

Sureserve Group Limited

Annual Report and Financial Statements

Registered number 09411297

30 September 2024

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Sureserve Group Limited

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Sureserve Group Limited

COMPANY INFORMATION

Directors

G A Levinsohn

P J Edwards

S J Sheridan

Secretary and registered office

G Mayhill

Norfolk House

13 Southampton Place

London

WC1A 2AJ

Auditor

RSM UK Audit LLP

Chartered Accountants

4th Floor, 100 Avebury Boulevard,

Milton Keynes,

Buckinghamshire,

MK9 1FH

Bankers

NatWest

9th floor

250 Bishopsgate

London

EC2M 4AA

Company registration number

09411297

Sureserve Group Limited

STRATEGIC REPORT

The directors present their Strategic Report for the year ended 30 September 2024, prepared in accordance with s414c of the Companies Act 2006.

Principal activities and future developments

During the prior year, on 11 July 2023 the Company and its subsidiaries were acquired by an investment fund managed by Cap10 Partners. As a result, the Company is now part of the Sureserve Group (Volt Topco (CP) Limited and its subsidiaries, the "Group"). The Company's principal activity is, and it is intended that it will continue to be, that of an intermediary holding and a head office company.

Key financial performance indicators

The Company's key performance indicators ("KPIs") include:

	2024	2023
Dividends received	-	£7.5 million
Profit/(loss) on ordinary activities before tax	£1.2m	(£0.6 million)

Business results and review

The net assets of the Company decreased from £77.5m in 2023 to £76.2m in 2024. The net current asset position as at the year ended 30 September 2024 was £62.7 million (2023: £65.0 million). The reduction in income statement transactions reflect non-recurring prior year costs in respect of the acquisition of the Group, along with the change in directors and transfer of their remuneration to another group undertaking was mostly offset by the receipt of interest received on loans due from fellow group undertakings.

Principal risks and uncertainties

The Board considers strategic, financial and operational risks and identifies actions to mitigate those risks. The following details the main risks the Company currently faces and how we mitigate them.

Valuation of investments

There is a risk to the long-term carrying value of the investments held by the Company due to the underlying performance of the Group companies in which the Company holds its investment. This risk is mitigated by strong governance and oversight by the Board of Volt Topco (CP) Limited.

Solvency

The Company does not trade or generate cash inflows in its own right. It is therefore dependent on the cash generated by its subsidiaries to meet its liquidity requirements.

Section 172 statement

The Company's stakeholders help to shape the strategy and understanding the relationships with these groups ensure they are able to continue to do business the right way, keeping their promises, building positive relationships within the marketplace, and minimising the impact on the environment.

Recognising and understanding our stakeholders enables the Company's directors to satisfy their duties under section 172(1)(a) to (f) of the Companies Act 2006, and to take into consideration the interests of stakeholders and other matters in their decision making. When determining what is most likely to promote the success of the Company, the directors consider the potential impact on these stakeholder groups, communities, the environment and the Company's reputation. It is vital to our success that we build and maintain a strong reputation as a responsible business and trusted partner to all our stakeholders.

The Board considers the stakeholders of Volt Topco (CP) Limited and its subsidiaries (the "Group") do not differ materially from those of the Company and that there are no specific issues relating to Sureserve Group Limited, critically around clients, our clients' customers, communities, financial partners, our people, and suppliers that are decided upon by the Board. Further details are disclosed on pages 10 to 12 of the Group's Annual Report for the year ended 30 September 2024. Policies are set out at a Group level and actioned within the Company.

Events after the reporting period

All significant reportable events affecting the Company since the year end are described in Note 24.

Signed by order of the directors



S J Sheridan
Director

Norfolk House
13 Southampton Place
London
WC1A 2AJ

29 April 2025

Sureserve Group Limited

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2024.

Directors

The directors who held office during the year and up to the date of this report unless otherwise stated were:

G A Levinsohn

P J Edwards (appointed 10 June 2024)

S J Sheridan (appointed 10 July 2024)

Matters covered in the strategic report

The Company has chosen in accordance with Companies Act 2006, Section 414C(11) to set out in the Company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments, events after the reporting period end, and key stakeholder engagement.

