
**ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY
MIDLAND INTEGRATED SERVICES LIMITED)**

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010



ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

COMPANY INFORMATION

DIRECTORS	N J Earley R Empsom
COMPANY SECRETARY	N J Earley
COMPANY NUMBER	03063453
REGISTERED OFFICE	82 Hampton Road West Hanworth Middlesex TW13 6DZ
AUDITOR	Barnes Roffe LLP Chartered Accountants & Statutory Auditor 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010**

The directors present their report and the financial statements for the year ended 31 December 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 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.

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be that of industrial cleaning contractors.

The company's name changed by resolution on 8 June 2010 from Midland Integrated Services Limited to Atlas Managed Integrated Services Limited.

BUSINESS REVIEW

The results for the year are set out on page 5.

RESULTS

The profit for the year, after taxation, amounted to £213,402 (2009 - £298,001).

DIRECTORS

The directors who served during the year were

Ian Crump (resigned 29 September 2010)
N J Earley
R Empsom

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010**

PROVISION OF INFORMATION TO AUDITOR

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 auditor is 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 information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

AUDITOR

The auditor, 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 *26 October, 2011* and signed on its behalf



N J Earley
Director

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

We have audited the financial statements of Atlas Managed Integrated Services Limited (Formerly Midland Integrated Services Limited) for the year ended 31 December 2010, set out on pages 5 to 16. 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 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Statement of directors' responsibilities, 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.

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 2010 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES 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 W

David Aston
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 *28 October 2011*

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2010**

		Year ended 31 December 2010 £	15 months ended 31 December 2009 £
	Note		
TURNOVER	1,2	5,977,577	7,567,185
Cost of sales		<u>(4,655,976)</u>	<u>(6,058,043)</u>
GROSS PROFIT		1,321,601	1,509,142
Administrative expenses		<u>(1,012,050)</u>	<u>(1,076,006)</u>
OPERATING PROFIT	3	309,551	433,136
Interest receivable and similar income		-	3
Interest payable and similar charges	7	<u>(4,170)</u>	<u>(8,799)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		305,381	424,340
Tax on profit on ordinary activities	8	<u>(91,979)</u>	<u>(126,339)</u>
PROFIT FOR THE FINANCIAL YEAR	16	<u>213,402</u>	<u>298,001</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

The notes on pages 7 to 16 form part of these financial statements

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)
REGISTERED NUMBER 03063453

BALANCE SHEET
AS AT 31 DECEMBER 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Tangible assets	9		107,546		143,580
CURRENT ASSETS					
Stocks	10	13,000		13,000	
Debtors	11	1,817,197		1,619,320	
Cash at bank and in hand		1,017		919	
			<u>1,831,214</u>	<u>1,633,239</u>	
CREDITORS amounts falling due within one year	12	(1,222,153)		(757,757)	
NET CURRENT ASSETS			<u>609,061</u>		<u>875,482</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>716,607</u>		<u>1,019,062</u>
CREDITORS amounts falling due after more than one year	13		-		(15,857)
NET ASSETS			<u>716,607</u>		<u>1,003,205</u>
CAPITAL AND RESERVES					
Called up share capital	15		100		100
Capital redemption reserve	16		500,000		500,000
Profit and loss account	16		216,507		503,105
SHAREHOLDERS' FUNDS	17		<u>716,607</u>		<u>1,003,205</u>

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

26th October, 2011



N J Earley
Director

The notes on pages 7 to 16 form part of these financial statements

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Turnover

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

1.3 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
Motor vehicles	-	30% reducing balance
Fixtures, fittings and equipment	-	15 - 20% reducing balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 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.

1.6 Stock

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

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

1. ACCOUNTING POLICIES (continued)

1.7 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

1.8 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, in accordance with Financial Reporting Standard 17

2. TURNOVER

All turnover arose within the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Depreciation of tangible fixed assets		
- owned by the company	39,408	35,604
- held under finance leases	9,268	46,522
Operating lease rentals		
- plant and machinery	218,738	194,458
- other operating leases	18,940	24,039
Loss on disposal of tangible fixed assets	334	1,743
	<u> </u>	<u> </u>

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

4. AUDITORS' REMUNERATION

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Fees payable to the company's auditor for the audit of the company's annual accounts	5,000	3,000
Fees payable to the company's auditor and its associates in respect of		
All other services	810	77,875
	<u>810</u>	<u>77,875</u>

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Wages and salaries	2,935,253	3,903,686
Social security costs	217,632	293,396
Other pension costs	2,841	22,501
	<u>3,155,726</u>	<u>4,219,583</u>

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

	Year ended 31 December 2010 No.	15 months ended 31 December 2009 No.
	307	338
	<u>307</u>	<u>338</u>

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

6 DIRECTORS' REMUNERATION

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Emoluments	<u>97,501</u>	<u>118,344</u>
Company pension contributions to defined contribution pension schemes	<u>-</u>	<u>20,686</u>
Compensation for loss of office	<u>30,000</u>	<u>-</u>

During the year retirement benefits were accruing to no directors (2009 - 1) in respect of defined contribution pension schemes

7. INTEREST PAYABLE

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Other interest	-	4
On finance leases and hire purchase contracts	3,521	8,795
Other interest payable	649	-
	<u>4,170</u>	<u>8,799</u>

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

8. TAXATION

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Analysis of tax charge in the year/period		
Current tax (see note below)		
UK corporation tax charge on profit for the year/period	95,500	132,600
Adjustments in respect of prior periods	(10)	-
Total current tax	95,490	132,600
Deferred tax (see note 14)		
Origination and reversal of timing differences	(3,511)	(6,261)
Tax on profit on ordinary activities	91,979	126,339

