Registered No 05995125

LPM Acquisitions Limited

Report and Financial Statements for the year ended

31 March 2015

Registered No: 05995125

Directors

J Levine	
M Saunders	(Resigned 28th September 2015)
S Giles	(Appointed 28th September 2015)

Company secretary

M Saunders	(Resigned 28th September 2015)
S Giles	(Appointed 28th September 2015)

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
The Portland Building
25 High Street
Crawley
West Sussex, RH10 1BG

Bankers
Clydesdale Bank
2nd Floor, 35 Regent Street
London, SW1Y 4ND

Registered office
Ground Floor Suite
River House
Maidstone Road
Sidcup
Kent DA14 5RH

Directors' report

The directors present their report and the audited financial statements for the year ended 31 March 2015.

Principal activity

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

Results and dividends

The loss for the year after taxation amounted to £3,304,000, which includes an investment impairment of £3,105,000 (year ended 31 March 2014: loss of £310,000). The directors do not recommend the payment of a dividend (year ended 31 March 2014: £nil).

Directors and company secretary

The directors who served the company during the year and to the date of these financial statements were as follows:

J Levine	
M Saunders	(Resigned 28th September 2015)
S Giles	(Appointed 28th September 2015)

S Giles was appointed company secretary on 28th September 2015, and M Saunders resigned as company secretary on 28th September 2015.

Post balance sheet events

On 13 November 2015, a debt for equity swap was undertaken in Axis Group Integrated Services Limited (the ultimate parent company) with £36m of loan notes and interest held by Sovereign Capital Partners LLP, the ultimate controlling party, being exchanged for 1,000,000 ordinary shares of 10p each. The entire equity of Axis Group Integrated Services Limited and its subsidiaries was subsequently purchased on 13 November 2015 by Seebeck 133 Limited. The remaining £4m of loan notes and interest held by Sovereign Capital Partners were sold to Seebeck 133 Limited. As a result Seebeck 133 Limited has become the ultimate controlling party of the group. The new group has undertaken a refinancing with Clydesdale bank effective from 5 February 2016.

These transactions have had a material effect on the group balance sheet. The directors have presented an unaudited proforma group balance sheet to demonstrate the financial position of the group as at 31 March 2015 in the financial statements of Axis Group Integrated Services Limited for the year ended 31 March 2015.

Going concern

The company is part of the wider Axis Group Integrated Services Limited group which meets its day-to-day working capital requirements through close management of group cash flows and an invoice discounting facility. The new group has undertaken a refinancing with Clydesdale bank effective from 5 February 2016.

The group's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the group, and therefore the company, is able to operate within the level of its new facilities and other sources of finance that are available to them.

The directors, having considered this and the financial position of the company, have a reasonable expectation that the company will continue in operational existence and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors' report (continued)

Statement of directors' responsibilities

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 the directors have prepared 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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

Statement of directors' responsibilities (continued)

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.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its report, of which the auditors are unaware. Having made enquiries of fellow directors and the company's auditors, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Directors' report (continued)

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006. Under this provision, the company is exempt from preparing a Strategic Report.

On behalf of the Board

S Giles
Director

Date: 15-2-16

Registered No: 05995125

Independent auditors' report to the members of LPM Acquisitions Limited

Report on the financial statements

Our opinion
In our opinion, LPM Acquisitions Limited 's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2015 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.

What we have audited
The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance sheet as at 31 March 2015;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration
Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of LPM Acquisitions Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors
As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are *responsible for the preparation of the financial statements and for being satisfied that they give a true and* fair view..

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Stephen Wootten (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick
15 February 2016

Profit and loss account

for the year ended 31 March 2015

	Note	Year ended 31 March 2015 £'000	Year ended 31 March 2014 £'000
Administrative expenses		(3,105)	(8)
Operating loss	2	(3,105)	(8)
Interest payable and similar charges	4	(199)	(302)
Loss on ordinary activities before taxation		(3,304)	(310)
Tax on loss on ordinary activities	5	–	–
Loss for the financial year	11	(3,304)	(310)

All amounts relate to continuing operations.

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

There were no gains or losses other than the loss for the financial year and therefore no statement of total recognised gains and losses has been presented.