Directors' indemnity

The Company provides, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities that may be incurred in the discharge of their duties or in the exercise of their power, including any liability relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company.

Financial risk management objectives and policies

The Company's activities expose it to liquidity risk. The Company does not use derivative financial instruments for speculative purposes.

In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses intra-group financing where required.

Ownership change

During the prior year, on 11th July 2023, Sureserve Group Plc was delisted from the stock exchange. 100% of its shares were bought by the Volt Topco (CP) Limited group ("the Group") and the company became Sureserve Group Limited.

Dividends

Dividends paid on ordinary shares for the year amounted to £2,100,000 (2023: £nil).

Research and development

The Company has not undertaken any research and development activities during the year (2023: £nil).

Existence of branches

The Company does not have any branches (2023: nil).

Political donations

The Company did not make any political donations during the year (2023: £nil).

Streamlined Energy and Carbon Reporting ("SECR")

Sustainability is one of our core values and important to the future success of the business. The UK Government's commitment to achieve net zero carbon by 2050 presents a large opportunity for the Group as social housing providers will need to retrofit their homes with clean technology and insulation. The Group is also committed to improving its own environmental performance. The Group has implemented the SECR requirements in the year, further details can be found on page 14 of the Group's Annual Report for the year ended 30 September 2024.

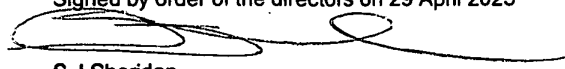
Disclosure of information to auditor

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

Auditor

RSM UK Audit LLP has indicated its willingness to be reappointed for another term. A resolution to re-appoint RSM UK Audit LLP as auditor will be proposed at the Annual General Meeting.

Signed by order of the directors on 29 April 2025



S J Sheridan
Director

DIRECTORS' RESPONSIBILITIES STATEMENT

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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 Reduced Disclosure Framework ('FRS 101').

Under company law the director 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 Financial Reporting Standard 101 *Reduced Disclosure Framework* has 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 its 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 detection and prevention of fraud and other irregularities.

Sureserve Group Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURESERVE GROUP LIMITED

Opinion

We have audited the financial statements of Sureserve Group Limited (the 'company') for the year ended 30 September 2024 which comprise the profit and loss account, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Sureserve Group Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURESERVE GROUP LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

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:

- 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.

Responsibilities of the director

As explained more fully in the director's responsibilities statement set out on page 5, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

Sureserve Group Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURESERVE GROUP LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 101, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and reviewing tax calculations from external tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Olsson

DAVID OLSSON (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

The Pinnacle

170 Midsummer Boulevard

Milton Keynes

MK9 1BP

02/05/25

Sureserve Group Limited

PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2024

	Note	2024 £	2023 £
Other operating expenses	3	(2,701,748)	(2,770,247)
Operating loss before exceptional items		(2,701,748)	(2,770,247)
Exceptional items	7	(2,863,402)	(6,591,002)
Operating loss		(5,565,150)	(9,361,249)
Finance income	4	6,810,339	3,441,703
Finance costs	4	(33,925)	(308,408)
Waiver of intercompany loan		-	(1,829,019)
Dividends received		-	7,500,000
Profit/(loss) on ordinary activities before tax		1,211,264	(556,973)
Tax on profit/loss from ordinary activities	8	(438,350)	238,675
Profit/(loss) on ordinary activities after taxation and total comprehensive expense attributable to the owners of the Company		772,915	(318,298)

All of the activities of the Company are classed as continuing.

The Notes on pages 12 to 23 form part of these financial statements.

