

Registered number: SC127287

Eclipse Contract Cleaning Limited

Directors' report and financial statements

For the year ended 31 October 2015

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Eclipse Contract Cleaning Limited

Company Information

Directors	D Ford (resigned 30 June 2015) J McPherson E Patterson (resigned 31 March 2017) J Spencer (appointed 30 June 2015, resigned 31 March 2016) C Stevenson (appointed 31 March 2017) A Donnell (appointed 6 December 2016)
Company secretary	Oakwood Corporate Secretary Ltd
Registered number	SC127287
Registered office	Templeton House Templeton On The Green Suite 22 62 Templeton Street Glasgow Scotland G40 1DA
Independent auditors	Kreston Reeves LLP Chartered Accountants & Statutory Auditor Third Floor 24 Chiswell Street London EC1Y 4YX

Eclipse Contract Cleaning Limited

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Eclipse Contract Cleaning Limited

Directors' report For the year ended 31 October 2015

The directors present their report and the audited financial statements for the year ended 31 October 2015.

Results

The loss for the year, after taxation, amounted to £79,605 (2014 - profit £378,428).

Directors

The directors who served during the year were:

D Ford (resigned 30 June 2015)
J McPherson
E Patterson (resigned 31 March 2017)
J Spencer (appointed 30 June 2015, resigned 31 March 2016)

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.

Matters covered in the Strategic report

Items required under Schedule 7 to be disclosed in the directors' report are set out in the strategic report in accordance with s.414C(11) CA 2006.

Eclipse Contract Cleaning Limited

Directors' report

For the year ended 31 October 2015

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.

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 26th October 2017 and signed on its behalf.



C Stevenson
Director

Eclipse Contract Cleaning Limited

Strategic report

For the year ended 31 October 2015

Principal Activity and review of the business

The principal activity of the Company is the provision of a national facilities management services (soft services only) to a broad range of blue chip companies in the Commercial, Retail and Industrial sectors of the market place.

The key business risk affecting the Company continues to be the competition from both national and local suppliers of similar services in a very price competitive market place.

During the year the competitive pressure on turnover and margins resulted in a slight reduction in turnover but gross margin on this turnover has declined significantly such that the business has made a reduced operating profit level. Implementation began of the US parent company IT system. Whilst this will ultimately give improved visibility of contract profitability, implementation has not been as smooth as was expected and, with changes in key support staff, the benefits of the new system were not realised until late 2016.

Subsequent to the financial year end, during 2016 a restructuring plan was put in place to return the business to profitability. This has involved reorganisation of the operating and support teams and consolidation of support functions across ABM Group companies.

Whilst there continues to be pressure on margins, the business is well placed, with the support of the US parent and co-operation of Group sister companies, to offer a wide range of facility services.

Key performance indicators

The business model is relatively straightforward. The Company reviews variances in revenue, costs and profitability compared to budget, on a monthly basis.

Future developments

The Company continues to increase its investment in business development within the soft services sector.

Dividends and results

No dividend was paid in the period (2014: £242,472).

No final dividend was paid, or is declared, in respect of the period (2014: £Nil).

The loss for the period of £79,605 (2014: profit of £378,428) has been taken to reserves.

Risk management

The Company operates in a diverse market place which helps to minimise its exposure to financial risk. The Company has a risk management programme in place key elements are as follows:

Foreign exchange risk

The Company is not exposed to foreign exchange risk as the Company operates wholly within the United Kingdom.

Interest rate risk

The company is funded by borrowings from group companies and is exposed to changes in the cost of borrowing. This exposure is mitigated by the group companies hedging against the interest rate risk.

Eclipse Contract Cleaning Limited

Strategic report (continued) For the year ended 31 October 2015

Credit rate risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company takes an aggressive approach to debtor management and liaises closely with its client base to minimize any risk of non-payment of debts.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has built an appropriate liquidity risk management framework for the management of the Company's short, medium, and long term funding and liquidity risk management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities through cash flow forecasting, acquisition planning and monitoring working capital and capital expenditure requirements on an ongoing basis.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders. The Company defines capital as share capital plus reserves. The Company is not subject to any externally imposed capital requirements.

Employees

The Company is mindful of its responsibilities in respect of disabled persons and gives active encouragement to their employment when a suitable vacancy occurs. Continuity of employment is maintained wherever possible for those becoming disabled, with redeployment or retraining being offered where necessary. Promotion of employees is entirely on merit; disability is not a factor, providing an individual can satisfy the requirements of the job.

