

**Registered number: 02078208**

**ABM Group UK Limited**

**Directors' report and financial statements**

**For the year ended 31 October 2017**

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## **ABM Group UK Limited**

### **Company Information**

<b>Directors</b>	J McPherson (appointed 31 March 2017) C A Stevenson (appointed 31 March 2017)
<b>Company secretary</b>	Oakwood Corporate Secretary Limited
<b>Registered number</b>	02078208
<b>Registered office</b>	George House 75-83 Borough High Street London SE1 1NH
<b>Independent auditors</b>	Kreston Reeves LLP Chartered Accountants & Statutory Auditor Third Floor 24 Chiswell Street London EC1Y 4YX

# **ABM Group UK Limited**

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## **ABM Group UK Limited**

### **Directors' report For the year ended 31 October 2017**

The directors present their report and the financial statements for the year ended 31 October 2017.

#### **Principal activity**

The principal activity of the Company is the holding of investments.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £717,714 (2016 - profit £NIL).

No dividends have been declared during the year (2016: £Nil).

#### **Directors**

The directors who served during the year were:

A Donnell (resigned 30 April 2018)  
J McPherson (appointed 31 March 2017)  
C A Stevenson (appointed 31 March 2017)  
E Patterson (resigned 31 March 2017)

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements 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 to 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.

**ABM Group UK Limited**

**Directors' report (continued)  
For the year ended 31 October 2017**

**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 the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the 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.

**Post balance sheet events**

Since the year end the Director's are considering a restructure of the ABM group. Although no formal decision has yet been taken it is anticipated that the assets and liabilities and employee's of the company will be transferred to another group company and trade will continue in that company. As a consequence it is anticipated that this company will cease to trade and the financial statements have therefore been prepared on a break up basis.

**Auditors**

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

This report was approved by the board on *13<sup>th</sup> December 2018* and signed on its behalf.



**C A Stevenson**  
Director

## **ABM Group UK Limited**

### **Independent auditors' report to the shareholders of ABM Group UK Limited Under section 449 of the Companies Act 2006**

#### **Opinion**

We have audited the financial statements of ABM Group UK Limited (the 'Company') for the year ended 31 October 2017, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 31 October 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

#### **Material uncertainty related to going concern**

We draw attention to note 2.3 in the financial statements, which explains that the directors are considering a transfer the assets of the company to a fellow group member, ABM Facility Services UK Limited. It is therefore no longer considered appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 2.3. Our opinion is not modified in this respect of this matter.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **ABM Group UK Limited**

### **Independent auditors' report to the shareholders of ABM Group UK Limited (continued) Under section 449 of the Companies Act 2006**

#### **Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

#### **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 Directors' 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 directors**

As explained more fully in the Directors' responsibilities statement on page 1, 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.

**Independent auditors' report to the shareholders of ABM Group UK Limited (continued)**  
**Under section 449 of the Companies Act 2006**

**Auditors' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).  
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



**ABM Group UK Limited**

**Independent auditors' report to the shareholders of ABM Group UK Limited (continued)**  
**Under section 449 of the Companies Act 2006**

**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 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.

*Kreston Reeves LLP*

Michael Cook BA (Hons) FCA (Senior Statutory Auditor)  
for and on behalf of

**Kreston Reeves LLP**  
Chartered Accountants  
Statutory Auditor  
London

Date: *13 DECEMBER 2018*

**ABM Group UK Limited**

**Statement of income and retained earnings  
For the year ended 31 October 2017**

	2017 £	2016 £
Administrative expenses	(421,346)	-
<b>Operating (loss)/profit</b>	<b>(421,346)</b>	-
Interest payable and expenses	(296,368)	-
<b>(Loss)/profit before tax</b>	<b>(717,714)</b>	-
<b>(Loss)/profit after tax</b>	<b>(717,714)</b>	-
Retained earnings at the beginning of the year	1,153,690	1,153,690
	1,153,690	1,153,690
Loss for the year	(717,714)	-
<b>Retained earnings at the end of the year</b>	<b>435,976</b>	1,153,690

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of income and retained earnings.

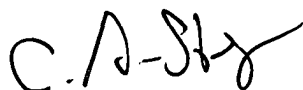
The notes on pages 9 to 13 form part of these financial statements.

**ABM Group UK Limited**  
**Registered number: 02078208**

**Balance sheet**  
**As at 31 October 2017**

	Note	2017 £	As restated 2016 £
<b>Fixed assets</b>			
Investments	5	10,161,214	10,036,724
		<u>10,161,214</u>	<u>10,036,724</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	2,656,357	7,856,357
		<u>2,656,357</u>	<u>7,856,357</u>
Creditors: amounts falling due within one year	7	(10,381,855)	(14,739,651)
<b>Net current liabilities</b>		<u>(7,725,498)</u>	<u>(6,883,294)</u>
<b>Total assets less current liabilities</b>		<u>2,435,716</u>	<u>3,153,430</u>
<b>Net assets</b>		<u><u>2,435,716</u></u>	<u><u>3,153,430</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	500,000	500,000
Share premium account	10	1,499,740	1,499,740
Profit and loss account	10	435,976	1,153,690
		<u>2,435,716</u>	<u>3,153,430</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
13 December 2018



**C A Stevenson**  
Director

The notes on pages 9 to 13 form part of these financial statements.

