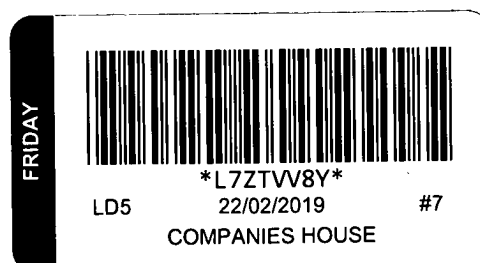


# ISS Technical Services Corporate Solutions Limited

## Annual report and financial statements

31 December 2017

Company registration number 8522582



# ISS Technical Services Corporate Solutions Limited

## Contents

	Page
Strategic report	3
Directors' report	5
Statement of directors' responsibilities	7
Auditor's report	8
Statement of comprehensive income	11
Statement of changes in equity	12
Statement of financial position	13
Statement of cash flows	14
Notes to the financial statements	15

# ISS Technical Services Corporate Solutions Limited

## Strategic report for the year ended 31 December 2017

The directors submit their strategic report for the year ended 31 December 2017.

### Principal activities

The principal activity of the Company is the provision of facilities management services, building fabrication, property maintenance, energy and asset management.

### Results and review of business

The Company's profit for the financial year, after taxation, was €235,000 (2016: €30,000).

We remain focused on the contracted-out facilities management market place and we continue to be driven by our ability to collaborate with our clients to drive developments in the facilities management market place. The Company did benefit from the activities of ISS Technical Services Holdings Limited.

### Future developments

The Company has a clear strategy of growing its market share. As part of the ongoing growth strategy the Company is focused on organic growth and delivering benefits from strategic acquisitions to enhance and extend the current service offering.

### Key performance indicators

	2017	2016 (restated)
Revenue	€1,220,000	€1,469,000
Gross profit margin	67%	4%
Operating profit margin	21%	1%
Cash generated from operations	€252,000	€313,000

### Risks and uncertainties

Risks and uncertainties are inherent in all businesses and our Company is no exception. Risk management is seen as an important element of internal control and is used to mitigate the Company's exposure to such risks.

The key risks facing the business and how we address them are outlined below.

#### *Commercial*

Risk from losing out to our competitors is minimised by us ensuring that we maintain our competitive edge through innovation and quality of service delivery. We do this by allocating sufficient resources to developing our service; developing our customer relationships by assigning key account directors solely servicing each of our major customers; and reacting quickly to any issues raised in our regular customer satisfaction surveys.

Our exposure to market risks is also limited by the fact that we operate through a wide range of contracts servicing a diverse range of customers in a variety of business sectors.

#### *Supply chain*

The risk of reliance on key suppliers is minimised by implementing a system of approved suppliers, which is regularly reviewed to ensure that it services our needs without imposing undue risk on our supply chain. In order to achieve approved supplier status, there are extensive reviews carried out, particularly with subcontractors, to ensure quality of service, adherence to appropriate health and safety legislation and verification of industry licences and standards.

# ISS Technical Services Corporate Solutions Limited

## Strategic report (continued) for the year ended 31 December 2017

### Risks and uncertainties

#### *Human resources*

Our people are an important element of our service and having a resource pool of appropriately qualified technicians helps us to mitigate the risk of poor service delivery. Training and personal development programmes are in place to ensure that this is addressed and, where possible, on new or extended contracts we seek to transfer technical staff to ISS Technical Services Accounts Limited under the Transfer of Undertaking for Protection of Employees arrangements.

Management continually reviews the talent pool in the organisation and identifies and addresses succession risks.

#### *Regulatory and legal*

The board recognises that non-compliance with relevant laws and regulations may result in substantial fines or penalties. Control mechanisms are in place for monitoring compliance and are built into our service delivery processes.

Health and safety compliance is of paramount importance in mitigating our risks. All new employees undergo a comprehensive health and safety induction with subsequent review as part of our continuous development process. Accidents and incidents are reported to local board directors and, where appropriate, to the board.

Our insurances are reviewed regularly to ensure that all identified risks on contracts and any liability through our service delivery are adequately covered. Before we take on a major contract, a process of contract review is in place to assess all potential risks in order that they can be reduced to an acceptable level.

#### *Information, communication and technology systems*

Development and continuous review of business continuity plans and back-up procedures occurs to maximise business continuity in the event of threats to operations.