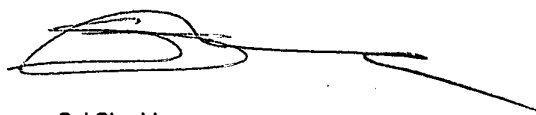
Sureserve Group Limited

BALANCE SHEET
at 30 September 2024

	Note	2024 £	2023 £
Fixed assets			
Investments in subsidiaries	9	12,392,278	12,392,278
Intangible fixed assets	10	2,280,416	1,185,855
Tangible fixed assets	11	394,761	190,473
Right of use asset	12	173,199	274,205
		<u>15,240,654</u>	<u>14,042,811</u>
Current assets			
Debtors - due within one year	13	16,391,393	9,195,439
Debtors - due after more than one year	13	54,362,507	57,689,376
Income tax receivable		-	4,736,590
		<u>70,753,900</u>	<u>71,621,405</u>
Creditors: Amounts falling due within one year	15	(8,032,744)	(6,659,430)
Net current assets		<u>62,721,156</u>	<u>64,961,975</u>
Total assets less current liabilities		<u>77,961,810</u>	<u>79,004,786</u>
Creditors: Amounts falling due after more than one year	16	(111,657)	(243,067)
Provisions for liabilities	17	(1,651,654)	(1,236,135)
Net assets		<u>76,198,499</u>	<u>77,525,584</u>
Capital and reserves			
Called up share capital	18	17,104,821	17,104,541
Share premium account	19	30,106,800	30,107,080
Profit and loss account		28,986,878	30,313,963
Shareholder's funds		<u>76,198,499</u>	<u>77,525,584</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements of Sureserve Group Limited (registered number 09411297) were approved by the Board of Directors and authorised for issue on 29 April 2025. They were signed on its behalf by:


S J Sheridan
Director

The Notes on pages 12 to 23 form part of these financial statements.

Sureserve Group Limited

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 September 2024

	Share capital	Share premium account	Share-based payment reserve (note 20)	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2022	16,589,976	28,739,420	634,000	29,072,016	75,035,412
Loss for the year	-	-	-	(318,298)	(318,298)
Issue of shares (exercise of options)	514,565	1,367,660	-	-	1,882,225
Transfer of share based payment reserve to retained earnings	-	-	(1,029,635)	1,029,635	-
Tax on equity settled share based payments	-	-	-	530,610	530,610
Equity settled share based payments	-	-	395,635	-	395,635
At 30 September 2023 and 1 October 2023	17,104,541	30,107,080	-	30,313,963	77,525,584
Profit for the year	-	-	-	772,915	772,915
Dividends paid	-	-	-	(2,100,000)	(2,100,000)
Share issue transfer	280	(280)	-	-	-
At 30 September 2024	17,104,821	30,106,800	-	28,986,878	76,198,499

The Notes on pages 12 to 23 form part of these financial statements.

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS for the year ended 30 September 2024

1. Accounting policies

General information

Sureserve Group Limited (the "Company") is a private company limited by shares incorporated in England and Wales under the Companies Act. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 3.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies set out below have, unless otherwise stated, been applied consistently throughout the year and preceding period.

Basis of preparation

These financial statements were prepared in accordance with the Companies act 2006 as applicable and Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"), the Financial Reporting Standard applicable in the UK as issued by the Financial Reporting Council.

In preparing these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Certain disclosures in respect of financial instruments (IFRS 13);
- Certain disclosures in respect of the impairment of assets (IAS 36);
- Comparative period reconciliations of certain assets (IAS 1);
- Cash Flow Statement and related notes (IAS 1);
- The effects of new but not yet effective IFRSs (IAS 8)
- Certain disclosures in respect of group settled share-based payments (IFRS 2);
- Disclosures in respect of transactions with wholly owned subsidiaries (IAS 24); and
- Disclosures in respect of the compensation of key management personnel (IAS 24).

Where required, equivalent disclosures are given in the consolidated financial statements of the Group. These financial statements are available to the public and can be obtained as set out in Note 19.

As permitted by section 400 of the Companies Act 2006 the Company has not prepared consolidated financial statements.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors regard the foreseeable future as no less than 12 months following publication of these financial statements. Accordingly, these financial statements have been prepared on a going concern basis.

The Group has indicated its intention to continue to make available such funds that are needed by the Company to continue trading as a going concern and meet its financial obligations and liabilities as they fall due. Due to the reliance on the Group for financial support, in assessing the Company's ability to continue as a going concern, the directors review and approve the annual budget, including forecasts of cash flows, borrowing requirements and covenant headroom of the Group (relative to the Facilities Agreement as set out below). As part of this exercise, the directors also review and approve the Company's annual budget, forecasts of cash flows and borrowing requirements taking account of reasonable possible changes in trading performance and the current state of its operating market. The directors review the Group's sources of available funds and the level of headroom available against its committed borrowing facilities and associated covenants. The Group's financial forecasts, considering possible sensitivities in trading, indicate that the Group will be able to operate within its committed borrowing facilities and within the requirements of the associated covenants for the foreseeable future.

