

REGISTERED NUMBER: 02762997 (England and Wales)

**STRATEGIC REPORT, DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018  
FOR  
FMG SUPPORT (RRRM) LIMITED**



**FMG SUPPORT (RRRM) LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2018**

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**FMG SUPPORT (RRRM) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2018**

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**DIRECTORS:**

M F Chessman  
S E Oakley  
M Ward  
P H Stead  
C Owens

**REGISTERED OFFICE:**

FMG House  
St Andrews Road  
Huddersfield  
West Yorkshire  
HD1 6NA

**REGISTERED NUMBER:**

02762997 (England and Wales)

**AUDITOR:**

KPMG LLP, Statutory Auditor  
66 Queen Square  
Bristol  
BS1 4BE

**FMG SUPPORT (RRRM) LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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The directors present their annual strategic report and the audited financial statements for the year ended 30 June 2018.

**Principal Activities**

The principal activity of the company in the year under was that of the provision of roadside rescue and recovery services. A comprehensive business review can be found in the accounts of the group headed by FMG Support Group Limited, of which FMG Support (RRRM) Limited is a member.

**REVIEW OF BUSINESS**

Development and Performance of the business

The audited financial statements for the year ended 30 June 2018 are set out on pages 7 to 9, show the company delivered a profit before tax of £2,284k (2017: £1,487k).

This financial year demonstrates the success of the business ability to demonstrate the highest skill set in its sector, operating through extended winter conditions seen in early 2018 where there was a 14% increase in incidents attended to on motorways and major road on behalf of Highways England.

Future Development and Strategy

The growth of the business has continued to be maintained and the Directors are confident that the business is in a strong position to continue this growth. The business maintains high quality service and standards and works as a true partner with both clients and suppliers so as to provide a high quality cost effective solution for customers.

The Company's objectives are: to operate to the highest industry quality levels where incidents occur; and to minimise the impact on the customers' business by reducing response and off-road time.

The Company remains well positioned in its market sectors and is actively looking at new market sectors with a view to enhancing current products and creating new market leading products. The Directors are confident about the future performance of the Company which continues to focus on delivering market leading cost and service benefits to our customers.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The directors acknowledge that the company faces the same risks as the FMG Support Group as a whole and supports the group in mitigating these risks through comprehensive risk management procedures.

The principal risks and uncertainties affecting the business include the following.

- Nature of the customer contracts
- Regulatory Risks - Changes to the regulatory framework under which it operates
- Reputational Risk - Arising from the nature and quality of its suppliers, partners, and subcontractors used in the performance of customer contracts.

Each of these risks areas is considered by the board as part of the overall risk management of the company.

**ON BEHALF OF THE BOARD:**



S E Oakley - Director

5 September 2018

**FMG SUPPORT (RRRM) LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

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The directors present their report with the financial statements of the company for the year ended 30 June 2018.

**DIVIDENDS**

No dividends will be distributed for the year ended 30 June 2018.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2017 to the date of this report.

M F Chessman  
S E Oakley  
M Ward  
P H Stead

Other changes in directors holding office are as follows:

R R Nevins - resigned 4 August 2017  
C Owens - appointed 2 October 2017

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to 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, Statutory Auditor will therefore continue in office.

**ON BEHALF OF THE BOARD:**



S E Oakley - Director

5 September 2018

## **FMG SUPPORT (RRRM) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2018**

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The directors are responsible for preparing the Strategic Report, 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained 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 FMG SUPPORT (RRRM) LIMITED**

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### **Opinion**

We have audited the financial statements of FMG Support (RRRM) Limited ("the company") for the year ended 30 June 2018 which comprise the 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 June 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; 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**

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 twelve months from the date of approval of the financial statements.

We have nothing to report in these respects.

### **Directors' report**

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

Our responsibility is to read the strategic report and 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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
FMG SUPPORT (RRRM) LIMITED**

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**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.



Robert Fitzpatrick (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
66 Queen Square  
Bristol  
BS1 4BE

16 September 2018



**FMG SUPPORT (RRRM) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 £'000	2017 £'000
<b>TURNOVER</b>		<b>14,418</b>	<b>11,879</b>
Cost of sales		<u>(9,299)</u>	<u>(7,511)</u>
<b>GROSS PROFIT</b>		<b>5,119</b>	<b>4,368</b>
Administrative expenses		<u>(2,835)</u>	<u>(2,881)</u>
<b>OPERATING PROFIT and PROFIT BEFORE TAXATION</b>		<b>2,284</b>	<b>1,487</b>
Tax on profit	6	<u>(434)</u>	<u>(287)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>1,850</b>	<b>1,200</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><b>1,850</b></u>	<u><b>1,200</b></u>

The notes on pages 10 to 12 form part of these financial statements

**BALANCE SHEET**  
**30 JUNE 2018**

	Notes	2018 £'000	2017 £'000
<b>CURRENT ASSETS</b>			
Debtors	7	33,311	31,439
Cash in hand		1,701	384
		<u>35,012</u>	<u>31,823</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	(29,561)	(28,222)
<b>NET CURRENT ASSETS</b>		<u>5,451</u>	<u>3,601</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,451</u>	<u>3,601</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	100	100
Retained earnings		5,351	3,501
<b>SHAREHOLDER FUNDS</b>		<u>5,451</u>	<u>3,601</u>

