

# Reliable Refreshments Limited

Annual report and financial statements for the year ended 30 September 2020

Company Registration Number 01748043



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**Company information**

**Directors** Kate Dunham (appointed 1 February 2019 and resigned 31 January 2020)  
J Lea  
S J Sergeant (appointed 1 December 2019)

**Secretary** Compass Secretaries Limited

**Registered office** Parklands Court  
24 Parklands  
Birmingham Great Park  
Rubery  
Birmingham  
B45 9PZ

**Auditor** KPMG LLP  
Chartered Accountants  
One Snow Hill  
Snow Hill Queensway  
Birmingham  
B4 6GH

## **Directors' report for the year ended 30 September 2020**

The directors' present their annual report and the financial statements for the year ended 30 September 2020.

This report has been prepared in accordance with the special provisions of section 381 of the Companies Act 2006 relating to small companies. The directors have taken exemption under this regime not to disclose the strategic report.

### **Principal activity**

The principal activity of the company is that of a holding company.

### **Business review**

The results for the year are set out in the Income statement. The result for the year is a profit of £1,277,000 (2019: £1,430,000).

### **Going concern**

Notwithstanding the current economic uncertainties arising from the COVID-19 outbreak, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reason. Compass Group PLC has indicated its intention to continue to make available funds as needed by the company for a period of twelve months from the date of approval of the financial statements. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

### **Dividends**

The directors do not recommend the payment of a dividend for the year (2019: £Nil).

### **Directors' of the company**

The directors of the Company who were in office during the year and up to the date of signing the financial statements are shown on below:

Kate Dunham (appointed 1 February 2019 and resigned 31 January 2020)

J Lea

S J Sergeant (appointed 1 December 2019)

**Directors' report for the year ended 30 September 2020 (continued)**

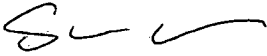
**Disclosure of information to the auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and the establish that the company's auditor is aware of that information.

**Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 25 June 2021 and signed on its behalf by:



.....  
Sarah Sergeant  
Director

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 estimates that are reasonable and prudent;
- state whether UK applicable accounting standards have been followed, subject to any material departures disclosed and in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent Auditor's Report to the Members of Reliable Refreshments Limited**

### **Opinion**

We have audited the financial statements of Reliable Refreshments Limited ("the company") for the year ended 30 September 2020 which comprise the Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

## **Independent Auditor's Report to the Members of Reliable Refreshments Limited (continued)**

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

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



.....  
**Mark Flanagan (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*  
One Snow Hill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Date: 28 June 2021

**Income statement**

For the year ended 30 September 2020

	Note	2020 £000	2019 £000
Interest receivable from other group companies		1,577	1,765
Profit before tax	3	<u>1,577</u>	<u>1,765</u>
Tax on profit on ordinary activities	6	(300)	(335)
<b>Profit for the year</b>		<u>1,277</u>	<u>1,430</u>

The above results were derived from continuing operations.

**Statement of comprehensive income**

For the year ended 30 September 2020

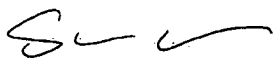
	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Profit for the year	1,277	1,430
<b>Total comprehensive income for the year</b>	<u>1,277</u>	<u>1,430</u>

**Balance sheet**

As at 30 September 2020

	Note	2020 £000	2019 £000
<b>Current assets</b>			
Debtors	7	132,607	131,030
<b>Creditors: Amounts falling due within one year</b>	8	(8,798)	(8,498)
<b>Net assets</b>		<u>123,809</u>	<u>122,532</u>
<b>Capital and reserves</b>			
Called up share capital	9	101,000	101,000
Retained earnings		22,809	21,532
<b>Shareholders' funds</b>		<u>123,809</u>	<u>122,532</u>

The financial statements of Reliable Refreshments Limited (registered number 01748043) were approved by the Board of Directors and authorised for issue on 25 June 2021 and signed on its behalf by:



.....  
Sarah Sergeant  
Director

**Statement of changes in equity**

For the year ended 30 September 2020

	<b>Called up share capital £000</b>	<b>Retained earnings £000</b>	<b>Total £000</b>
<b>At 1 October 2019</b>	101,000	21,532	122,532
Total comprehensive income	-	1,277	1,277
<b>At 30 September 2020</b>	<u>101,000</u>	<u>22,809</u>	<u>123,809</u>

For the year ended 30 September 2019

	<b>Called up share capital £000</b>	<b>Retained earnings £000</b>	<b>Total £000</b>
<b>At 1 October 2018</b>	101,000	20,102	121,102
Total comprehensive income	-	1,430	1,430
<b>At 30 September 2019</b>	<u>101,000</u>	<u>21,532</u>	<u>122,532</u>

## Notes to the financial statements for the year ended 30 September 2020

### 1. General information

Reliable Refreshments Limited ("the Company") is a private company limited by share capital, incorporated, domiciled and registered in England. The registered number is 01748043.