The Group has entered into an English law facilities agreement with certain funds managed by Pemberton Capital Advisors LLP (as the original lenders), National Westminster Bank Plc (as the revolving credit facility ("RCF") establishment lender), Kroll Agency Services Limited (as the agent), Kroll Trustee Services Limited (as security agent) and others (together the "Facilities Agreement"). The Facilities Agreement provides for certain committed senior debt facilities which run to July 2030.

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued) for the year ended 30 September 2024

1. Accounting policies (continued)

Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment. Cost is defined as the consideration transferred and is measured at fair value. Fair value is calculated as the sum of the acquisition-date fair values of assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquired company and the equity interest issued by the Company in exchange for control of the acquired company.

When the consideration transferred by the Company includes an asset or liability resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred. Changes in fair value of the contingent consideration are adjusted when identified with corresponding adjustments dependent upon on how the contingent consideration is classified. Where contingent consideration is classified as equity any change in fair value is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IFRS 9: *Financial instruments*, or IAS 37: *Provisions, contingent liabilities and contingent assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Retirement benefit costs

The Company contributes to the personal pension plans of certain employees of the Company. The assets of these schemes are held in independently administered funds. The pension cost charged in the Profit and loss account represents the contributions payable by the Company in accordance with IAS 19: *Employee Benefits*.

Employee benefits

Short-term employee benefits are expenses as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

Certain employees of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares in the ultimate parent company, Volt Topco (CP) Limited.

Exceptional costs

As explained above, the Company presents as exceptional costs on the face of the Profit and loss account those items of expense which, because of their size and/or nature and/or expected infrequency of the events giving rise to them, merit separate presentation to allow users of these financial statements to better understand the elements of financial performance in the period. Details of exceptional costs are explained in Note 7.

Income tax

Income tax on profit or loss for the period comprises current and deferred tax. The Company recognises all income tax in the Profit and loss account.

Current tax

Taxable profit/loss differs from net profit/loss as reported in the Profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's asset for current tax is calculated using tax rates enacted or substantively enacted during the period.

Deferred tax assets and liabilities

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax liabilities are generally recognised for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2024

1. Accounting policies (continued)

Intangible fixed assets

Other intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-developed IT infrastructure and computer software assets (for own use) are recognised at cost. In line with IAS 38: *Intangible Assets*, development costs are capitalised when the asset is identifiable, the value can be measured reliably and it is probable that economic benefits will flow to the Company. Otherwise such expenditure is written off as incurred.

Computer software purchased from third-parties is initially recognised at cost and amortised over a period of three to five years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. The gain or loss from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in the Profit and loss account when the asset is derecognised.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is calculated so as to write-off the cost, less its estimated residual value, over the estimated useful economic life of that asset. Depreciation is calculated on a straight-line basis. The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstance indicate that carrying amounts may not be recoverable.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Property, plant and equipment is depreciated over the following periods:

Leasehold improvements	Over the period of the lease
Plant and equipment	Three to seven years
Fixtures and fittings	Three to five years

An item of property, plant and equipment is derecognised upon disposal, or when no future economic benefits are expected to arise from the continued use of the asset. The gains or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Profit and loss account.

Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or a series of payments, the right to use a specific asset for an agreed period. The Company, as a lessee, applies the following accounting policies:

Right-of-use assets

The Company records right-of-use assets at cost at the commencement date of the lease, which is the date the underlying asset is available for use, less any accumulated depreciation and impairment losses, and adjusted for subsequent remeasurement of lease liabilities. Cost includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Cost also includes any dilapidation or restoration costs.

Right-of-use assets are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the lease term.

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued) for the year ended 30 September 2024

1. Accounting policies (continued)

Leases liabilities

The Company assesses whether a contract is a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration. The Company records a lease liability at the commencement date of the lease at the present value of the lease payments to be made over the lease term, discounted at the rate implicit in the lease, or if that cannot be readily determined, at the Company's incremental borrowing rate specific to the type of asset.