The financial statements were approved by the Board of Directors on 5 September 2018 and were signed on its behalf by:



S E Oakley - Director

**FMG SUPPORT (RRRM) LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Called up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 July 2016</b>	100	2,301	2,401
<b>Changes in equity</b>			
Total comprehensive income	-	1,200	1,200
<b>Balance at 30 June 2017</b>	100	3,501	3,601
<b>Changes in equity</b>			
Total comprehensive income	-	1,850	1,850
<b>Balance at 30 June 2018</b>	100	5,351	5,451

The notes on pages 10 to 12 form part of these financial statements

1. **STATUTORY INFORMATION**

FMG Support (RRRM) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

FMG Support (RRRM) Limited (the "company") is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

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

The financial statements have been prepared on the going concern basis, which assumes that the company has adequate resources to continue in operational existence for the foreseeable future.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company's ultimate parent undertaking, Redde plc includes the company in its consolidated financial statements. The consolidated financial statements of Redde plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Company Secretary at Redde plc, Pinesgate, Lower Bristol Road, Bath, BA2 3DP.

A parent undertaking of the company, FMG Support Group Ltd, includes the company in its consolidated financial statements for both the current and prior years. The consolidated financial statements of FMG Support Group Ltd are prepared in accordance with the requirements of FRS 102.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Redde plc include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

**Related party exemption**

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

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2. ACCOUNTING POLICIES - continued****Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**3. EMPLOYEES AND DIRECTORS**

The company has no employees (2017: nil). Staff costs are borne by another group company (FMG Support (HO) Ltd), for which a recharge is made.

**4. DIRECTORS' EMOLUMENTS**

C Owens, M F Chessman, P H Stead and R R Nevins were executives of fellow Group undertaking FMG Support Group Limited during the period to the 30 June 2018. Full disclosure of those directors emoluments are included in fellow Group undertaking FMG Support Group Limited accounts for the year to 30 June 2018. The allocated amount of remuneration for their services as directors for the year was £121k (2017: £124k).

S Oakley and M Ward were executives of the holding company, Redde plc, during the year to 30 June 2018. Full disclosure of the directors emoluments are in the Redde plc annual report and accounts for 2018. The allocated amount of remuneration for their services as directors for the year was £70k (2017: £70k).

**5. OPERATING PROFIT**

Audit fees of £9k (2017: £9k) were borne by a fellow group undertaking.

**6. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2018 £'000	2017 £'000
Current tax:		
UK corporation tax	434	287
Tax on profit	<u>434</u>	<u>287</u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is the same as the standard rate of corporation tax in the UK.

	2018 £'000	2017 £'000
Profit before tax	2,284	1,487
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.750%)	434	294
Effects of:		
Adjustments to tax charge in respect of previous periods	-	(7)
Total tax charge	<u>434</u>	<u>287</u>

**FMG SUPPORT (RRRM) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2018**

**6. TAXATION - continued**

The weighted average tax rate of 19% (2017: 19.75%) reflects the reduction in the UK corporation tax rate from 20% to 19% effective from 1 April 2017. A further reduction to 17% (effective from 1 April 2020) was enacted in the 2016 Finance Act. This will reduce the company's future underlying current tax charge accordingly.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	1,055	1,541
Amounts owed by group undertakings	31,279	29,281
Other debtors	103	-
Accrued income	874	617
	<u>33,311</u>	<u>31,439</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	1,606	1,516
Amounts owed to group undertakings	26,622	25,555
Tax	230	129
VAT	305	238
Other creditors	197	271
Accruals	601	513
	<u>29,561</u>	<u>28,222</u>

**9. CALLED UP SHARE CAPITAL**

**Allotted, issued and fully paid:**

<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>2018</b>	<b>2017</b>
			<b>£'000</b>	<b>£'000</b>
100,000	Ordinary	£1	<u>100</u>	<u>100</u>

**10. PARENT COMPANY**

The company's immediate parent company is FMG Support (HO) Limited.

**11. CONTINGENT LIABILITIES**

The company is a party to a cross guarantee to the Group's bank in respect of the borrowings of its parent and fellow subsidiary undertakings. At 30 June 2018 the contingent liability in respect of group borrowings was £nil (2017: £nil).

**12. ULTIMATE CONTROLLING PARTY**

The largest group in which the results of the company are consolidated is that headed by Redde plc, a company incorporated in the UK. The smallest group in which they are consolidated is that headed by FMG Support Group Limited, a company incorporated in the UK. No other group financial statements include the results of the company.

Redde plc are a publicly listed company whose shares are traded on the London Stock Exchange AIM Market and whose accounts are publicly available on the Redde plc website, [www.redde.com](http://www.redde.com) or from the Company Secretary, Pinesgate, Lower Bristol Road, Bath, BA2 3DP.

The financial statements of FMG Support Group Limited are publicly available and may be obtained from the Company Secretary, FMG House, St Andrews Road, Huddersfield, HD1 6NA.