

Company Registration No. 11951260 (England and Wales)

FLYING COLOURS SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020
PAGES FOR FILING WITH REGISTRAR

FLYING COLOURS SERVICES LIMITED

COMPANY INFORMATION

Directors	Mr G M Appleton	(Appointed 30 April 2019)
	Mr J F Dominey	(Appointed 30 April 2019)
	Mr G B Myles	(Appointed 17 April 2019)
	Mr J E Shenton	(Appointed 30 April 2019)

Secretary	Ms S J Bond
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Company number	11951260
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Registered office	2 Queens Square Ascot Business Park Lyndhurst Road Ascot Berkshire SL5 9FE
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Auditor	Kirk Rice LLP The Courtyard High Street Ascot Berkshire SL5 7HP
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FLYING COLOURS SERVICES LIMITED

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FLYING COLOURS SERVICES LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 JUNE 2020

The directors present their annual report and financial statements for the period ended 30 June 2020.

The company was incorporated on 17 April 2019 and commenced trading on this date.

Principal activities and review of business

The principal activity of the company in the period under review was that of the provision of support services to the other companies in the group. The company employs all of the staff that work in the group and provides the offices and office equipment used by the companies in the group. Flying Colours Services Limited recharge direct costs incurred on behalf of the group to the company to which they relate and raises management charges to these companies in respect of their own overheads based on pre-agreed contractual arrangements. The directors expect that the company will continue to trade at a loss in the next few years and will become profitable once group revenues grow significantly and the management charges increase. This is part of the directors overall strategy for the Flying Colours Holdings Group and is part of the group reorganisation that took place on 13 December 2019.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr G M Appleton	(Appointed 30 April 2019)
Mr J F Dominey	(Appointed 30 April 2019)
Mr G B Myles	(Appointed 17 April 2019)
Mr J E Shenton	(Appointed 30 April 2019)
Mr P D Wilson	(Appointed 30 April 2019 and resigned 18 August 2020)

Auditor

The Board has appointed Kirk Rice LLP as auditor. Kirk Rice LLP is the auditor of the parent company, Flying Colours Holdings Limited. The auditor, Kirk Rice LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

FLYING COLOURS SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2020

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

Going concern

The directors are satisfied that the company will have adequate resources to trade for a period of 12 months from the date the accounts were signed. The company is reliant on support from the parent company Flying Colours Holdings Limited. The parent company have confirmed that they will provide financial support if this is required for at least the following 12 months.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr J F Dominey
Director

15 April 2021

FLYING COLOURS SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO FLYING COLOURS SERVICES LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

Opinion

We have audited the financial statements of Flying Colours Services Limited (the 'company') for the period ended 30 June 2020 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

FLYING COLOURS SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO FLYING COLOURS SERVICES LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

FLYING COLOURS SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO FLYING COLOURS SERVICES LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Use of our report

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.

Kirk Rice (Senior Statutory Auditor)
for and on behalf of Kirk Rice LLP

15 April 2021

Statutory Auditor

The Courtyard
High Street
Ascot
Berkshire
SL5 7HP

FLYING COLOURS SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 JUNE 2020

	Period ended 30 June 2020 £
Turnover	113,216
Administrative expenses	(927,141)
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Loss before taxation	(813,925)
Tax on loss	-
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Loss for the financial period	(813,925)
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FLYING COLOURS SERVICES LIMITED

BALANCE SHEET

AS AT 30 JUNE 2020

	Notes	2020 £	£
Fixed assets			
Tangible assets	3		247
Current assets			
Debtors	4	475,464	
Cash at bank and in hand		52,008	
		<u>527,472</u>	
Creditors: amounts falling due within one year	5	<u>(1,341,644)</u>	
Net current liabilities			(814,172)
Total assets less current liabilities			<u>(813,925)</u>
Capital and reserves			
Profit and loss reserves	7		<u>(813,925)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 15 April 2021 and are signed on its behalf by:

Mr J F Dominey
Director

Company Registration No. 11951260

FLYING COLOURS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

1 Accounting policies

Company information

Flying Colours Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Queens Square, Ascot Business Park, Lyndhurst Road, Ascot, Berkshire, SL5 9FE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors are satisfied that the company will have adequate resources to trade for a period of 12 months from the date the accounts were signed. The company is reliant on support from the parent company Flying Colours Holdings Limited. The parent company have confirmed that they will provide financial support if this is required for at least the following 12 months.

1.3 Turnover

The company provides support services, including the employment of both direct and non-direct staff, office and equipment to the companies in the group. In return the company earns a percentage of gross income earned by each group company. Income is recognised on an accruals basis.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

FLYING COLOURS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

FLYING COLOURS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FLYING COLOURS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020 Number
Total	58

In December 2019, all staff previously employed in sister companies Flying Colours Finance Limited and Flying Colours Surrey Limited were transferred to Flying Colours Services Limited in accordance with the relevant TUPE regulations.

The costs of staff employment are borne by Flying Colours Services Limited and where their employment relates directly to other companies in the group these are recharged directly. Where they are indirect they are charged through an agreed contractual management charge between the companies based on the individual company turnover based on an arrangement put in place following the group reorganisation.

Employee and director totals refer to the full year, including while employed by other group companies.

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 17 April 2019	-
Additions	287
	<hr/>
At 30 June 2020	287
	<hr/>
Depreciation and impairment	
At 17 April 2019	-
Depreciation charged in the period	40
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At 30 June 2020	40
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Carrying amount	
At 30 June 2020	247
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FLYING COLOURS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2020

4 Debtors

	2020 £
Amounts falling due within one year:	
Amounts owed by group undertakings	354,564
Other debtors	120,900
	<u>475,464</u>

5 Creditors: amounts falling due within one year

	2020 £
Trade creditors	64,107
Amounts owed to group undertakings	868,103
Taxation and social security	216,947
Other creditors	192,487
	<u>1,341,644</u>

6 Called up share capital

	2020 £
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On incorporation, the company allotted 1 Ordinary share of £0.01 with an aggregate nominal value of £0.01. The company received consideration of £0.01 for the allotment.

7 Profit and loss reserves

The retained earnings reserve records retained earnings and accumulated losses.

8 Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standards 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with group companies.

9 Parent company and ultimate controlling party

The parent company of Flying Colours Services Limited is Flying Colours Holdings Limited, whose registered address is 2 Queen's Square, Lyndhurst Road, Ascot, Berkshire, England, SL5 9FE.

The ultimate controlling party is Mr G B Myles by virtue of his shareholding in the parent company, Flying Colours Holdings Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.