Lease payments include fixed payments, including in-substance fixed payments, and variable lease payments that depend on an index or a rate, less any lease incentives receivable. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

The Company subsequently measures lease liabilities at amortised cost using the effective interest rate method. It is remeasured, with a corresponding adjustment to the right-of-use asset, when there is a change in future lease payments due to a change in the lease term, a change in the in-substance fixed lease payments or a change in the Company's assessment of whether it is reasonably certain to exercise a purchase, extension or break option.

The Company records the accretion and settlement of interest through accruals and reduces the carrying amount of lease liabilities for the capital element of lease payments made.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the low-value asset recognition exemption to groups of underlying leases considered uniformly low-value.

The Company expenses lease payments on short-term lease and leases of low-value assets in the Profit and loss account.

Financial assets and liabilities

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant financial instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with a maturity of three months or less. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset with cash balances.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and measured subsequently at amortised cost less any provision for impairment losses including expected credit losses. The Company applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and accrued income contract assets, estimated using a combination of historical experience and forward-looking information.

Trade and other payables

Trade and other payables are not interest-bearing and are stated initially at fair value and are subsequently held at amortised cost. This generally results in recognition at nominal value.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and where it is probable that the Company will be required to settle that obligation in cash and the amount can be reliably estimated. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation and are discounted to present value where the effect is material. Details of material provisions are disclosed unless it is not practicable to do so or where it could be expected to prejudice seriously the position of the Company.

Contingent liabilities

For contingent liabilities (where an economic outflow is only possible as opposed to probable), it is often not practicable to estimate the financial effect due to the range of estimation uncertainty. For contingent liabilities where the possibility of economic outflow is remote, disclosure of the estimated financial effect is not required.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2024

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgements are continually made and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

3. Profit/loss on ordinary activities before taxation

Profit/loss on ordinary activities before taxation is stated after charging/(crediting):

	2024	2023
	£	£
Staff costs (Note 6)	4,289,725	4,294,260
Depreciation of owned tangible fixed assets (Note 11)	113,439	62,177
Depreciation of right of use assets (Note 12)	197,182	94,916
Amortisation of owned intangible fixed assets (Note 10)	515,684	380,200
Audit fees	30,000	98,879
Directors' remuneration and other benefits (Note 5)	-	1,994,475
Group management fees receivable	<u>(4,894,393)</u>	<u>(4,012,750)</u>

4. Finance income and costs

	2024	2023
	£	£
Finance income		
Intercompany interest receivable	<u>6,810,339</u>	<u>3,441,703</u>
Finance costs		
Bank interest	23,956	148,355
Commitment fees	-	151,338
Foreign exchange realised	9,431	-
Interest expense on leases	<u>538</u>	<u>8,715</u>
	<u>33,925</u>	<u>308,408</u>

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2024

5. Directors' remuneration and transactions

	2024	2023
Directors' emoluments	£	£
Directors' emoluments	1,736,242	615,616
Compensation for loss of office	-	1,041,245
Gains on exercise of share options	-	312,421
Pension contributions	550	25,193
	<u>1,736,792</u>	<u>1,994,475</u>
Emoluments of highest paid director		
Total emoluments (excluding pension contributions)	1,065,607	1,045,228
Pension contributions	-	15,563
Total emoluments	<u>1,065,607</u>	<u>1,060,791</u>
Number of directors accruing benefits under the Company pension schemes	No.	No.
Defined contribution money purchase schemes	<u>1</u>	<u>2</u>
Number of directors that exercised share options in the year	No.	No.
Share option exercise	<u>-</u>	<u>2</u>

For the year ended 30 September 2024, all directors' remuneration was borne by the Company's immediate parent company.

6. Staff numbers and costs

	2024 Number	2023 Number
Office and administration	<u>61</u>	<u>57</u>
The aggregate payroll costs of these persons were as follows:		
	2024 £	2023 £
Wages and salaries	3,481,366	3,364,580
Social security costs	396,264	427,469
Other pension costs	161,512	106,576
Share-based payments	46,208	395,635
Other retirement benefits	30,848	-
Other benefits	173,527	-
	<u>4,289,725</u>	<u>4,294,260</u>

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued) for the year ended 30 September 2024

