1,024
Later than five years	511	(16)	495
	<u>1,971</u>	<u>(218)</u>	<u>1,753</u>

#### 2015

Future lease payments are due as follows:

	Minimum Lease Payments £'000	Interest £'000	Present Value £'000
Not later than one year	137	(11)	126
Later than one year, but not later than five years	-	-	-
Later than five years	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

# OFJ Connections Limited

Notes forming part of the financial statements  
For the period ended 30 November 2016 (*continued*)

## 17 Finance leases (*continued*)

Company:

2016

Future lease payments are due as follows:

	Minimum Lease Payments £'000	Interest £'000	Present Value £'000
Not later than one year	-	-	-
Later than one year, but not later than five years	-	-	-
Later than five years	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>

2015

Future lease payments are due as follows:

	Minimum Lease Payments £'000	Interest £'000	Present Value £'000
Not later than one year	137	(11)	126
Later than one year, but not later than five years	-	-	-
Later than five years	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>

## 18 Creditors: amounts falling due after more than one year

	Group 30 November 2016 £'000	Group 31 December 2015 £'000	Company 30 November 2016 £'000	Company 31 December 2015 £'000
Finance leases	1,519	72	-	72
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## OFJ Connections Limited

Notes forming part of the financial statements  
For the period ended 30 November 2016 (continued)

### 19 Maturity of debt

#### *Finance Lease*

	Group 30 November 2016 £'000	Group 31 December 2015 £'000	Company 30 November 2016 £'000	Company 31 December 2015 £'000
In one year or less, or on demand	234	126	-	126
In more than one year, but not more than two years	243	-	-	-
In more than two years, but not more than five years	781	-	-	-
In more than five years	495	-	-	-
	<u>1,753</u>	<u>126</u>	<u>-</u>	<u>126</u>

#### *Invoice discounting*

	Group 30 November 2016 £'000	Group 31 December 2015 £'000	Company 30 November 2016 £'000	Company 31 December 2015 £'000
In one year or less, or on demand	391	-	304	-
	<u>391</u>	<u>-</u>	<u>304</u>	<u>-</u>



# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (*continued*)

## 20 Commitment over operating lease

At 30 November 2016 and at 31 December 2015, the group and company had no commitments under non-cancellable leases.

## 21 Deferred tax liability

### Group

	30 November 2016 £'000	31 December 2015 £'000
--	---------------------------------	---------------------------------

The movements in deferred taxation in the period are as follows:

At 1 January	87	-
Deferred tax losses acquired with subsidiary	(154)	-
Recorded in the statement of comprehensive income (note 9)	74	87
Deferred tax recognised on intangible assets (Note 24)	96	-
	<hr/>	<hr/>
At 30 November (31 December)	103	87
	<hr/>	<hr/>

The major components of the asset for deferred taxation are as follows:

	30 November 2016 £'000	31 December 2015 £'000
Accelerated capital allowances	33	-
Tax losses carried forward and other deductions	(26)	-
Deferred tax on intangible assets	96	-
	<hr/>	<hr/>
Deferred Tax Liability	103	87
	<hr/>	<hr/>

### Company

	30 November 2016 £'000	31 December 2015 £'000
--	---------------------------------	---------------------------------

The movements in deferred taxation in the period are as follows:

At 1 January	87	-
Recorded in the statement of comprehensive income (note 9)	(47)	87
	<hr/>	<hr/>
At 30 November (31 December)	40	87
	<hr/>	<hr/>

The major components of the asset for deferred taxation are as follows:

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (*continued*)

## 21 Deferred tax liability (*continued*)

	30 November 2016 £'000	31 December 2015 £'000
Accelerated capital allowances	28	87
Tax losses carried forward and other deductions	8	-
Effect of change in tax rate in the period	4	-
	<hr/>	<hr/>
Deferred Tax Liability	40	87
	<hr/>	<hr/>

## 22 Provisions

	Insurance £'000
Acquired with subsidiary (note 24)	25
Provided	140
Released	-
	<hr/>
At 30 November 2016	165
	<hr/>

Provisions for insurance represent the most reliable estimate of future costs expected to be incurred in the settlement of motor accident claims, all of which are expected to be realised within the next 2 years. The amounts provided are based on the assumptions of the group's insurance providers.

# OFJ Connections Limited

Notes forming part of the financial statements  
for the period ended 30 November 2016 (continued)

## 23 Share capital

	30 November 2016 £'000	31 December 2015 £'000
<i>Allotted, issued and fully paid</i>		
2,500 ordinary shares of £1 each	3	3

## 24 Acquisition of business

On 1 April 2016 OFJ Connections Limited acquired 100% of the share capital of OFJ Airlinks Limited (formerly Airlinks Airports Services Limited) for £2,091,704 paid in cash from National Express Holdings Limited.

In calculating the goodwill arising on acquisition, the fair value of the net assets of OFJ Airlinks Limited acquired and have been assessed and adjustments from book value have been made where necessary.

	Book value £'000	Fair value adjustments £'000	Provisional fair value £'000
<b>Fixed assets</b>			
Intangible	-	480	480
<b>Fixed assets</b>			
Stock	2	-	2
Debtors	518	-	518
Cash at bank and in hand	847	-	847
<b>Total assets</b>	<b>1,367</b>	<b>480</b>	<b>1,847</b>
<b>Creditors</b>			
Due within one year	(215)	-	(215)
Provisions	(25)	-	(25)
Deferred tax on differences between fair values and tax bases	-	(96)	(96)
<b>Net assets</b>	<b>1,127</b>	<b>384</b>	<b>1,511</b>
<b>Goodwill</b>			<b>580</b>
<b>Total purchase consideration</b>			<b>2,091</b>
<b>Cash and cash equivalents in subsidiary acquired</b>			<b>(847)</b>
<b>Cash outflow on acquisition</b>			<b>1,244</b>

The useful economic life of goodwill has been estimated to be 5 years.

# OFJ Connections Limited

## Notes forming part of the financial statements for the period ended 30 November 2016 (*continued*)

### 24 Acquisition of business (*continued*)

The results of OFJ Airlinks Limited since its acquisition are as follows:

	Current period since acquisition £'000
Turnover	3,550
Profit after tax	746

### 25 Related party disclosures

Key management personnel of the entity or its parent (in the aggregate)

	30 November 2016 £'000	31 December 2015 £'000
Purchases	-	31

Entities that provide key management personnel services to the entity

	30 November 2016 £'000	31 December 2015 £'000
Purchases	1,030	1,168
Amount due to related party	785	590

The above transactions and amounts owed at period end relate to Kemsley Management Services Limited (renamed The Ready Group Limited on 5 July 2017), a related party through common directorship of M Clayson and T Bloomfield, and OFJ Group Holdings Limited, a related party through common directorship of A Nicholas. The transactions were performed in the normal course of business.

The group and company also entered into a related party transaction with Kemsley Management Services Limited for the sale of a number of the group's buses. The transaction resulted in a loss on the sale of assets of £41,000, which has been disclosed in note 4. The total proceeds received from Kemsley Management Services Limited relating to the sale of the buses was £192,000. The net book value of the assets on the date of disposal was £233,000, resulting in the loss disclosed above. The sale of the assets was considered to be at arm's length.

The directors are related parties and remuneration transactions have been disclosed in note 5.

### 26 Post balance sheet events

On 1 December 2016 the entire share capital of the company was purchased by Omni Serv Limited.

### 27 Ultimate holding and controlling party

As a result of the acquisition described above the ultimate holding and controlling party became ABM Industries Inc.