

Company Registration No. 11951260 (England and Wales)

**FLYING COLOURS SERVICES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**PAGES FOR FILING WITH REGISTRAR**

# FLYING COLOURS SERVICES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr G M Appleton Mr J F Dominey Mr G B Myles
<b>Secretary</b>	Ms S J Bond
<b>Company number</b>	11951260
<b>Registered office</b>	8 Godalming Business Centre Woolsack Way Godalming Surrey GU7 1XW
<b>Auditor</b>	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 YEAR ENDED 30 JUNE 2021**

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The directors present their annual report and financial statements for the year ended 30 June 2021.

### Principal activities

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 year and up to the date of signature of the financial statements were as follows:

Mr G M Appleton

Mr J F Dominey

Mr G B Myles

Mr J E Shenton

Mr P D Wilson

(Resigned 31 December 2021)

(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.

### 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.

# **FLYING COLOURS SERVICES LIMITED**

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

***FOR THE YEAR ENDED 30 JUNE 2021***

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### **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.

### **Small companies exemption**

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**

28 March 2022

# FLYING COLOURS SERVICES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF FLYING COLOURS SERVICES LIMITED

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#### Opinion

We have audited the financial statements of Flying Colours Services Limited (the 'company') for the year ended 30 June 2021 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including 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 2021 and of its loss 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.

#### 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 year 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 (CONTINUED)**

### **TO THE MEMBERS OF FLYING COLOURS SERVICES LIMITED**

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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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our audit approach was developed by obtaining an understanding of the company's activities, the key functions undertaken on behalf of the Board by management and by service organisations, and overall control environment. Based on this understanding we assessed those aspects of the company's transactions and balances which were most likely to give rise to a material misstatement and were most susceptible to irregularities including fraud or error. Specifically, we identified what we considered to be key audit risks and planned our approach accordingly.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies Act 2006, FRS 102 and data protection laws.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentation or through collusion.

## **FLYING COLOURS SERVICES LIMITED**

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

#### **TO THE MEMBERS OF FLYING COLOURS SERVICES LIMITED**

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We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- Agreement of the financial statements disclosures to underlying supporting documentation;
- Enquiries of management;
- Considering the effectiveness of control environment in monitoring compliance with laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. As in all of our audits we also addressed the risk of going concern, revenue recognition and management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **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**

30 March 2022

**Statutory Auditor**

The Courtyard  
High Street  
Ascot  
Berkshire  
SL5 7HP



## FLYING COLOURS SERVICES LIMITED

### PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 30 JUNE 2021*

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	Year ended 30 June 2021 £	Period ended 30 June 2020 £
<b>Turnover</b>	229,420	113,216
Administrative expenses	(1,646,028)	(927,141)
	<hr/>	<hr/>
<b>Loss before taxation</b>	(1,416,608)	(813,925)
Tax on loss	-	-
	<hr/>	<hr/>
<b>Loss for the financial year</b>	<u>(1,416,608)</u>	<u>(813,925)</u>

# FLYING COLOURS SERVICES LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	3		339		247
<b>Current assets</b>					
Debtors	4	369,311		475,464	
Cash at bank and in hand		43,033		52,008	
		<u>412,344</u>		<u>527,472</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(2,643,216)</u>		<u>(1,341,644)</u>	
<b>Net current liabilities</b>			<u>(2,230,872)</u>		<u>(814,172)</u>
<b>Net liabilities</b>			<u>(2,230,533)</u>		<u>(813,925)</u>
<b>Capital and reserves</b>					
Profit and loss reserves	7		<u>(2,230,533)</u>		<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 28 March 2022 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 YEAR ENDED 30 JUNE 2021

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### 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 8 Godalming Business Centre, Woolsack Way, Godalming, Surrey, GU7 1XW.

#### 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:

Leasehold improvements	Term of the lease, or useful economic life if shorter
Computers	3 years straight line

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 YEAR ENDED 30 JUNE 2021

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### 1 Accounting policies

(Continued)

#### 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

##### **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.

##### **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.

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 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.

#### 1.9 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.

#### 1.10 Retirement benefits

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

#### 1.11 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.

# FLYING COLOURS SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 2 Employees

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

	2021 Number	2020 Number
Total	42	58

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 for 2020 refer to the full year, including while employed by other group companies.

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 July 2020	-	287	287
Additions	200	-	200
At 30 June 2021	200	287	487
<b>Depreciation and impairment</b>			
At 1 July 2020	-	40	40
Depreciation charged in the year	12	96	108
At 30 June 2021	12	136	148
<b>Carrying amount</b>			
At 30 June 2021	188	151	339
At 30 June 2020	-	247	247

### 4 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	238,643	354,564
Other debtors	130,668	120,900
	369,311	475,464

## FLYING COLOURS SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

**5 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	55,350	64,107
Amounts owed to group undertakings	2,433,015	868,103
Taxation and social security	37,686	216,947
Other creditors	117,165	192,487
	<u>2,643,216</u>	<u>1,341,644</u>

**6 Called up share capital**

	2021	2020	2021	2020
Ordinary shares of 1p each	1	1	-	-

**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 companies within the group.

**9 Parent company and ultimate controlling party**

The parent company of Flying Colours Services Limited is Flying Colours Holdings Limited, whose registered address is 8 Godalming Business Centre, Woolsack Way, Godalming, Surrey, GU7 1XW.

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.