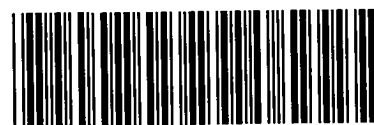

ATLAS CLEANING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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COMPANIES HOUSE

ATLAS CLEANING LIMITED

COMPANY INFORMATION

DIRECTORS

N J Earley
R W Empson

COMPANY SECRETARY

T H Earley

REGISTERED NUMBER

01995941

REGISTERED OFFICE

82 Hampton Road West
Hanworth
Middlesex
TW13 6DZ

INDEPENDENT AUDITORS

Barnes Roffe LLP
Chartered Accountants & Statutory Auditor
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

ATLAS CLEANING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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). 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

DIVIDENDS

The directors do not recommend any dividend payment for the year (2013 - £NIL).

DIRECTORS

The directors who served during the year were:

N J Earley
R W Empson

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ATLAS CLEANING LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

AUDITORS

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *27th September, 2015* and signed on its behalf.



N J Earley
Director

ATLAS CLEANING LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

INTRODUCTION

The company continues to trade in the office cleaning business.

BUSINESS REVIEW

The directors are pleased to report that the company enjoyed another successful year.

The company continues to perform well and the directors forecast another strong year of trading for 2015.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's primary financial instruments are bank overdrafts, trade debtors, trade creditors and intercompany balances. These arise directly from the company's trading operations and management have implemented policies to monitor and control the liquidity and credit risks which derive from their financial assets and liabilities. Liquidity risk is managed by the company's finance director using simple forecasting and projection methods. Credit risk is managed through the use of a credit controller.

FINANCIAL KEY PERFORMANCE INDICATORS

The directors monitor the performance of the company with reference to the following financial key performance indicators:

- The company's turnover increased by £1,680,000 to £20,840,000
- The company's gross margin increased by £574,467 to £5,150,007

EMPLOYEE INVOLVEMENT

The company recognises the importance of good communications with its employees and considers the most effective form of communication regarding its activities, performance and plans is by way of informal discussions between management and other employees at a local level.

DISABLED EMPLOYEES

It is the company's policy to give disabled people full and fair consideration for all job vacancies for which they offer themselves as suitable candidates, having regard to their particular aptitudes and abilities. Training and career development opportunities are available to all employees and the company endeavours to retrain any member of staff who develops a disability while in the employment of the company.

FUTURE DEVELOPMENTS

The company continues to be committed to providing the highest possible service standards whilst maximising operating efficiencies.

This report was approved by the board on *27th September, 2015* and signed on its behalf.



N J Earley
Director

ATLAS CLEANING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS CLEANING LIMITED

We have audited the financial statements of Atlas Cleaning Limited for the year ended 31 December 2014, set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion 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.

ATLAS CLEANING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS CLEANING LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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.

Barnes Roffe LLP

Christopher Smith
Senior Statutory Auditor
for and on behalf of

Barnes Roffe LLP

Chartered Accountants & Statutory Auditor

3 Brook Business Centre

Cowley Mill Road

Uxbridge

Middlesex

UB8 2FX

Date: 30 SEPTEMBER 2015

ATLAS CLEANING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
TURNOVER	1,2	20,840,000	19,160,000
Cost of sales		<u>(15,689,993)</u>	<u>(14,584,460)</u>
GROSS PROFIT		5,150,007	4,575,540
Administrative expenses		<u>(4,283,717)</u>	<u>(3,603,721)</u>
OPERATING PROFIT	3	866,290	971,819
Interest receivable and similar income		33	855
Amounts written off investments		-	(181,500)
Interest payable and similar charges	5	<u>(3,073)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		863,250	791,174
Tax on profit on ordinary activities	6	<u>(117,655)</u>	<u>(225,700)</u>
PROFIT FOR THE FINANCIAL YEAR	14,15	<u>745,595</u>	<u>565,474</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 8 to 17 form part of these financial statements.