On behalf of the board



Matthew Brabin  
Director

21st February 2019

# ISS Technical Services Corporate Solutions Limited

## **Directors' report for the year ended 31 December 2017**

The directors submit their report and the audited financial statements for the year ended 31 December 2017.

### **Dividends**

The directors do not recommend payment of a dividend (2016: £nil).

### **Going concern**

The company is dependent for its working capital on funds provided to it by ISS UK Limited, the company's parent company. ISS UK Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available.

The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. 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.

### **Financial risk management**

The Company's policy is to finance its operations through a mixture of retained profits, equity and borrowings. The Company does not trade in financial instruments and has limited exposure to interest rate and liquidity risk.

### **Directors**

The directors who have held office during the year and up to the date of signing the financial statements are as follows:

M Brabin  
B Plucnar Jensen

### **Employee involvement**

The Company's policy is to consult and discuss with employees matters likely to affect employees' interests. Information on matters of concern to employees is given through information bulletins and reports.

The Company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled to enable them to perform work identified as appropriate to their aptitudes.

### **Qualifying third-party indemnity provisions**

The company purchased and maintained throughout the financial year, and at the date of approval of the financial statements, Directors' and Officers' liability insurance in respect of itself and its Directors.

# ISS Technical Services Corporate Solutions Limited

## Directors' report (continued) for the year ended 31 December 2017

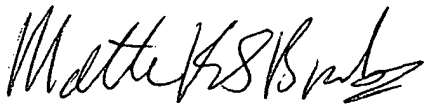
### Disclosure of information to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the 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 Ernst & Young LLP will therefore continue in office.

On behalf of the board



Matthew Brabin  
Director  
21st February 2019

# ISS Technical Services Corporate Solutions Limited

## Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# **Independent auditor's report to the members of ISS Technical Services Corporate Solutions Limited**

## **Disclaimer of opinion**

We were engaged to audit the financial statements of ISS Technical Services Corporate Solutions Limited for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

## **Basis for disclaimer of opinion**

The company does not have access to its Portuguese bank account as the signatories have left the company. Therefore, we were unable to obtain sufficient appropriate evidence in respect of the cash balance of €815,342 as at 31 December 2017 (€810,704 as at 31 December 2016) included in the Statement of Financial Position and we were unable to determine whether any transactions had gone through this account either during the financial year ended 31 December 2017 or after the year end date.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and the elements making up the statement of comprehensive income, or statement of cashflows.

Furthermore, given that the company does not have access to this bank account this asset should not be recorded in the Statement of Financial Position which constitutes a departure from IFRS.

## **Opinions on other matters prescribed by the Companies Act 2006**

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the 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 directors' report have been prepared in accordance with applicable legal requirements.



## **Independent auditor's report to the members of ISS Technical Services Corporate Solutions Limited**

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

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report or directors' report.

Arising from limitation of our work referred to above:

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 7, 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 responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

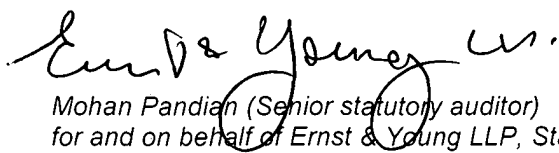
However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.

## **Independent auditor's report to the members of ISS Technical Services Corporate Solutions Limited**

### **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.



*Mohan Pandian (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London*

Date: **22 FEB 2019**

# ISS Technical Services Corporate Solutions Limited

## Statement of comprehensive income for the year ended 31 December 2017

	Note	2017 €'000	2016 €'000
Revenue	2	1,220	1,469
Cost of sales		(405)	(1,414)
<b>Gross profit</b>		<b>815</b>	<b>55</b>
Administrative expenses		(554)	(46)
<b>Operating profit</b>	3	<b>261</b>	<b>9</b>
Finance costs	4	-	(27)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>261</b>	<b>(18)</b>
Tax on profit/(loss) on ordinary activities	6	(26)	48
<b>Profit for the year</b>		<b>235</b>	<b>30</b>
Exchange differences on translation of foreign operations		4	-
<b>Total comprehensive income for the year</b>		<b>239</b>	<b>30</b>

All activities relate to continuing operations.