7. Exceptional costs

Exceptional costs are non-recurring and, in the judgement of management, should be disclosed separately on the basis that they are material, either by their nature or their size, to provide a better understanding of the Company's financial performance and enable comparison of financial performance between years. Costs that are considered by management for designation as exceptional are as follows:

	2024	2023
	£	£
Acquisition of Sureserve Group Limited vendor costs	-	5,119,849
Restructuring costs	1,189,000	1,041,245
Disposal related costs	-	70,892
Acquisition related costs	-	147,910
Legal, advisory and other costs	1,674,402	211,106
Total exceptional costs	2,863,402	6,591,002

8. Tax on profit/loss on ordinary activities

	2024	2023
	£	£
Analysis of tax credit in the year:		
<i>Current tax</i>		
UK corporation tax on profit/loss for the year	309,687	(579,830)
Adjustment in respect of prior year	(286,856)	261,050
<i>Deferred tax:</i>		
Current year	321,577	129,482
Adjustment in respect of prior year	93,942	(49,377)
Total tax credit	438,350	(238,675)

The tax assessed for the year differs to that resulting from applying the standard rate of corporation tax in the UK of 25%. The differences are explained below:

	2024	2023
	£	£
Profit/(loss) on ordinary activities before taxation	1,211,264	(556,973)
Tax on profit/loss at standard UK corporation tax rate of 25% (2023: 22%)	302,816	(122,534)
Effect of:		
Expenses not deductible for tax purposes	322,436	1,677,023
Income not deductible for tax purposes	-	(2,604,506)
Adjustment of deferred tax to closing rate	-	51,036
Current tax credited to equity	-	710,842
Deferred tax credited to equity	-	(296,992)
Adjustments in respect of prior periods - current tax	(286,856)	261,050
Adjustments in respect of prior periods - deferred tax	93,942	(49,377)
Fixed asset differences	6,012	-
Group relief	-	(296,797)
Timing differences due to share based payments	-	431,580
Total tax credit for year	438,350	(238,675)

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued) for the year ended 30 September 2024

9. Investment in subsidiaries

£

Investment in subsidiaries

Cost

At 1 October 2023 and 30 September 2024

12,392,278

Net book value

At 1 October 2023 and 30 September 2024

12,392,278

Details of the Sureserve Group Limited's principal subsidiary undertakings at 30 September 2024 are provided below. All subsidiaries other than Sureserve Holdings Limited are held indirectly by the Company. All of the subsidiary undertakings are incorporated in England except where otherwise indicated, have ordinary shares and are 100% owned.

Name	Holding	Principal activity
Bury Metering Services Limited	100%	Non-trading
CorEnergy Limited	100%	Sustainable energy services
Duality Energy Leasing Limited	100%	Non-trading
Duality Group Limited	100%	Intermediate holding company
Duality Smart Utilities Limited	100%	Non-trading
Dyson Distribution Limited	100%	Non-trading
Energy Academy Limited	100%	Provision of training services
Just Energy Solutions Limited	100%	Non-trading
Smart Metering Limited	100%	Non-trading
Sureserve Asset Services Limited	100%	Non-trading
Sureserve Compliance Central Limited (formerly Aaron Services Limited)	100%	Compliance services
Sureserve Compliance Fire Limited (formerly Sureserve Fire and Electrical Limited)	100%	Compliance services
Sureserve Compliance Holdings Limited (formerly Sureserve Compliance Services Limited)	100%	Intermediate holding company
Sureserve Compliance North Limited (formerly Gas Call Services Limited)†	100%	Compliance services
Sureserve Compliance Northwest Limited (formerly Sure Maintenance Limited)	100%	Compliance services
Sureserve Compliance South Limited (formerly K&T Heating Services Limited)	100%	Compliance services
Sureserve Compliance Water Limited (formerly H2O Nationwide Limited)	100%	Compliance services
Sureserve Design and Build Limited	100%	Non-trading
Sureserve Energy Holdings Limited (formerly Sureserve Energy Services Limited)	100%	Intermediate holding company
Sureserve Energy Services Meters Limited (formerly Provider Limited)	100%	Smart metering
Sureserve Energy Services North Limited (formerly Dyson Energy Services Limited)	100%	Sustainable energy services
Sureserve Energy Services UK Limited† (formerly Everwarm Limited)	100%	Sustainable energy services
Sureserve Holdings Limited ±	100%	Intermediate holding company
Sureserve VGS Limited	100%	Intermediate holding company
Swale Heating Holdings Limited	100%	Intermediate holding company
Swale Heating Limited	100%	Compliance services
Vinshire Gas Services Limited	100%	Non-trading
W.R.B. Gas (Contracts) Limited†	100%	Compliance services

† Incorporated in Scotland.