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2009 - *higher than*) the standard rate of corporation tax in the UK of 28% (2009 - 28%). The differences are explained below

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Profit on ordinary activities before tax	305,381	424,340
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	85,507	118,815
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,072	7,505
Depreciation for year/period in excess of capital allowances	3,511	6,270
Adjustments to tax charge in respect of prior periods	(10)	-
Overprovision	410	10
Current tax charge for the year/period (see note above)	95,490	132,600

Factors that may affect future tax charges

There were no factors that may affect future tax charges

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

9. TANGIBLE FIXED ASSETS

	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
Cost				
At 1 January 2010	160,396	249,935	94,922	505,253
Additions	3,435	15,091	1,046	19,572
Disposals	-	(29,513)	-	(29,513)
At 31 December 2010	<u>163,831</u>	<u>235,513</u>	<u>95,968</u>	<u>495,312</u>
Depreciation				
At 1 January 2010	147,594	157,809	56,270	361,673
Charge for the year	7,728	30,497	10,451	48,676
On disposals	-	(22,583)	-	(22,583)
At 31 December 2010	<u>155,322</u>	<u>165,723</u>	<u>66,721</u>	<u>387,766</u>
Net book value				
At 31 December 2010	<u>8,509</u>	<u>69,790</u>	<u>29,247</u>	<u>107,546</u>
At 31 December 2009	<u>12,802</u>	<u>92,126</u>	<u>38,652</u>	<u>143,580</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2010 £	2009 £
Motor vehicles	<u>21,626</u>	<u>80,537</u>

10. STOCKS

	2010 £	2009 £
Finished goods and goods for resale	<u>13,000</u>	<u>13,000</u>

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

11. DEBTORS

	2010 £	2009 £
Trade debtors	1,789,053	1,239,593
Amounts owed by group undertakings	-	318,647
Other debtors	5,206	-
Prepayments and accrued income	12,872	54,525
Deferred tax asset (see note 14)	10,066	6,555
	<u>1,817,197</u>	<u>1,619,320</u>

12. CREDITORS

Amounts falling due within one year

	2010 £	2009 £
Net obligations under finance leases and hire purchase contracts	3,219	11,368
Trade creditors	441,504	403,108
Corporation tax	31,149	132,600
Social security and other taxes	277,993	154,795
Other creditors	415,795	-
Accruals and deferred income	52,493	55,886
	<u>1,222,153</u>	<u>757,757</u>

A balance of account guarantee is in place from South Midlands Group Plc in favour of monies owed to Barclays Bank Plc with regards to Atlas Managed Integrated Services Limited (formerly Midland Integrated Services Limited)

13. CREDITORS:

Amounts falling due after more than one year

	2010 £	2009 £
Net obligations under finance leases and hire purchase contracts	-	15,857

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2010 £	2009 £
Between one and five years	-	15,857

The hire purchase liabilities are secured on the assets to which they relate

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

14. DEFERRED TAX ASSET

	2010 £	2009 £
At beginning of year/period	6,555	294
Released during year/period	3,511	6,261
At end of year/period	<u>10,066</u>	<u>6,555</u>

The deferred tax asset is made up as follows

	2010 £	2009 £
Decelerated capital allowances	<u>10,066</u>	<u>6,555</u>

15. SHARE CAPITAL

	2010 £	2009 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

16. RESERVES

	Capital redempt'n reserve £	Profit and loss account £
At 1 January 2010	500,000	503,105
Profit for the year		213,402
Dividends Equity capital		(500,000)
At 31 December 2010	<u>500,000</u>	<u>216,507</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Opening shareholders' funds	1,003,205	705,204
Profit for the year/period	213,402	298,001
Dividends (Note 18)	(500,000)	-
Closing shareholders' funds	<u>716,607</u>	<u>1,003,205</u>

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

18. DIVIDENDS

	Year ended 31 December 2010 £	15 months ended 31 December 2009 £
Dividends paid on equity capital	<u>500,000</u>	<u>-</u>

19 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 £2,841 (2009 - £22,501). The amount outstanding to the pension fund at the year was £Nil (2009 - £Nil).

20. OPERATING LEASE COMMITMENTS

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2010 £	2009 £
Expiry date		
Within 1 year	<u>10,960</u>	<u>20,440</u>

21. RELATED PARTY TRANSACTIONS

The company is 100% owned within the group for which consolidated financial statements are prepared and is therefore exempt from disclosing transactions with other group companies under FRS 8.

At the year end the company owed £395,691 (2009 - £Nil) to Atlas Cleaning Limited, a company under the control of common directors.

During the year Atlas Cleaning Limited provided management services in relation to staff costs to the company amounting to £3,110,726 (2009 - £Nil).

22. POST BALANCE SHEET EVENTS

At the end of January 2011 the company's contract with one of its main customers came to an end and was not renewed. The amounts reported as of 31 December 2010 will not be adjusted since those amounts were correct as of 31 December 2010. The average monthly income from this contract was approximately £350,000.

On 1 January 2011 a dividend of £2,000 per share totalling £200,000 was voted and paid.

ATLAS MANAGED INTEGRATED SERVICES LIMITED (FORMERLY MIDLAND INTEGRATED SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking at the year end was Atlas Contractors Limited, incorporated in England and Wales, by virtue of its 100% shareholding. The company was controlled by the directors N J Earley and R Empsom by virtue of their families shareholdings of Atlas Contractors Limited.

Consolidated accounts for Atlas Contractors Limited are available at Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. This is the only group company for which consolidated group accounts are prepared.