# ISS Technical Services Corporate Solutions Limited

## Statement of changes in equity for the year ended 31 December 2017


	Share Capital €'000	Foreign currency translation reserve €'000	Retained earnings €'000	Total equity €'000
<b>As at 1 January 2016 (restated)</b>	-	-	(628)	(628)
Profit for the year	-	-	30	30
<b>As at 1 January 2017 (restated)</b>	-	-	(598)	(598)
Profit for the year	-	4	235	239
<b>As at 31 December 2017</b>	-	4	(363)	(359)

# ISS Technical Services Corporate Solutions Limited

## Statement of financial position as at 31 December 2017

	Note	2017 €'000	2016 (restated) €'000	2015 (restated) €'000
<b>Non-current assets</b>				
Investments		-	-	-
<b>Total Non-current assets</b>		-	-	-
<b>Current assets</b>				
Inventories		17	3	17
Trade and other receivables	7	3,463	3,346	2,439
Current Taxation		-	-	10
Bank	8	1,872	1,616	1,245
<b>Total current assets</b>		<b>5,352</b>	<b>4,965</b>	<b>3,711</b>
<b>Total assets</b>		<b>5,352</b>	<b>4,965</b>	<b>3,711</b>
<b>Current liabilities</b>				
Trade and other payables	9	(5,685)	(5,563)	(4,339)
Current Taxation		(26)	-	-
<b>Total current liabilities</b>		<b>(5,711)</b>	<b>(5,563)</b>	<b>(4,339)</b>
<b>Net liabilities</b>		<b>(359)</b>	<b>(598)</b>	<b>(628)</b>
<b>Equity</b>				
Share capital	12	-	-	-
Revaluation Reserve		4	-	-
Retained earnings		(363)	(598)	(628)
<b>Total equity</b>		<b>(359)</b>	<b>(598)</b>	<b>(628)</b>

The financial statements were approved by the board of directors and authorised for issue on 21st February 2019 and were signed on its behalf by:



Matthew Brabin  
Director

Company registration number 8522582

# ISS Technical Services Corporate Solutions Ltd

## Statement of cash flows for the year ended 31 December 2017

	Note	2017 €'000	2016 (restated) €'000
<b>Cash flows from/(used in) operating activities</b>			
Profit/(loss) on ordinary activities before taxation		261	(18)
<b>Cash flows from/(used in) operations before working capital</b>		261	(18)
Changes in working capital:			
(Increase)/decrease in inventories		(14)	14
Decrease/(Increase) in trade and other receivables	7	(117)	(907)
Increase in trade and other payables	9	122	1,224
<b>Net cash generated from operating activities</b>		252	313
<b>Tax deferred in year</b>		-	58
<b>Net increase in cash and cash equivalents</b>		252	371
Net Foreign exchange difference		4	-
<b>Cash and cash equivalents</b>		256	371
Cash and cash equivalents/(bank overdraft) at start of year	8	1,616	1,245
<b>Cash and cash equivalents at end of year</b>	8	1,872	1,616

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 1 Accounting policies

#### General information

ISS Technical Services Corporate Solutions Limited is a limited company which is incorporated and domiciled in the UK.

#### Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS as adopted by the EU), International Financial Reporting Interpretations Committee (IFRIC) Interpretations and the Companies Act 2006 applicable to companies under IFRS. The financial statements have been prepared under the historical cost convention and on a going concern basis.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

#### Going concern

The company is dependent for its working capital on funds provided to it by ISS UK Limited, the company's parent company. ISS UK Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available.

The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. 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.

#### Foreign currencies

The financial statements are presented in Euros. Each branch in the entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other (losses)/gains – net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount are recognised in equity.

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 1 Accounting policies (continued)

#### Foreign currencies (continued)

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the fair value reserve in equity.

The assets and liabilities of foreign operations are translated into Euros at the rate of exchange ruling at the balance sheet date. Income and expenses are translated at weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income. On disposal of a foreign branch, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

#### Revenue recognition

Revenue is measured at the fair value of the consideration receivable and represents amounts for goods supplied and services provided by the Company excluding sales taxes.

Projects are individually separable larger jobs, each with their own independent pricing and costings. Revenue and associated profit are recognised at the point that work is completed.

#### Finance costs

Net finance costs comprise interest payable, net foreign exchange losses, pension related interest and finance charges on finance leases. Interest payable is recognised in the statement of comprehensive income as it accrues, using the effective interest method.