Balance sheet

At 31 March 2015

	Notes	31 March 2015 £'000	31 March 2014 £'000
Fixed assets			
Investments	6	7,844	10,949
Current assets			
Debtors	7	4,001	4,025
Cash at bank and in hand		3	3
		4,004	4,028
Creditors: amounts falling due within one year	8	(16,925)	(15,721)
Net current liabilities		(12,921)	(11,693)
Total assets less current liabilities		**(5,077)**	**(744)**
Creditors: amounts falling due after more than one year	9	600	1,629
Capital and reserves			
Called up share capital	10	–	–
Profit and loss account	11	(5,677)	(2,373)
Total shareholders' deficit	12	(5,677)	(2,373)
Total shareholders' deficit and long term liabilities		**(5,077)**	**(744)**

The financial statements on pages 6 to 15 were approved by the Board of Directors and signed on their behalf by:

S Giles
Director

Date: 15 - 2 - 16

Registered No: 05995125

Notes to the financial statements

At 31 March 2015

1. **Accounting policies**

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The company is part of the wider Axis Group Integrated Services Limited group which meets its day-to-day working capital requirements through close management of group cash flows and an invoice discounting facility. The new group has undertaken a refinancing with Clydesdale bank effective from 5 February 2016.

The group's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the group, and therefore the company, is able to operate within the level of its new facilities and other sources of finance that are available to them.

The directors, having considered this and the financial position of the company, have a reasonable expectation that the company will continue in operational existence and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of cash flows

The financial statements do not include a statement of cash flows because the company is a subsidiary where 100% of the voting rights are controlled within the group and group financial statements, which include the subsidiary undertaking, are made publicly available. The company is therefore exempt from the requirement to produce a statement under financial Reporting Standard No. 1 'Statement of Cash Flows (Revised)'.

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value. The carrying value of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Group financial statements

The company is entitled to the exemption under Section 400 of the Companies Act 2006 from the obligation to prepare group financial statements. Accordingly, these financial statements present information about the company as an individual undertaking and not about its group.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements

At 31 March 2015

2. Operating loss

This is stated after charging:

	Year ended 31 March 2015 £'000	Year ended 31 March 2014 £'000
Investment impairment – see note 6	3,105	-
Refinancing fees	-	8

The audit fees for the year were paid by a fellow group company. It is not practical to allocate the audit fees between group companies.

3. Directors' remuneration

No directors' remuneration was paid during the year in respect of qualifying services provided to the company (2014: £nil).

There are no employees of this company and no staff costs are incurred (2014: none).

4. Interest payable and similar charges

	Year ended 31 March 2015 £'000	Year ended 31 March 2014 £'000
Loan note interest payable	75	24
Bank interest payable	124	278
	199	302

5. Tax on loss on ordinary activities

(a) Tax on loss on ordinary activities

The tax charge is made up as follows:

	Year ended 31 March 2015 £'000	Year ended 31 March 2014 £'000
Current tax:		
UK corporation tax	–	–
Tax on loss on ordinary activities (note 5(b))	–	–

Notes to the financial statements

At 31 March 2015

5. Tax on loss on ordinary activities (continued)

(b) Factors affecting current tax charge for the year

The tax assessed on the profit on ordinary activities for the year is higher (2014: higher) than the standard effective rate of corporation tax in the UK for the year ended 31 March 2015 of 21% (2014: 23%). The differences are explained as follows:

	Year ended 31 March 2015 £'000	Year ended 31 March 2014 £'000
Loss on ordinary activities before taxation	(3,304)	(310)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014: 23%)	(694)	(71)
Effects of:		
Expenses not deductible for tax purposes	668	–
Group relief surrendered	26	71
Total current tax (note 5 (a))	–	–

c) Deferred tax

Deferred tax is not provided in the financial statements. The unprovided deferred tax assets are as follows:

	Year ended 31 March 2015 £'000	Year ended 31 March 2014 £'000
Tax losses	(186)	(161)

The deferred tax asset has not been recognised due to the uncertainty over future suitable taxable profits from which the future reversal of the underlying timing differences will be available for offset.

