

Company Registration No. 05750143 (England and Wales)

Infoserve Group PLC

**Annual report and financial statements
for the year ended 31 March 2019**

Infoserve Group PLC

Company information

Directors	Mr D R Hood Mr D I J Oliver Mr A R Thirkill
Secretary	Mrs K L Roberts
Company number	05750143
Registered office	South Side Aviation Leeds Bradford International Airport Leeds West Yorkshire LS19 7UG
Independent auditor	Saffery Champness LLP Mitre House North Park Road Harrogate North Yorkshire HG1 5RX
Business address	South Side Aviation Leeds Bradford International Airport Leeds West Yorkshire LS19 7UG

Infoserve Group PLC

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Infoserve Group PLC

Strategic report

For the year ended 31 March 2019

The directors present the strategic report for the year ended 31 March 2019.

Activities and review of the business

The directors have taken advantage of available exemptions from preparing consolidated accounts in accordance with the Companies Act 2006. Infoserve Group PLC has continued to be a pure holding company during the year. Infoserve Limited is the wholly owned subsidiary of Infoserve Group PLC and is an active trading company. The business review included within this strategic report therefore summarises the trading and performance of Infoserve Limited.

Activities and review of the business - Infoserve Limited

Having continued the process of transitioning the business structure and product offerings to a more sustainable footing, we report a profit for the year.

The following KPIs are part of the tools used by management to monitor the business performance:

	2019	2018	
Sales	£5.0m	£5.3m	
Gross profit margin	32.9%	30.7%	Gross profit/turnover
Operating margin	7.5%	(2.0%)	Operating profit/turnover
Creditor days	27days	24 days	Trade creditors/cost of sales

The accounts of infoserve Limited are available from the company's registered office.

Principal risks and uncertainties

The liquidity risk of the company is managed centrally. Liquidity risk arises from the company's management of working capital and the finance charges and principal payments on debt financing. It is the risk that the company will have difficulty in meeting its financial obligations as they fall due. The company currently has sufficient liquid resources to meet the liquidity of the business and its future plans.

The company finances its operations through its operating cashflow. There will be no future interest charged on loans from Mr David Hood as a result of a waiver provided.

The company monitors its fixed cost base and utilises the KPIs as illustrated above to assess its business performance.

The company's operations expose it to a variety of financial risks that include the effects of changes in seasonal and economic patterns, which may affect the markets for the services the company offers. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company. Other risks include requirements for further funds, management of operational capacity, dependence on senior management and employees, recruitment risk, technology risk and partner and third party risk, which are considered below:

Principal risk and uncertainties - continued

Requirements for further funds

There may be a requirement for the company to raise further funds in the future in order to fully exploit opportunities available

Management of operational capacity

The company's operational capacity has been realigned with sales demands and as such the company has the ability to respond quickly to opportunities in a rapidly growing market.

Dependence on senior management and employees

The company's results are dependent upon the performance and continued services of the company's senior management and other key personnel.

Recruitment and retention

The company's business is dependent on achieving sales through telephone sales personnel. Businesses that employ telephone sales personnel can experience a high rate of staff turnover, which can increase the costs of recruitment and training, however, current staff churn is low and within manageable risk.

Technology

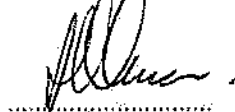
The company's business is dependent on various technologies it utilises in the creation and operation of its websites, the search facilities provided to its partners, the creation and maintenance of its data and in other areas of its operations.

The company obtains the data for its business directories from third party suppliers, although the company then maintains and updates this data through its own research and data collection, minimising any risk of data loss.

Partners and third parties

The company's agreements with its partners are reliant on a certain level of performance, which is closely monitored by the company. Changes by any of these search engines pose a significant risk to the company. The company's shift to pay per performance has mitigated its risk to its reliance on search engine rankings within Google for its directories.

On behalf of the board



Mr D. J. Oliver

Director

20/3/19

Directors' report

For the year ended 31 March 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the company continued to be that of a holding company.

Directors

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

Mr D R Hood
Mr D I J Oliver
Mr A R Thirkill

Auditor

Saffery Champness LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a 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.

Infoserve Group PLC

Directors' report (continued)

For the year ended 31 March 2019

Going concern

The company and its trading subsidiary Infoserve Limited are both considered to be a going concern. Notwithstanding the net liabilities position of both companies at the year end, the directors have a reasonable expectation that both companies have adequate resources and continued financial support from key shareholder Mr David Hood to continue in operational existence for the foreseeable future.

On behalf of the board



Mr D I J Oliver

Director

Date: 25th Sept 2019

Opinion

We have audited the financial statements of Infoserve Group PLC (the 'company') for the year ended 31 March 2019 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Independent auditor's report (continued)
To the members of Infoserve Group PLC

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

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 and 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.

Independent auditor's report (continued)
To the members of Infoserve Group PLC

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.

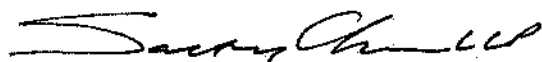
Auditor's responsibilities for the audit of the financial statements

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.

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.



