
ATLAS FACILITIES MANAGEMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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ATLAS FACILITIES MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	N J Earley R W Empson
Registered number	05572730
Registered office	82 Hampton Road West Hanworth Middlesex TW13 6DZ
Independent auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditors 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX

ATLAS FACILITIES MANAGEMENT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Introduction

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

Business review

We are pleased to report a continuation of successful growth with our management team having once again exceeded expectations.

We are seeing the benefits of our national footprint through which we are able to offer our clients a properly supported service combining local knowledge and staffing throughout the UK, delivered by a professional and financially robust single source supplier.

The National Living Wage and staff recruitment remain a challenge but we work closely with our clients and are confident that these issues will continue to be well managed. Our loyal staff ensure that the business continues to perform well with prestigious new clients joining our portfolio and trading during 2019 to date fully on track.

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 group with reference to the following financial key performance indicators:

- The group's turnover increased by £35,761,889 to £44,101,301
- The group's gross profit increased by £3,487,086 to £4,354,921

This report was approved by the board on 27th September, 2019 and signed on its behalf.



N J Earley
Director

ATLAS FACILITIES MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

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 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.

Results and dividends

The profit for the year, after taxation, amounted to £550,245 (2017 - £158,779).

No dividends have been declared in the year under review (2017 - £Nil).

Directors

The directors who served during the year were:

N J Earley
R W Empson
Atlas FM Limited

Future developments

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

Donations

During the year the group made charitable contributions of £2,317 (2018 - £Nil).

ATLAS FACILITIES MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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.

Matters covered in the strategic report

The company has chosen in accordance with section 414C of the Companies Act 2006, to set out financial risk management objectives and policies within the strategic report.

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

There have been no significant events affecting the Company since the year end.

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, 2019* and signed on its behalf.



N J Earley
Director

ATLAS FACILITIES MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS FACILITIES MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Atlas Facilities Management Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity 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 December 2018 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.

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ATLAS FACILITIES MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS FACILITIES MANAGEMENT LIMITED (CONTINUED)

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.

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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have 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 Strategic report or 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.

ATLAS FACILITIES MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS FACILITIES MANAGEMENT LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 2, 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.


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.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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.



Mark Hancock FCA (Senior statutory auditor)
for and on behalf of

Barnes Roffe LLP

Chartered Accountants & Statutory Auditors
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

Date: 30 September 2019

ATLAS FACILITIES MANAGEMENT LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Turnover	4	44,101,301	8,339,412
Cost of sales		(39,746,380)	(7,471,577)
Gross profit		4,354,921	867,835
Administrative expenses		(3,602,880)	(662,107)
Operating profit	5	752,041	205,728
Interest payable and expenses	9	(58,264)	(9,465)
Profit before tax		693,777	196,263
Tax on profit	10	(143,532)	(37,484)
Profit for the financial year		550,245	158,779
Total comprehensive income for the year		550,245	158,779

The notes on pages 10 to 21 form part of these financial statements.

ATLAS FACILITIES MANAGEMENT LIMITED
REGISTERED NUMBER: 05572730

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	11		120,118		33,049
Current assets					
Debtors: amounts falling due within one year	12	6,838,700		11,738,242	
Cash at bank and in hand	13	20,438		4,459	
			<u>6,859,138</u>	<u>11,742,701</u>	
Creditors: amounts falling due within one year	14	(6,253,810)		(11,616,969)	
Net current assets			<u>605,328</u>		<u>125,732</u>
Total assets less current liabilities			<u>725,446</u>		<u>158,781</u>
Provisions for liabilities					
Deferred tax	16		(16,420)		-
Net assets			<u><u>709,026</u></u>		<u><u>158,781</u></u>
Capital and reserves					
Called up share capital	17		2		2
Profit and loss account	19		709,024		158,779
			<u><u>709,026</u></u>		<u><u>158,781</u></u>

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

27th September, 2019



N J Earley
Director

The notes on pages 10 to 21 form part of these financial statements.

ATLAS FACILITIES MANAGEMENT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	2	158,779	158,781
Comprehensive income for the year			
Profit for the year	-	550,245	550,245
Total comprehensive income for the year	-	550,245	550,245
Total transactions with owners	-	-	-
At 31 December 2018	2	709,024	709,026

The notes on pages 10 to 21 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	2	-	2
Comprehensive income for the year			
Profit for the year	-	158,779	158,779
Total comprehensive income for the year	-	158,779	158,779
Total transactions with owners	-	-	-
At 31 December 2017	2	158,779	158,781

The notes on pages 10 to 21 form part of these financial statements.

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Atlas Facilities Management Limited is a company limited by shares, incorporated in England and Wales. The address of the registered office is 82 Hampton Road West, Hanworth, Middlesex, TW13 6DZ.

The company was dormant until 8 November 2017 at which stage it started trading as an industrial cleaning contractor.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.2 Revenue (continued)

Revenue is recognised at the date cleaning services are provided.

2.3 Cashflow statement

The Company has taken exemption from providing a cashflow statement as it is included in the parent company's consolidated financial statements.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.5 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	33% Straight line
Office equipment	-	33% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.9 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.