ATLAS CLEANING LIMITED
REGISTERED NUMBER: 01995941

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Intangible assets	7	7,000	14,000
Tangible assets	8	159,007	161,499
		<u>166,007</u>	<u>175,499</u>
CURRENT ASSETS			
Stocks	10	30,250	30,250
Debtors: amounts falling due after more than one year	11	3,486,335	3,544,154
Debtors: amounts falling due within one year	11	3,594,013	3,107,095
Cash at bank and in hand		594,393	1,174
		<u>7,704,991</u>	<u>6,682,673</u>
CREDITORS: amounts falling due within one year	12	<u>(2,682,624)</u>	<u>(2,415,393)</u>
NET CURRENT ASSETS		<u>5,022,367</u>	<u>4,267,280</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,188,374</u>	<u>4,442,779</u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit and loss account	14	5,188,274	4,442,679
SHAREHOLDERS' FUNDS	15	<u>5,188,374</u>	<u>4,442,779</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

29th September, 2015



N J Earley
Director

The notes on pages 8 to 17 form part of these financial statements.

ATLAS CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards and on the assumption that the company is a going concern.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover is recognised at the date the service is supplied.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life of 3 years.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	33.33% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	25% straight line

1.7 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

ATLAS CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

The whole of the turnover is attributable to the principal business activity of office cleaning.

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2014 £	2013 £
Amortisation - intangible fixed assets	7,000	7,000
Depreciation of tangible fixed assets:		
- owned by the group	83,758	120,106
Auditors' remuneration	7,140	7,500
Operating lease rentals:		
- other operating leases	197,255	203,062
	<u>197,255</u>	<u>203,062</u>

During the year, no director received any emoluments (2013 - £NIL).

ATLAS CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

4. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	15,050,201	13,435,850
Social security costs	495,214	482,393
Other pension costs	19,551	-
	<u>15,564,966</u>	<u>13,918,243</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Administration	96	79
Cleaning operatives	2,123	2,009
	<u>2,219</u>	<u>2,088</u>

5. INTEREST PAYABLE

	2014 £	2013 £
On bank loans and overdrafts	<u>3,073</u>	<u>-</u>

ATLAS CLEANING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

6. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	183,000	225,700
Adjustments in respect of prior periods	(65,345)	-
Tax on profit on ordinary activities	<u>117,655</u>	<u>225,700</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - *higher than*) the standard rate of corporation tax in the UK of 23% (2013 - 23%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>863,250</u>	<u>791,174</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 23%)	198,548	181,970
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	690	43,348
Capital allowances for year in excess of depreciation	(7,910)	(1,815)
Adjustments to tax charge in respect of prior periods	(65,345)	-
Increase in pension fund prepayment leading to an increase in tax	4,497	-
Utilisation of non trading loan relationship losses	-	(197)
Utilisation of non trading deficit	(8)	-
Over provision	12	-
Difference in tax rate	(12,829)	2,394
Current tax charge for the year (see note above)	<u>117,655</u>	<u>225,700</u>

Factors that may affect future tax charges

The company has approximately £1,095,500 of non-trading loan relationship losses available for offset against future non-trading income or gains.

ATLAS CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

7. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 January 2014 and 31 December 2014	21,000
Amortisation	
At 1 January 2014	7,000
Charge for the year	7,000
At 31 December 2014	14,000
Net book value	
At 31 December 2014	7,000
At 31 December 2013	14,000

8. TANGIBLE FIXED ASSETS

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost				
At 1 January 2014	111,423	510,879	121,407	743,709
Additions	6,450	82,365	826	89,641
Disposals	(38,849)	(82,451)	(17,017)	(138,317)
At 31 December 2014	79,024	510,793	105,216	695,033
Depreciation				
At 1 January 2014	99,423	381,043	101,744	582,210
Charge for the year	8,483	66,671	8,604	83,758
On disposals	(38,849)	(74,076)	(17,017)	(129,942)
At 31 December 2014	69,057	373,638	93,331	536,026
Net book value				
At 31 December 2014	9,967	137,155	11,885	159,007
At 31 December 2013	12,000	129,836	19,663	161,499

ATLAS CLEANING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

9. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2014 and 31 December 2014	181,500
Impairment	
At 1 January 2014 and 31 December 2014	181,500
Net book value	
At 31 December 2014	-
<i>At 31 December 2013</i>	-

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Orange Clean Team Limited	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Orange Clean Team Limited	(1,674)	-

10. STOCKS

	2014 £	2013 £
Raw materials and consumables	30,250	30,250

The difference between the purchase price or production cost of stocks and their replacement cost is not material.