**Notes to the financial statements  
For the year ended 31 October 2017**

**1. General information**

The Company is a private limited company, incorporated and domiciled in England & Wales. The Company's registered office is George House, 75-83 Borough High Street, London, SE1 1NH and the principal activity of the Company is the holding of investments.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Associates and joint ventures**

Associates and Joint Ventures are held at cost less impairment.

**2.3 Going concern**

The directors do not consider the going concern basis to be appropriate given that the Directors anticipate that the company will cease to trade after the year end, therefore these statements have been prepared on a break-up basis.

**2.4 Exemption from preparing consolidated financial statements**

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

**2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**2.8 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## ABM Group UK Limited

### Notes to the financial statements For the year ended 31 October 2017

#### 2. Accounting policies (continued)

##### 2.9 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 3. Employees

#### 4. Interest payable and similar expenses

	2017 £	2016 £
Loans from group undertakings	296,368	-
	<u>296,368</u>	<u>-</u>

#### 5. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Total £
<b>Cost or valuation</b>			
At 1 November 2016 (as previously stated)	12,693,081	-	12,693,081
Prior Year Adjustment	(2,656,357)	-	(2,656,357)
At 1 November 2016 (as restated)	<u>10,036,724</u>	<u>-</u>	<u>10,036,724</u>
Additions	-	330,000	330,000
Amounts written off	(205,510)	-	(205,510)
At 31 October 2017	<u>9,831,214</u>	<u>330,000</u>	<u>10,161,214</u>
<b>Net book value</b>			
At 31 October 2017	<u>9,831,214</u>	<u>330,000</u>	<u>10,161,214</u>
At 31 October 2016 (as restated)	<u>10,036,724</u>	<u>-</u>	<u>10,036,724</u>

## ABM Group UK Limited

### Notes to the financial statements For the year ended 31 October 2017

#### 5. Fixed asset investments (continued)

##### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
ABM Facility Services UK Limited	Ordinary	100 %	The provision of a national facilities management services
ABM Facility Services Scotland Limited	Ordinary	100 %	The provision of a national facilities management services
Eclipse Contact Cleaning Limited	Ordinary	100 %	The provision of a national facilities management services
GBM Services (Civic) Limited	Ordinary	100 %	The company is dormant
ABM Critical Solutions Limited	Ordinary	100 %	The provision of a national facilities management services
Ethos Farm Limited	B Shares	15 %	Consultancy services to training employees

#### 6. Debtors

	2017 £	As restated 2016 £
Amounts owed by group undertakings	2,656,357	7,856,357
	<u>2,656,357</u>	<u>7,856,357</u>

#### 7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	10,381,855	14,739,651
	<u>10,381,855</u>	<u>14,739,651</u>

## ABM Group UK Limited

### Notes to the financial statements For the year ended 31 October 2017

#### 8. Financial instruments

	2017 £	As restated 2016 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>2,656,357</u>	<u>7,856,357</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(10,381,855)</u>	<u>(14,739,651)</u>

Financial assets measured at amortised cost comprise of intercompany debtors.

Financial liabilities measured at amortised cost comprise of intercompany creditors.

#### 9. Share capital

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
500,000 (2016 - 500,000) Ordinary shares of £1.00 each	<u>500,000</u>	<u>500,000</u>

#### 10. Reserves

##### Share premium account

This reserve comprises all current and prior period share premium paid on the issue of the group and company issued ordinary share capital.

##### Profit & loss account

The reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the group and company's shareholders.

#### 11. Prior year adjustment

During the year ended 31 October 2017 the company's management has identified an intercompany loan of £2,656,357 which was included within Fixed Asset Investments as at 31 October 2016, following the purchase of a subsidiary undertaking during that period. A prior year adjustment has therefore been included in these financial statements and the comparative figures for the year ended 31 October 2016 have been restated to reclassify the intercompany loan to current assets. The restatement has had no effect on the level of profit or equity originally disclosed in the year ended 31 October 2016 financial statements.

## **ABM Group UK Limited**

### **Notes to the financial statements For the year ended 31 October 2017**

#### **12. Controlling party**

The Company's immediate parent undertaking is ABM International (Holdings) Ltd, a company registered in England and Wales.

The company being a wholly owned subsidiary has elected to utilise the exemption in FRS 102 and has not disclosed any transactions with its parent company and fellow subsidiaries.

The company's ultimate parent undertaking and ultimate controlling party is ABM Industries Incorporated, a company incorporated in United States of America.

ABM Industries Incorporated is both the smallest and largest group of undertakings for which consolidated accounts including results of the company are prepared. The consolidated financial statements of ABM Industries Incorporated are available to the public and may be obtained from One Liberty Plaza, 7th Floor, New York, NY 10006.