#### Taxation

Taxation expense includes the amount of current income tax payable and the charge for the year in respect of deferred taxation.

The income tax payable is based on an estimation of the amount due on the taxable profit for the year. Taxable profit is different from profit as reported in the statement of comprehensive income because it excludes items of income or expenditure which are not taxable or deductible in the year as a result of either the nature of the item or the fact that it is taxable or deductible in another year. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is accounted for on the basis of temporary differences arising from the differences between the tax base and accounting base of assets and liabilities.

Deferred tax is recognised for all taxable temporary differences, except to the extent where it arises from the initial recognition of an asset or liability in a transaction that is not a business combination.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available, against which temporary differences can be utilised.

Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case it is dealt with within equity. It is calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled.



# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 1 Accounting policies (continued)

#### Inventory and work in progress

Inventory and work in progress are valued at the lower of cost and net realisable value. In determining the cost of raw materials and consumables the actual purchase price is used. Work in progress comprises all costs incurred to date on incomplete jobs for which further work is necessary in order to achieve a right to the revenue. As such, no profit margin is included in the valuation of work in progress. For work in progress and finished goods, cost is taken as cost incurred to date, which includes an appropriate proportion of directly attributable overheads. Net realisable value is determined as estimated selling price less all costs of completion.

Provision is made where necessary for obsolete, slow moving inventory or work in progress where it is deemed that the costs incurred may not be recoverable.

#### Trade and other debtors

Trade debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

#### Financial instruments

##### *i) Financial assets*

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

The Company's financial assets include intercompany and other receivables.

The subsequent measurement of financial assets depends on their classification. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

##### *ii) Financial liabilities*

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Company's financial liabilities include loans and borrowings.

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 1 Accounting policies (continued)

#### Financial instruments (continued)

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

#### iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash deposits, or Bank Overdrafts.

#### Retirement benefits

##### Defined contribution schemes

A defined contribution scheme is a pension plan under which ISS Technical Services Corporate Solutions Limited pays a fixed contribution to a scheme with an external provider. The amount charged to the statement of comprehensive income in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either other payables or other receivables in the statement of financial position. ISS Technical Services Corporate Solutions Limited has no further payment obligations once the contributions have been paid.

#### IFRS issued but not yet effective

The Company has not applied the following IFRS and IFRIC that are applicable to the Company and that have been issued but are not yet effective.

New/revised international financial reporting standards		Effective date
IFRS 9	Financial Instruments	Annual periods beginning on or after 1 January 2018
IFRS 15	Revenue from contracts with customers	Annual periods beginning on or after 1 January 2018
FRS 16	Leases	Annual periods beginning on or after 1 January 2019

The Directors do not expect that the adoption of the above pronouncements will have a material impact to the financial statements in the period of initial application other than disclosure.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 2 Revenue

	2017	2016
	€'000	€'000
Facilities management	1,220	1,469

### 3 Operating profit

Amounts payable to external auditors in respect of audit services:

	2017	2016
	€'000	€'000
Audit services		
- Statutory audit	15	10
Foreign currency exchange differences	(6)	-

Audit fees are borne by ISS UK Ltd and fellow subsidiaries. The amount attributable to ISS Technical Services Corporate Solutions Limited for the year is disclosed above.

### 4 Finance costs

	2017	2016
	€'000	€'000
Other interest payable	-	(27)

### 5 Staff numbers and costs

	2017	2016
	Number	Number
Average monthly number (including executive directors):		
Administration and management	3	5
	3	5
	2017	2016
	€'000	€'000
Employee costs:		
Wages and salaries	255	298
Social security costs	26	48
Other pension costs	2	8
	283	354

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 5 Staff numbers and costs (continued)

#### Directors' remuneration

The statutory directors were fully remunerated by ISS UK Limited and ISS Facility Services Limited during the year and their remuneration is disclosed in the financial statement of those entities. It is not practicable to determine the value of their remuneration attributable to ISS Technical Services Corporate Solutions Limited. No amounts have been paid by the entity and therefore no amounts are disclosed above in relation to their services provided to this entity.