ATLAS CLEANING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

11. DEBTORS

	2014 £	2013 £
Due after more than one year		
Amounts due from related companies	3,486,335	3,544,154
	<u>3,486,335</u>	<u>3,544,154</u>
Due within one year		
Amounts owed by group undertakings	2,373,515	1,464,324
Amounts due from related companies	1,147,075	1,172,330
Other debtors	73,423	470,441
	<u>3,594,013</u>	<u>3,107,095</u>

12. CREDITORS:

Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	-	86,838
Trade creditors	547,881	395,100
Amounts owed to group undertakings	-	12,051
Corporation tax	183,000	225,700
Other taxation and social security	876,332	822,420
Other creditors	990,460	768,330
Accruals and deferred income	84,951	104,954
	<u>2,682,624</u>	<u>2,415,393</u>

Bank loans and overdrafts are secured by:-

1) A mortgage debenture dated 3 July 1993 incorporating a fixed and floating charge over all current and future assets of the company.

2) A cross guarantee dated 30 July 1993 (refer to note 16 for further details).

13. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

ATLAS CLEANING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

14. RESERVES

	Profit and loss account £
At 1 January 2014	4,442,679
Profit for the financial year	745,595
	<hr/>
At 31 December 2014	5,188,274
	<hr/>

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	4,442,779	3,877,305
Profit for the financial year	745,595	565,474
	<hr/>	<hr/>
Closing shareholders' funds	5,188,374	4,442,779
	<hr/>	<hr/>

16. CONTINGENT LIABILITIES

The company has provided an intercompany guarantee covering Atlas Cleaning Limited, Atlas Contractors Limited, Atlas Managed Integrated Services Limited, Atlas FM Limited and Atlas FM Services Limited. At the year end the potential liability of Atlas Cleaning Limited was £Nil (2013 - £86,838).

17. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £19,551 (2013 - £Nil). Contributions totalling £19,551 (2013 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

18. OPERATING LEASE COMMITMENTS

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014 £	2013 £
Expiry date:		
After more than 5 years	120,000	120,000
	<hr/>	<hr/>

ATLAS CLEANING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

19. DIRECTORS' BENEFITS: ADVANCES, CREDIT AND GUARANTEES

During the year the company made a loan to N J Earley, a director. The maximum balance on that loan during the year was £212,609 (2013 - £402,055). The loan was fully repaid by the year end and no interest was charged.

During the year the company made a loan to R W Empson, a director. The maximum balance on that loan during the year was £449,327 (2013 - £54,869). The loan was fully repaid by the year end and no interest was charged.

ATLAS CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

20. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, not to disclose any transactions with the parent company and other wholly owned subsidiaries that are included in the consolidated financial statements of Atlas FM Limited. Copies of these accounts can be obtained from Companies House.

At the year end the company owed £184,592 (2013 - £353,997) to N J Earley, a director.

At the year end the company owed £3,215 (2013 - £3,378) to R W Empson, a director.

During the year the company made rental payments of £140,000 (2013 - £135,000) for the rent of properties owned by N J Earley & R W Empson, directors.

Uniform Express Limited

During the period under review the group traded with Uniform Express Limited, a company in which the directors have a beneficial interest. The balance owing to the company at the period end was £2,944,857 (2013 - £2,690,495). During the period there was a recharge of expenses of £36,000 (2013 - £36,000).

Atlas New Homes Limited

The group has advanced funds to Atlas New Homes Limited, a company owned and controlled by the directors, N J Earley and R W Empson. The amount due from Atlas New Homes Limited at the year end amounted to £1,968,295 of which £1,061,637 has been provided for (2013 - £2,090,052 of which £1,061,637 had been provided for) Atlas Homes (North East) Limited.

Atlas Homes (North East) Limited

The group has advanced funds to Atlas Homes (North East) Limited, a company controlled by the directors, N J Earley and R W Empson. The amount due from Atlas Homes (North East) Limited at the year end was £343,169 of which £201,169 has been provided for (2013 - £343,169 of which £201,169 had been fully provided for).

Deeprise Developments Limited

The group has made loans to Deeprise Developments Limited, a company in which the directors have a beneficial interest. The balance owing to the group at the year end was £600,000 which has been fully provided for (2013 - £600,000 which had been fully provided for).

Atlas Industrial Engineering Limited

The group has advanced funds to Atlas Industrial Engineering Limited, a company owned and controlled by the directors, N J Earley and R W Empson. The amount outstanding at 31 December 2014 was £1,835,197 of which £1,293,719 has been provided for (2013 - £2,147,377 of which £1,293,719 had been provided for).

21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is Atlas FM Limited, a company incorporated in England and Wales.

The directors of Atlas FM Limited are of the opinion that there is no individual controlling party.