
ATLAS CONTRACTORS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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ATLAS CONTRACTORS LIMITED

COMPANY INFORMATION

DIRECTORS

N J Earley
R W Empson

COMPANY SECRETARY

T H Earley

REGISTERED NUMBER

02633080

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 CONTRACTORS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

INTRODUCTION

The principal activity of the company continues to be that of providing office cleaning services.

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.

On 1 October 2014, the trade and assets of a wholly owned subsidiary Atlas FM Services Limited was transferred to this company.

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 £2,565,085 to £22,534,667
- The company's gross margin increased by £217,754 to £1,627,336

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 *29th September, 2015* and signed on its behalf.


N J Earley
Director

ATLAS CONTRACTORS 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

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 CONTRACTORS 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 *29th September, 2015* and signed on its behalf.



N J Earley
Director

ATLAS CONTRACTORS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS CONTRACTORS LIMITED

We have audited the financial statements of Atlas Contractors Limited for the year ended 31 December 2014, set out on pages 6 to 15. 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 CONTRACTORS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS CONTRACTORS 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 CONTRACTORS LIMITED

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

	Note	2014 £	2013 £
TURNOVER	1, 2	22,534,667	19,969,582
Cost of sales		<u>(20,907,331)</u>	<u>(18,560,000)</u>
GROSS PROFIT		1,627,336	1,409,582
Administrative expenses		<u>(711,075)</u>	<u>(611,451)</u>
OPERATING PROFIT	3	916,261	798,131
Income from other fixed asset investments		350,000	-
Interest payable and similar charges	5	<u>(3,593)</u>	<u>(209)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,262,668	797,922
Tax on profit on ordinary activities	6	<u>(143,100)</u>	<u>(209,413)</u>
PROFIT FOR THE FINANCIAL YEAR	13,14	<u>1,119,568</u>	<u>588,509</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 15 form part of these financial statements.

ATLAS CONTRACTORS LIMITED
REGISTERED NUMBER: 02633080

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Intangible assets	7		470,300		375,917
Tangible assets	8		739		-
Investments	9		2,082,433		1,782,433
			<u>2,553,472</u>		<u>2,158,350</u>
CURRENT ASSETS					
Debtors	10	5,307,193		4,009,641	
Cash at bank and in hand		607,559		157,494	
			<u>5,914,752</u>	<u>4,167,135</u>	
CREDITORS: amounts falling due within one year	11	(3,317,690)		(2,294,519)	
NET CURRENT ASSETS			<u>2,597,062</u>		<u>1,872,616</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,150,534</u>		<u>4,030,966</u>
CAPITAL AND RESERVES					
Called up share capital	12		2		2
Profit and loss account	13		5,150,532		4,030,964
SHAREHOLDERS' FUNDS	14		<u>5,150,534</u>		<u>4,030,966</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 15 form part of these financial statements.

ATLAS CONTRACTORS 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 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 on the date the service is supplied.

1.4 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 three years.

1.5 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	-	25% straight line
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1.6 Investments

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

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 CONTRACTORS LIMITED

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

1. ACCOUNTING POLICIES (continued)

1.8 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.

2. TURNOVER

The whole of the turnover is attributable to providing cleaning services.

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2014 £	2013 £
Amortisation - intangible fixed assets	188,480	71,583
Depreciation of tangible fixed assets:		
- owned by the company	422	-
Auditors' remuneration	5,600	4,800
Auditors' remuneration - other services	970	970
Operating lease rentals:		
- other operating leases	2,811	-
	<u>197,283</u>	<u>77,353</u>

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

4. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	135,387	-
Social security costs	8,166	-
	<u>143,553</u>	<u>-</u>

ATLAS CONTRACTORS LIMITED

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

4. STAFF COSTS (continued)

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

2014 No.	2013 No.
59	0
<u>59</u>	<u>0</u>

5. INTEREST PAYABLE

	2014 £	2013 £
Other interest payable	3,593	209
	<u>3,593</u>	<u>209</u>

ATLAS CONTRACTORS 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	143,100	185,600
Adjustments in respect of prior periods	-	23,813
Tax on profit on ordinary activities	143,100	209,413

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - *lower than*) the standard rate of corporation tax in the UK of 21% (2013 - 23%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	1,262,668	797,922
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013 - 23%)	265,160	183,522
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	115,058
Depreciation for year in excess of capital allowances	(937)	-
Utilisation of tax losses	(50,964)	-
Adjustments to tax charge in respect of prior periods	-	23,813
Dividends from UK companies	(73,500)	(115,000)
Changes in UK corporation tax rates	3,282	1,968
(Under)/overprovision	59	52
Current tax charge for the year (see note above)	143,100	209,413

Factors that may affect future tax charges

There are taxable losses of approximately £4,857,200 available to be offset against future taxable profits.