A reduction in the UK corporation tax rate from 23% to 21% (effective 1 April 2014) and a further reduction to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The net deferred tax asset at 31 March 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Further reductions to the UK corporation tax rate have been announced. The changes, which are expected to be enacted separately, propose to reduce the rate to 19% from 1 April 2017 and 18% from 1 April 2020. The changes had not been substantively enacted at the reporting date, and therefore, are not recognised in these financial statements.

Notes to the financial statements
At 31 March 2015

6. Investments

	Investment in subsidiary undertakings £'000
Cost:	
At 1 April 2014 and 31 March 2015	10,949
Impairment:	
At 1 April 2014	-
Impairment in year	(3,105)
At 31 March 2015	(3,105)
Net book value:	
At 31 March 2015	7,844
At 31 March 2014	10,949

After a review at 31 March 2015, the directors believe that the carrying value of the investment of £9,539,000 held in the Axis Cleaning & Support Services Limited was not supported by the underlying net assets of that investment, and hence an impairment of £3,105,000 at this date has been recognised.

The company directly holds 20% or more of the share capital of the following companies:

Name of company	Country of incorporation	Nature of business	Class of share capital held	% held by company
Axis Cleaning & Support Services Limited	England	Cleaning	Ordinary	100%
Axis Security Services Limited	England	Security	Ordinary	80%
ICG Holdings Limited	England	Holding Co	Ordinary	85%
Axis Acquisitions Limited	England	Holding Co	Ordinary	80%

The company also holds 20% or more of the share capital of the following companies indirectly through one of its subsidiary undertakings.

Name of company	Nature of business	Country of incorporation	Class of share capital held	% held by company
LPM Dependable Limited	Non trading	England	Ordinary	100
Dependable Services Limited	Non trading	England	Ordinary	100
Intercity Group Limited	Holding co	England	Ordinary	85
LPM Intercity Limited	Non trading	England	Ordinary	85
ICG Personnel Limited	Non trading	England	Ordinary	85
LPM Paragon Limited	Non trading	England	Ordinary	85
Morris Contract Cleaning Limited	Non trading	England	Ordinary	85
Paragon Hygiene Services Limited	Non trading	England	Ordinary	85
ICG Cleaning Ltd	Non trading	England	Ordinary	85
Temple Security Limited	Security	England	Ordinary	80
Temple Security Contractors Limited	Security	England	Ordinary	80

The directors believe that the carrying value of the investments is supported by their underlying net assets.

Notes to the financial statements

At 31 March 2015

7. Debtors

	31 March 2015 £'000	31 March 2014 £'000
Amounts owed by group undertakings	4,001	4,025

8. Creditors: amounts falling due within one year

	31 March 2015 £'000	31 March 2014 £'000
Bank loans and overdrafts	1,604	1,250
Amounts owed to group undertakings	15,319	14,469
Accruals and deferred income	2	2
	16,925	15,721

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

9. Creditors: amounts falling due after more than one year

	31 March 2015 £'000	31 March 2014 £'000
Bank loan	-	1,104
Investors' loan notes	500	500
Loan note interest creditor	100	25
	600	1,629

Bank loan notes comprise an A loan of £4.5m repayable in 28 quarterly instalments from 31 December 2008, a B loan of £2.0m repayable in 12 quarterly instalments from 31 December 2012 (initially – see note below) and £0.5m on 1st April 2010 and a C loan of £2.5m repayable in 28 quarterly instalments from 30 June 2009. In December 2013, the Bank agreed to defer repayments of the B loan note, such that, no repayments are made between December 2013 and March 2015. Of the bank loan notes, the A loan bears interest at 4.5% over LIBOR, the B loan bears interest at 8.0% over LIBOR and the C loan bears interest at 4.5% over LIBOR. The loans are secured on the assets of the group.

On 5th February 2016, a refinancing deal was signed by the group which means loans A, B and C totalling £1.6m will be repaid over 36 quarterly instalments from 31 March 2016. All three loans now bear interest at 4.5% over LIBOR under the new deal.

Investors' loan notes of £500,000 were created in December 2013 as part of the group refinance. Each loan note has a nominal value of £1 and bears interest at 15%.