### 6 Income tax expense

#### Tax in the income statement

	2017 €'000	2016 €'000
Current tax		
UK corporation tax credit at 19.25% (2016:20%)	46	(2)
Adjustment in respect of prior periods	(20)	(46)
Total current tax charge/(credit)	26	(48)
<b>Tax expense in the income statement</b>	<b>26</b>	<b>(48)</b>

#### Reconciliation of total tax charge

The tax expense in the income statement is lower than the standard rate of corporation tax in the UK of 19.25% (2016:20%). The differences are explained below:

	2017 €'000	2016 €'000
<b>Profit/(loss) on ordinary activities before tax</b>	<b>261</b>	<b>(18)</b>
Current tax at 19.25% (2016: 20%)	50	(4)
Effects of:		
Expenses not deductible for tax purposes	15	2
Unrecognised Losses	(19)	
Adjustment in respect of prior periods	(20)	(46)
<b>Tax expense/(credit) reported in the income statement</b>	<b>26</b>	<b>(48)</b>

The current rate of corporation tax in force in the period was a rate of 19.25%

Finance (No 2) Act 2015, which was enacted in November 2015, included a reduction of the main rate of corporation tax to 19% from 1 April 2017 and a reduction to 18% from 1 April 2020. However, following Finance Bill 2016, which was enacted on 6 September 2016, the proposed main rate of corporation tax of 18% was further reduced to 17% from 1 April 2020. As this rate was substantively enacted at the balance sheet date, deferred tax has been measured at this rate.

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 7 Trade and other receivables

	2017 €'000	2016 (restated) €'000	2015 (restated) €'000
Due within one year:			
Trade receivables	495	903	1,337
Amounts owed by group undertakings	1,636	1,929	633
Prepayments and accrued income	1,332	-	9
Other receivables	-	514	459
	<b>3,463</b>	<b>3,346</b>	<b>2,439</b>

Trade receivables of €418,000 (2016: €903,000) were past due but not impaired. In determining the recoverability of a trade receivable the company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The Directors consider that the risk of impairment is low as trade receivables relate to a number of independent customers for whom there is no recent history of default. The Directors do not believe that any further provision is required. No trade receivables were impaired and provided for (2016: €nil). There was no provision (2016: €nil).

### 8 Cash and cash equivalents

	2017 €'000	2016 (restated) €'000	2015 (restated) €'000
Cash at bank and on hand	<b>1,872</b>	<b>1,616</b>	<b>1,245</b>

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 9 Trade and other payables

	2017 €'000	2016 (restated) €'000	2015 (restated) €'000
Trade payables	(809)	(1,747)	(1,172)
Amounts owed to group undertakings	(4,506)	(3,475)	(2,824)
Other payables	(98)	(56)	(45)
Accruals and deferred income	(272)	(285)	(298)
	(5,685)	(5,563)	(4,339)

### 10 Financial instruments

All financial instruments held by the Company, as detailed in this note, are classified as "Loans and Receivables" (trade and other receivables and cash and cash equivalents) and "Financial Liabilities Measured at Amortised Cost" (trade and other payables) under IAS39.

#### Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of foreign exchange risk, credit risks, liquidity and interest rates. The Company has in place risk management policies that seek to limit the adverse effects on the financial performance of the Company by using various instruments and techniques.

Risk management policies have been set by the Board and applied by the Company.

#### Interest rate risk

The Company operates an interest rate policy designed to minimise interest costs and reduce volatility in reported earnings.

#### Credit risk

The Company's financial assets are bank balances, cash and trade and other receivables, which represent the Company's maximum exposure to credit risk in relation to financial assets.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies which range from a long term rating of BBB+ to A2 reflecting a stable to positive outlook.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and their assessment of the present value of estimated future cash flows. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

There are no impairment losses recognised on other financial assets.

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### Financial risk management (continued)

#### Liquidity risk

The Company actively maintains facilities that are designed to ensure the Company has sufficient funds for operations and planned expansions.

#### Foreign exchange risk

The company trades in a number of different currencies this risk is managed by holding local currency bank accounts.

Analysis by currency	Cash and cash equivalents	
	2017	2016 (restated)
	€'000	€'000
Euro	1,872	1,616

	Book value	Fair value	Book value	Fair value
	€'000	€'000	Local Currency '000	Local Currency '000
Swedish Kroner	856	856	8,527	8,527
Hungarian Florin	13	13	3,983	3,983
Euros	1,003	1,003	1,002	1,002
Norwegian Kroner	0	0	2	2
	1,872	1,872		

#### Undrawn committed borrowing facilities

At the year end the Company had no undrawn committed borrowing facilities (2016: €nil).