The address of its registered office is:

Parklands Court  
24 Parklands  
Birmingham Great Park  
Rubery  
Birmingham  
B45 9PZ

### 2. Accounting policies

#### Basis of preparation

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

- Cash flow statement and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRSs;
- Disclosure in respect of the compensation of Key Management Personnel; and
- Disclosure of transactions with a management entity that provides key management personnel services to the Company.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### Basis of measurement

The financial statements have been prepared on a historical cost basis.

#### Going concern

Notwithstanding the current economic uncertainties arising from the COVID-19 outbreak, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reason. Compass Group PLC has indicated its intention to continue to make available funds as needed by the Company for a period of twelve months from the date of approval of the financial statements. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

## Notes to the financial statements for the year ended 30 September 2020 (continued)

### Accounting policies (continued)

#### Functional and presentation currency

These financial statements are presented in Sterling, which is the Company's functional currency. All financial information presented in Sterling has been rounded to the nearest thousand, except when otherwise indicated.

#### Use of estimates and judgements

The preparation of the financial statements in conformity with FRS101 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Board do not believe that there are any principal accounting estimates, assumptions and judgements employed in the preparation of these financial statements which could affect the carrying amounts of assets and liabilities at the balance sheet date.

#### Financial instruments

##### Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

## Notes to the financial statements for the year ended 30 September 2020 (continued)

### 2. Accounting policies (continued)

#### Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which takes into account any dividend income, are recognised in profit or loss.

#### Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Other financial liabilities comprise trade and other payables.

#### Share capital

##### Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

##### Impairment excluding deferred tax assets

##### Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of its discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

#### Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

**Notes to the financial statements for the year ended 30 September 2020 (continued)**

**2. Accounting policies (continued)**

**Taxation (continued)**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

**Expenses**

**Financing income and expenses**

Financing expenses comprise interest payable. Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

**3. Operating profit**

The audit fee payable to the Company's auditor for the audit of the company's accounts of £1,200 (2019: £790) was borne by another group company.

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Audit of the financial statements	1	1

**4. Employee information**

The Company does not employ any staff, other than directors (2019: None).

**5. Directors' remuneration**

The directors received no remuneration for their services to this company as the services provided to Reliable Refreshments Limited are incidental to the management roles they fulfil for the group. (2019: Nil).

**Notes to the financial statements for the year ended 30 September 2020 (continued)**

**6. Income Tax**

Tax charged in the income statement

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Current taxation</b>		
UK corporation tax	300	335
Tax expense in the income statement	<u>300</u>	<u>335</u>

The tax assessed for the period is same (2019: same) than the standard effective rate of corporation tax in the UK for the year ended 30 September 2020 of 19% (2019: 19%). The differences are explained below:

The differences are reconciled below:

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Profit for the year	1,277	1,430
Total tax expense	300	335
Profit before tax	<u>1,577</u>	<u>1,765</u>
Corporation tax at standard rate in the UK 19% (2019: 19%)	300	335
Total tax charge	<u>300</u>	<u>335</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will have no material effect on the Company's future current tax charge.

**7. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by other group companies	<u>132,607</u>	<u>131,030</u>

The amounts owed by other group companies relate to entities in the Compass Group. Interest is charged on £101,000,000 at a rate equating to six month libor plus 75 basis points with no set repayment terms.

**8. Creditors**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by other group companies	8,498	7,884
Other creditors	-	279
Corporation tax	300	335
	<u>8,798</u>	<u>8,498</u>

The amounts owed to other group companies relate to entities in the Compass Group. There are no fixed interest or set repayment terms relating to these balances.

**Notes to the financial statements for the year ended 30 September 2020 (continued)**

**9. Share capital**

**Allotted, called up and fully paid shares**

	30 September 2020		30 September 2019	
	No. 000	£000	No. 000	£000
2,020,000,040 ordinary shares of £0.05 each	2,020,000	101,000	2,020,000	101,000
	<u>2,020,000</u>	<u>101,000</u>	<u>2,020,000</u>	<u>101,000</u>

**10. Commitments**

There were no capital commitments at the end of the financial year and no provision has been made (2019: £Nil).

**11. Contingent liabilities**

The Company is party to the Group's cross guarantee cash pooling arrangements, which held total overdrafts of £2,234,098 (2019: £97,427) at the balance sheet date. In the eventuality that the companies holding these overdrafts were to cease operation or be unable to repay them as and when they fall due, the Company would be liable repay the outstanding balance in full.

**12. Related party transactions**

As a wholly owned subsidiary, the company is exempt from disclosure of transactions with group undertakings under FRS 101.

**13. Parent and ultimate parent undertaking**

The Company's immediate parent is Vendepac Holdings Limited.

The ultimate parent and controlling party is Compass Group PLC. This is the largest and smallest group into which the Company is consolidated.

The only group of undertakings for which group accounts are drawn up and of which the Company is a member is Compass Group PLC. Copies of the group accounts referred to above can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.