± Sureserve Holdings Limited is directly held by Sureserve Group Limited

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2024

Interests in joint ventures

Details of the Group's interests in joint ventures at 30 September 2024 are provided below:

Name	Country of incorporation	Holding	Principal activity
Warmworks Scotland LLP	Scotland	33%	Energy and insulation services
Arbed am Byth	Wales	50%	Energy and insulation services

10. Intangible fixed assets

	Computer software £
<i>Cost</i>	
At 1 October 2023	2,369,450
Additions	1,610,245
At 30 September 2024	<u>3,979,695</u>
<i>Amortisation</i>	
At 1 October 2023	1,183,595
Amortisation charge	515,684
At 30 September 2024	<u>1,699,279</u>
<i>Carrying value</i>	
At 30 September 2024	<u>2,280,416</u>
At 30 September 2023	<u>1,185,855</u>

11. Tangible fixed assets

	Leasehold Improvements £	Plant and equipment £	Fixtures and fittings £	Total £
<i>Cost</i>				
At 1 October 2023	93,473	183,381	86,678	363,532
Additions	37,168	155,759	124,800	317,727
At 30 September 2024	<u>130,641</u>	<u>339,140</u>	<u>211,478</u>	<u>681,259</u>
<i>Depreciation</i>				
At 1 October 2023	17,591	111,570	43,898	173,059
Depreciation charge	15,707	73,929	23,803	113,439
At 30 September 2024	<u>33,298</u>	<u>185,499</u>	<u>67,701</u>	<u>286,498</u>
<i>Carrying value</i>				
At 30 September 2024	<u>97,343</u>	<u>153,641</u>	<u>143,777</u>	<u>394,761</u>
At 30 September 2023	<u>75,882</u>	<u>71,811</u>	<u>42,780</u>	<u>190,473</u>

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2024

12. Right of use assets

	Leasehold property £	Commercial vehicles £	Total £
Cost			
At 1 October 2023	453,896	163,537	617,433
Additions	-	53,649	53,649
Disposals	-	(71,583)	(71,583)
Modifications	-	(29,197)	(29,197)
At 30 September 2024	<u>453,986</u>	<u>116,406</u>	<u>570,302</u>
Depreciation			
At 1 October 2023	280,417	62,811	343,228
Charge for the year	43,431	43,245	86,676
Disposals	-	(32,800)	(32,800)
At 30 September 2024	<u>323,848</u>	<u>73,256</u>	<u>397,104</u>
Carrying value			
At 30 September 2024	<u>130,048</u>	<u>43,151</u>	<u>173,199</u>
At 30 September 2023	<u>173,479</u>	<u>100,726</u>	<u>274,205</u>

13. Debtors

	2024 £	2023 £
Amounts falling due within one year		
Amounts owed by group undertakings	5,426,579	8,014,682
Amounts owed by group undertakings - corporation tax	7,186,759	-
Prepayments	2,268,214	956,649
Other debtors	1,475,836	224,108
Trade debtors	34,004	-
	<u>16,391,393</u>	<u>9,195,439</u>
Amounts falling due after more than one year		
Amounts owed by group undertakings	<u>54,362,507</u>	<u>57,689,376</u>

14. Deferred taxation

	2024 £	2023 £
The deferred taxation included in the Balance Sheet is as follows:		
Deferred tax liabilities	<u>(589,967)</u>	<u>(174,448)</u>
<i>The movement in the deferred tax account during the year was:</i>		
Asset/(liability) brought forward	(174,448)	87,145
Prior year equity adjustment	-	115,504
Prior year under/(over) provision	(93,942)	49,377
Deferred tax on share-based payments	-	(296,992)
Profit and loss account movement arising during the year (Note 8)	(321,577)	(129,482)
	<u>(589,967)</u>	<u>(174,448)</u>