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 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.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 Financial instruments

The Company only enters into basic financial instrument 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.13 Financial instruments (continued)

contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements in applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements

1. The directors consider whether the amounts owed by related parties are impaired. The directors takes into account both the financial position and the expected future performance of the related parties.

4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Cleaning services	36,121,257	8,339,412
Security services	6,938,007	-
Sale of goods	1,042,037	-
	<u>44,101,301</u>	<u>8,339,412</u>

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	44,101,301	8,339,412
	<u>44,101,301</u>	<u>8,339,412</u>

ATLAS FACILITIES MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation	25,912	833
Other operating lease rentals	141,861	50,740
Pension costs	362,443	15,680
	<u>362,443</u>	<u>15,680</u>

6. Auditors' remuneration

	2018 £	2017 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	7,850	8,250
	<u>7,850</u>	<u>8,250</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

7. Employees

The average number of employees including directors during the accounting year was 2,725 (2017 - 248).

The average number of employees during the 54 day trading period ended 31 December 2017 was 2,977.

	2018 £	2017 £
Wages and salaries	32,981,963	6,204,207
Social security costs	2,039,874	394,839
Cost of defined contribution scheme	362,443	15,680
	<u>35,384,280</u>	<u>6,614,726</u>

8. Directors' remuneration

- Directors' remuneration during the year was £Nil (2017 - £Nil).

ATLAS FACILITIES MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Interest payable and similar expenses

	2018 £	2017 £
Bank overdraft interest payable	58,121	9,465
Other loan interest payable	143	-
	<u>58,264</u>	<u>9,465</u>

10. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	127,112	37,484
Total current tax	<u>127,112</u>	<u>37,484</u>
Deferred tax		
Origination and reversal of timing differences	16,420	-
Total deferred tax	<u>16,420</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>143,532</u>	<u>37,484</u>

ATLAS FACILITIES MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19% (2017 - 19%). The differences are explained below:

	2018 £	2017, £
Profit on ordinary activities before tax	<u>693,777</u>	<u>196,263</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19%)	131,818	37,290
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,451	542
Capital allowances for year in excess of depreciation	(17,524)	(827)
Other timing differences	9,367	464
Origination and reversal of timing differences	16,420	-
Other differences leading to an increase in the tax charge	-	15
Total tax charge for the year	<u><u>143,532</u></u>	<u><u>37,484</u></u>

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. Taxation (continued)

Factors that may affect future tax charges

There were no material factors which may affect tax charges.

11. Tangible fixed assets

	Plant and machinery £	Office equipment £	Total £
Cost			
At 1 January 2018	20,000	14,993	34,993
Additions	112,981	-	112,981
At 31 December 2018	132,981	14,993	147,974
Depreciation			
At 1 January 2018	1,111	833	1,944
Charge for the year on owned assets	22,372	3,540	25,912
At 31 December 2018	23,483	4,373	27,856
Net book value			
At 31 December 2018	109,498	10,620	120,118
At 31 December 2017	18,889	14,160	33,049

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Debtors

	2018 £	2017 £
Trade debtors	6,744,945	8,071,734
Amounts owed by group undertakings	28,977	-
Other debtors	51,156	3,549,658
Prepayments and accrued income	13,622	116,850
	<u>6,838,700</u>	<u>11,738,242</u>

Trade debtors are secured against the company's invoice discounting facility. At the year end, the company owed £169,697 to (2017 - was owed £3,533,155 by) the finance provider.

13. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	20,438	4,459
	<u>20,438</u>	<u>4,459</u>

14. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	935,724	362,853
Amounts owed to group undertakings	-	5,971,702
Corporation tax	127,112	37,484
Other taxation and social security	2,323,679	2,557,952
Other creditors	2,370,042	2,512,972
Accruals and deferred income	497,253	174,006
	<u>6,253,810</u>	<u>11,616,969</u>

ATLAS FACILITIES MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

15. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>6,825,078</u>	<u>11,621,392</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>3,305,766</u>	<u>8,847,527</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and amounts owed to group undertakings

16. Deferred taxation

	2018 £
Charged to the Statement of comprehensive income	16,420
At end of year	<u>16,420</u>

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	16,420	-
	<u>16,420</u>	<u>-</u>

17. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

ATLAS FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

18. 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 (2017 - £3,750,000).

19. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

20. 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 £362,443 (2017 - £15,680).

21. Related party transactions

The company has taken advantage of the exemption in FRS 102 Section 33: Related party disclosures from the requirement to disclose transactions with other wholly owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

The company has made sales of £82,850 (2017 - £Nil) to a company with common directors. Included within trade creditors is an amount of £33,226 (2017 - £Nil) which was outstanding at the year end.

22. Controlling party

The ultimate parent company is Atlas FM Limited, a company incorporated in England and Wales. That company has prepared group accounts for the year ended 31 December 2018. Consolidated accounts for Atlas FM Limited are available at Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. This is the only company in the group which prepares consolidated accounts.

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