Jonathan Davis (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

26/9/19
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Chartered Accountants
Statutory Auditors

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

Infoserve Group PLC

Income statement

For the year ended 31 March 2019

		2019	2018
	Notes	£	£
Administrative expenses		(132,450)	(130,003)
Other operating income		132,450	130,003
Profit before taxation		<u>-</u>	<u>-</u>
Tax on profit	5	<u>-</u>	<u>-</u>
Profit for the financial year		<u><u>-</u></u>	<u><u>-</u></u>

The Income Statement has been prepared on the basis that all operations are continuing operations.

Infoserve Group PLC

Statement of comprehensive income
For the year ended 31 March 2019

	2019	2018
	£	£
Loss for the year	-	-
Other comprehensive income	-	-
Total comprehensive income for the year	<u>-</u>	<u>-</u>

Infoserve Group PLC

Statement of financial position

As at 31 March 2019

	Notes	2019		2018	
		£	£	£	£
Creditors: amounts falling due after more than one year	6		(100,000)		(100,000)
Net liabilities			<u>(100,000)</u>		<u>(100,000)</u>
Capital and reserves					
Called up share capital	8		2,953,662		2,953,662
Share premium account			3,870,884		3,870,884
Other reserves			50,000		50,000
Profit and loss reserves			(6,974,546)		(6,974,546)
Total equity			<u>(100,000)</u>		<u>(100,000)</u>

The financial statements were approved by the board of directors and authorised for issue on 20/9/19 and are signed on its behalf by:



Mr D I J Oliver
Director

Company Registration No. 05750143

Infoserve Group PLC

Statement of changes in equity
For the year ended 31 March 2019

	Share capital	Share premium account	Other reserves	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 April 2017	2,953,662	3,870,884	50,000	(6,974,546)	(100,000)
Year ended 31 March 2018: Profit and total comprehensive income for the year	-	-	-	-	-
Balance at 31 March 2018	2,953,662	3,870,884	50,000	(6,974,546)	(100,000)
Year ended 31 March 2019: Profit and total comprehensive income for the year	-	-	-	-	-
Balance at 31 March 2019	2,953,662	3,870,884	50,000	(6,974,546)	(100,000)

Infoserve Group PLC

Statement of cash flows

For the year ended 31 March 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities			-		-
Net increase in cash and cash equivalents			-		-
Cash and cash equivalents at beginning of year			-		-
Cash and cash equivalents at end of year			-		-

1 Accounting policies

Company information

Infoserve Group PLC is a public company domiciled and registered in England and Wales. The registered number is 05750143. The address of the Company's registered office is South Side Aviation, Leeds Bradford International Airport, Leeds, West Yorkshire, LS19 7UG.

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.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2019 are the first financial statements of Infoserve Group PLC prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2017. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

These financial statements have been prepared on a going concern basis, notwithstanding the net liabilities position held at the year end. The directors have a reasonable expectation that the company has adequate resources and continued financial support from key shareholder Mr David Hood to continue in operational existence for the foreseeable future.

1.3 Cash at bank and in hand

Cash at bank and in hand 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 Accounting policies (continued)

1.4 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 statement of financial position 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, 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.

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.

1.5 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 Accounting policies (continued)

1.6 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.

1.7 Retirement benefits

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

2 Critical accounting judgements and key sources of estimation uncertainty

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

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

3 Employees

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

	2019 Number	2018 Number
Director	3	3

3 Employees (continued)

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	109,000	106,953
Social security costs	12,717	12,789
Pension costs	9,306	8,891
	<u>131,023</u>	<u>128,633</u>

4 Directors' remuneration

	2019	2018
	£	£
Remuneration for qualifying services	109,000	106,953
Company pension contributions to defined contribution schemes	9,306	8,891
	<u>118,306</u>	<u>115,844</u>

5 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	-	-
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	-	-
Taxation charge in the financial statements	-	-

Notes to the financial statements (continued)
For the year ended 31 March 2019

6 Creditors: amounts falling due after more than one year

Notes	2019 £	2018 £
Preference share capital presented as debt	<u>100,000</u>	<u>100,000</u>

7 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>9,306</u>	<u>8,891</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

8 Share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid 59,073,240 Ordinary shares of 5p each	<u>2,953,662</u>	<u>2,953,662</u>

9 Related party transactions

The company made sales to Infoserve Limited, a wholly owned subsidiary, of £132,450 (2018: £130,003) in respect of management services provided in the year.

10 Ultimate controlling party

The ultimate controlling party is Mr David Hood, director and majority shareholder.

Infoserve Group PLC

Detailed trading and profit and loss account
For the year ended 31 March 2019

	2019	2018
	£	£
Other operating income		
Management fees receivable	132,450	130,003
Administrative expenses	<u>(132,450)</u>	<u>(130,003)</u>

This page does not form part of the financial statements on which the auditors have reported.

Infoserve Group PLC

Schedule of administrative expenses
For the year ended 31 March 2019

	2019	2018
	£	£
Administrative expenses		
Directors' remuneration	109,000	106,953
Directors' social security costs	12,717	12,789
Directors' pension costs - defined contribution scheme	9,306	8,891
Legal and professional fees	1,427	1,370
	<u>132,450</u>	<u>130,003</u>

This page does not form part of the financial statements on which the auditors have reported.