The balance on the deferred taxation account consists of the tax effect of timing differences in respect of:

Accelerated capital allowances	(589,967)	(188,806)
Short-term timing differences	-	14,358
	<u>(589,967)</u>	<u>(174,448)</u>

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2024

15. Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans and overdrafts	3,642,609	3,737,140
Trade creditors	1,252,462	661,177
Amounts owed to group undertakings	430,822	23,735
Accruals	2,058,080	1,658,212
Social security and other taxes	561,269	500,168
Lease liabilities	87,502	57,374
Other creditors	-	21,624
	<u>8,032,744</u>	<u>6,659,430</u>

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

	2024 £	2023 £
Lease liability	<u>111,657</u>	<u>243,067</u>

17. Provisions for liabilities

	Deferred tax £	Legal and other £	Total £
At 1 October 2023	174,448	1,061,687	1,236,135
Movements in provisions	<u>415,519</u>	<u>-</u>	<u>415,519</u>
At 30 September 2024	<u>589,967</u>	<u>1,061,687</u>	<u>1,651,654</u>

The legal provision relates to potential legal settlement costs. These are expected to result in an outflow of economic benefit over the next one to five years. Further details are not disclosed on the basis that such disclosure would be seriously prejudicial.

18. Share capital

Allotted, called-up and fully paid

	Number	£
Ordinary shares of £0.10 each	<u>171,048,205</u>	<u>17,104,821</u>

19. Share premium account

The share premium account represents amounts received in excess of the nominal value of shares on issue of new shares, net of the direct costs associated with issuing those shares.

Sureserve Group Limited

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued) for the year ended 30 September 2024

20. Share-based payment reserve

In prior periods, the Company had established a Sharesave Scheme (SAYE), Company Share Option Plan (CSOP) and Performance Share Plan (PSP).

The scheme was closed and paid out when Sureserve Group Limited (formerly Sureserve Group Plc) was acquired by Volt Topco (CP) Limited on 11th July 2023.

There were no outstanding options at 30 September 2024 or 2023.

21. Contingent liabilities

The Company has potential claims under clauses in the sale and purchase agreements (including working capital adjustments and warranties/indemnities) of legacy disposals made in August 2018. The purchaser of the businesses sold went into liquidation in December 2019. The Group has claims against the sold companies for amounts that exceed their best estimate of any amounts that may potentially be due to the liquidators. The directors are in continuing dialogue with all parties. Further details are not disclosed on the basis that such disclosure would be seriously prejudicial.

22. Guarantees

There is a charge over all of the Company's assets in respect of continuing security for the Group's obligations. The Group has entered into an English law facilities agreement with certain funds managed by Pemberton Capital Advisors LLP (as the original lenders), National Westminster Bank Plc (as the revolving credit facility ("RCF") establishment lender), Kroll Agency Services Limited (as the agent), Kroll Trustee Services Limited (as security agent) and others (together the "Facilities Agreement"). The Facilities Agreement provides for certain committed senior debt facilities which run to July 2030. During the current year, the Group established additional facilities under the Facilities Agreement of £106m (comprising term loans of £83m and a £23m RCF), increasing the overall size of the Facilities Agreement to £230m (of which £176m was drawn at 30 September 2024). The Group's bank borrowing facilities are described in further detail in Note 24 to the consolidated financial statements. Details of the Group's approach to financial risk management, its financial instruments and hedging activities and its exposure to credit risk, market risk and liquidity risk are set out in Note 33 to the consolidated financial statements.

23. Ultimate control

The immediate parent company is Cap10 4NetZero Bidco Limited, a company incorporated in England and Wales. In the opinion of the directors, the Company's ultimate parent company and ultimate controlling party is Volt Topco (CP) Limited, a company incorporated in England and Wales. The parent undertaking of the largest and smallest group, which includes the Company and for which group accounts are prepared is Volt Topco (CP) Limited.

Copies of the group financial statements of Volt Topco (CP) Limited, can be obtained from the Company Secretary, Volt Topco (CP) Limited, Norfolk House, 13 Southampton Place, London, England, WC1A 2AJ.

24. Events after the reporting period

On 29 October 2024, the Company acquired 100% of the issued share capital Low Carbon Exchange Limited for £26.0m on a cash-free and debt-free basis.