Redemption terms on the investors' loan notes are:

5th anniversary of the execution date - 33% of the outstanding notes to be redeemed.
6th anniversary of the execution date - 33% of the outstanding notes to be redeemed.
7th anniversary of the execution date - balance of the outstanding notes to be redeemed.

See note 16 - post balance sheet events, for details of the settlement of the loan notes held by Sovereign Capital Partners LLP.

Notes to the financial statements
At 31 March 2015

9. Creditors: amounts falling due after more than one year (continued)

Borrowings repayable are analysed as follows:

	31 March 2015 £'000	31 March 2014 £'000
Within one year:		
Bank loans (note 8)	1,604	1,250
Between 1 and 2 years:		
Bank loans	-	1,104
Over 5 years:		
Investors' loan notes	500	500
	2,104	2,854

10. Called up share capital

Allotted, called up and fully paid	No.	31 March 2015 £'000	No.	31 March 2014 £'000
Ordinary shares of £1 each	1	–	1	–

11. Profit and loss account

	31 March 2015 £'000	31 March 2014 £'000
At 1 April	(2,373)	(2,063)
Loss for the financial year	(3,304)	(310)
At 31 March	(5,677)	(2,373)

12. Reconciliation of movement in shareholders' deficit

	31 March 2015 £'000	31 March 2014 £'000
Opening shareholders' deficit	(2,373)	(2,063)
Loss for the financial year	(3,304)	(310)
Closing shareholders' deficit	(5,677)	(2,373)

Notes to the financial statements
At 31 March 2015

13. Contingent liabilities

The company has entered into cross guarantees with its ultimate parent undertaking, immediate parent undertaking and fellow subsidiaries with respect of obligations relating to bank borrowings and investor loan notes.

14. Related party transaction

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 'Related Party Disclosures' as it is a wholly owned subsidiary of Axis Group Integrated Services Limited. Therefore the company has not disclosed transactions or balances with wholly owned entities that form part of the group headed by Axis Group Integrated Services Limited.

In the normal course of business, the company undertook transactions with entities that are not wholly owned by Axis Group Integrated Services Limited. These transactions primarily relate to the recharging of expenses. Details of these transactions and balances outstanding at the balance sheet date are set out below:

	31 March 2015 £'000	31 March 2014 £'000
Related party transactions with non-wholly owned subsidiaries within the Axis Group – recharging of expenses	213	356
Related party transactions with non-wholly owned subsidiaries within the Axis Group – balance receivable at balance sheet date	1,502	1,715

15. Ultimate parent undertaking and controlling party

The company's immediate parent company is Axis Group Integrated Services Limited, a company registered in England & Wales.

The largest and smallest group of undertakings for which group financial statements have been drawn up which includes the results of the company is that headed by Axis Group Integrated Services Limited. Copies of the parent undertaking's financial statements are available from its registered address (Ground Floor Suite, River House, Maidstone Road, Sidcup, Kent, DA14 5RH).

At 31 March 2015, the directors did not consider there to be any ultimate controlling party. Funds managed by Sovereign Capital Limited Partnership II LLP, a company incorporated in the United Kingdom, have an effective interest of 88.38% in the equity share capital of Axis Group Integrated Services Limited.

Subsequent to year end, on 13 November 2015, Seebeck 133 Limited purchased the entire share capital of Axis Group Integrated Services Limited from Sovereign Capital Partners LLP and became the ultimate parent undertaking and controlling party from that date.

16. Post balance sheet events

On 13 November 2015, a debt for equity swap was undertaken in Axis Group Integrated Services Limited (the ultimate parent company) with £36m of loan notes and interest held by Sovereign Capital Partners LLP, the ultimate controlling party, being exchanged for 1,000,000 ordinary shares of 10p each. The entire equity of Axis Group Integrated Services Limited and its subsidiaries was subsequently purchased on 13 November 2015 by Seebeck 133 Limited. The remaining £4m of loan notes and interest held by Sovereign Capital Partners were sold to Seebeck 133 Limited. As a result Seebeck 133 Limited has become the ultimate controlling party of the group. The new group has undertaken a refinancing with Clydesdale bank effective from 5 February 2016.