ATLAS CONTRACTORS LIMITED

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

7. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 January 2014	880,000
Additions	302,002
Disposals	(19,139)
At 31 December 2014	<u>1,162,863</u>
Amortisation	
At 1 January 2014	504,083
Charge for the year	188,480
At 31 December 2014	<u>692,563</u>
Net book value	
At 31 December 2014	<u><u>470,300</u></u>
<i>At 31 December 2013</i>	<u><u>375,917</u></u>

GOODWILL

The goodwill cost of £1,162,863 (2013 - £880,000) relates to externally acquired goodwill arising from the purchase of cleaning businesses.

8. TANGIBLE FIXED ASSETS

	Plant & machinery £
Cost	
At 1 January 2014	-
Intra group transfers	54,552
At 31 December 2014	<u>54,552</u>
Depreciation	
At 1 January 2014	-
Charge for the year	422
Intra group transfers	53,391
At 31 December 2014	<u>53,813</u>
Net book value	
At 31 December 2014	<u><u>739</u></u>
<i>At 31 December 2013</i>	<u><u>-</u></u>

ATLAS CONTRACTORS 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	2,279,944
Additions	300,000
At 31 December 2014	2,579,944
Impairment	
At 1 January 2014 and 31 December 2014	497,511
Net book value	
At 31 December 2014	2,082,433
At 31 December 2013	1,782,433

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
South Midland Maintenance and Cleaning Contractors Limited	Ordinary	100%
Atlas Managed Integrated Services Limited	Ordinary	100%
Comprehensive Cleaning Services Limited	Ordinary	100%
Comprehensive Cleaning Services (Leisure) Limited	Ordinary	100%
Atlas FM Services Limited	Ordinary	100%
Nova Window Cleaners Limited	Ordinary	100%
Cleaning and Maintenance Company 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) £
South Midland Maintenance and Cleaning Contractors Limited	1	-
Atlas Managed Integrated Services Limited	313,158	6,620
Comprehensive Cleaning Services Limited	422,419	262,885
Comprehensive Cleaning Services (Leisure) Limited	341,975	99,604
Atlas FM Services Limited	250,760	179,522
Nova Window Cleaners Limited	481	-
Cleaning and Maintenance Company Limited	43,648	16,091

ATLAS CONTRACTORS LIMITED

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

10. DEBTORS

	2014 £	2013 £
Trade debtors	5,061,573	4,009,641
Other debtors	230,079	-
Prepayments and accrued income	15,541	-
	<u>5,307,193</u>	<u>4,009,641</u>

**11. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	21,580	-
Corporation tax	332,293	185,600
Other taxation and social security	253,897	75,097
Other creditors	2,560,429	2,024,372
Accruals and deferred income	149,491	9,450
	<u>3,317,690</u>	<u>2,294,519</u>

12. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

13. RESERVES

	Profit and loss account £
At 1 January 2014	4,030,964
Profit for the financial year	1,119,568
	<u>5,150,532</u>
At 31 December 2014	

ATLAS CONTRACTORS LIMITED

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

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	4,030,966	3,442,457
Profit for the financial year	1,119,568	588,509
Closing shareholders' funds	<u>5,150,534</u>	<u>4,030,966</u>

15. CONTINGENT LIABILITIES

There is an intercompany guarantee in place covering the company and Atlas Cleaning Limited. At the year end, the cumulative potential liability on bank loans and overdrafts were £Nil (2013 - £86,838).

The company has provided its bankers with security over all assets of the company in the form of a debenture.

16. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Expiry date:				
Within 1 year	-	-	10,244	-
Between 2 and 5 years	<u>8,500</u>	<u>-</u>	<u>3,936</u>	<u>-</u>

17. 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 the consolidated financial statements of Atlas FM Limited can be obtained from Companies House.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

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

The directors are of the opinion that there is no ultimate controlling party.