#### Fair value of borrowings and cash and cash equivalents

The comparison of book and fair values of all the Company's financial assets and liabilities at the year-end is set out below:

	2017		2016 (restated)	
	Book value	Fair value	Book value	Fair value
	€'000	€'000	€'000	€'000
Cash and cash equivalents	1,872	1,872	1,616	1,616
Trade and other receivables	3,463	3,463	3,346	3,346
Trade and other payables	(5,685)	(5,685)	(5,563)	(5,563)
	(350)	(350)	(601)	(601)

Cash, trade and other receivables, trade and other payables and short term borrowings and cash approximate to book value due to their short maturities.

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 11 Accounting estimates and judgements

Some asset and liability amounts reported in the financial statements are based on management estimates and assumptions. There is therefore a risk of significant changes to the carrying amounts for these assets and liabilities within the next financial period. The estimates and assumptions are made on the basis of information and conditions that exist at the time of the valuation.

#### Impairment provisions

No impairment provisions have been made in relation to cash generating units as management have calculated the recoverable amount in each case to be in excess of the carrying values of assets therein. The impairment tests require a number of assumptions and judgements to be made. An explanation of these judgements and estimations are detailed in the impairment test accounting policies.

#### Inventory impairment provisions

The Company makes provision for work in progress deemed to be irrecoverable. This provision is established on a specific contract by contract basis, based on management's prior experience and their assessment of the present value of estimated future cash flows.

#### Receivables impairment provisions

The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Company's management, based on prior experience and their assessment of the present value of estimated future cash flows.

### 12 Share capital

	Authorised	Allotted, called up and fully paid
	Number	Number
.....Number of Ordinary equity shares of £1 each:		
At 31 December 2016	1	1
<b>At 31 December 2017</b>	<b>1</b>	<b>1</b>
.....		
Value of shares:	£	£
At 31 December 2016	1	1
<b>At 31 December 2017</b>	<b>1</b>	<b>1</b>

*Foreign currency translation reserve* - The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign branches.



# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 13 Related party transactions

During the financial year, the Company had the following transactions with related parties as defined by IAS 24 'Related Party Disclosures'.

Related entity	Nature of transactions	2017		2016 (restated)	
		Aggregate value for financial year €'000	Net amount owed by the company €'000	Aggregate value for financial year €'000	Net amount owed by the company €'000
Fellow subsidiary companies	Cost of Sales	(1,068)	(2,870)	(1,095)	(1,546)

### 14 Ultimate parent company

The immediate parent undertaking is ISS Technical Solutions Limited, a company registered in the United Kingdom.

The ultimate parent undertaking is ISS A/S, a company incorporated and registered in Denmark.

The largest group in which the results of the Company are consolidated is that headed by ISS A/S a company registered in Denmark. The consolidated financial statements of this company are available to the public and may be obtained from the following address:

ISS A/S  
Buddingevej 197  
DK-2860 Soborg  
Denmark

The ultimate controlling party is considered to be ISS A/S.

# ISS Technical Services Corporate Solutions Limited

## Notes to the financial statements for the year ended 31 December 2017

### 15 Prior year restatement

In 2017, the Company became aware of certain cash balances that should have been presented and disclosed as intercompany balances to correctly reflect that the respective bank accounts are all in the name of one ISS legal entity. The error is considered fundamental to the presentation of these balances on the balance sheet and relevant notes to the accounts and thus has been adjusted as a prior year restatement in these financial statements. As such, the comparative figures in the Statement of comprehensive income, Statement of financial position and related notes have been restated. The impact of this restatement is disclosed below:

	As previously reported 2016 €'000	Prior year adjustment 2016 €'000	As restated 2016 €'000
<b>Statement of financial position</b>			
Cash at bank and in hand	-	1,616	1,616
Bank (overdraft)	(173)	173	-
Trade and other receivables	2,973	373	3,346
Trade and other payables	(3,401)	(2,162)	(5,563)

	As previously reported 2015 €'000	Prior year adjustment 2015 €'000	As restated 2015 €'000
<b>Statement of financial position</b>			
Cash at Bank and in hand	(1,048)	2,293	1,245
Trade and other receivables	2,439	-	2,439
Trade and other payables	(2,046)	(2,293)	(4,339)