There is consultation between management and other employees on matters of concern.

The Company endeavours to keep its employees well informed about the progress and position of the Company, in order that they may participate fully in these matters

This report was approved by the board on

26th October 2017

and signed on its behalf.



C Stevenson
Director

Eclipse Contract Cleaning Limited

Independent auditors' report to the shareholders of Eclipse Contract Cleaning Limited

We have audited the financial statements of Eclipse Contract Cleaning Limited for the year ended 31 October 2015, set out on pages 7 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.

Unqualified 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 October 2015 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.

Eclipse Contract Cleaning Limited

Independent auditors' report to the shareholders of Eclipse Contract Cleaning Limited

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.

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.



Michael Cook BA (Hons) FCA (Senior statutory auditor)
for and on behalf of

Kreston Reeves LLP

Chartered Accountants

Statutory Auditor

Third Floor

24 Chiswell Street

London

EC1Y 4YX

Date: *30 OCTOBER 2017*

Eclipse Contract Cleaning Limited

Profit and loss account For the year ended 31 October 2015

	Note	2015 £	2014 £
Turnover	1,2	3,477,947	3,611,779
Cost of sales		<u>(3,118,785)</u>	<u>(2,984,021)</u>
Gross profit		359,162	627,758
Administrative expenses		<u>(442,198)</u>	<u>(187,180)</u>
Operating (loss)/profit	3	(83,036)	440,578
Exceptional item			
Other exceptional item	7	<u>-</u>	<u>43,176</u>
(Loss)/profit on ordinary activities before interest		(83,036)	483,754
Interest receivable and similar income		72	72
Interest payable and similar charges	6	<u>(2,918)</u>	<u>(5,398)</u>
(Loss)/profit on ordinary activities before taxation		(85,882)	478,428
Tax on (loss)/profit on ordinary activities	8	<u>6,277</u>	<u>(100,000)</u>
(Loss)/profit for the financial year	14	<u>(79,605)</u>	<u>378,428</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

There are no material differences between the (loss)/profit on ordinary activities before taxation and the retained (loss)/profit for the financial year stated above and their historical cost equivalents.

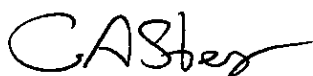
The notes on pages 9 to 15 form part of these financial statements.

Eclipse Contract Cleaning Limited
Registered number: SC127287

Balance sheet
As at 31 October 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	9		11,598		73,543
Current assets					
Stocks	10	-		1,550	
Debtors	11	1,124,097		650,543	
Cash at bank and in hand		89,800		211,704	
			<u>1,213,897</u>	<u>863,797</u>	
Creditors: amounts falling due within one year	12	(832,056)		(464,296)	
Net current assets			<u>381,841</u>		<u>399,501</u>
Total assets less current liabilities			<u>393,439</u>		<u>473,044</u>
Capital and reserves					
Called up share capital	13		200		200
Profit and loss account	14		<u>393,239</u>		<u>472,844</u>
Shareholders' funds	15		<u>393,439</u>		<u>473,044</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26th October 2017



C Stevenson
Director

The notes on pages 9 to 15 form part of these financial statements.

Eclipse Contract Cleaning Limited

Notes to the financial statements For the year ended 31 October 2015

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.

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 consists of contracted revenue, which is recognised on straight line basis over the contracted period, which is recognised when the service is completed, for services and goods provided to customers. It excludes value added tax, and relates exclusively to the provision of services within the United Kingdom.

1.4 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	-	3 - 5 years
Motor vehicles	-	5 years
Fixtures & fittings	-	5 years
Office equipment	-	3 - 5 years

1.5 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.

1.6 Stocks

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

Eclipse Contract Cleaning Limited

Notes to the financial statements For the year ended 31 October 2015

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 discounted.

1.8 Pensions

The company operates a money-purchase, defined contribution pension scheme. Contributions are charged to profit and loss account as they become payable.

2. Turnover

All turnover arises in respect of activities carried out wholly in the United Kingdom. The company operates within a single class of business.

3. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	50,653	19,751
- held under finance leases	13,453	33,155
Auditors' remuneration	5,500	5,000
	<u>69,606</u>	<u>57,906</u>

4. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	2,008,824	2,184,105
Social security costs	58,884	65,537
Other pension costs	7,893	5,507
	<u>2,075,601</u>	<u>2,255,149</u>

Eclipse Contract Cleaning Limited

Notes to the financial statements For the year ended 31 October 2015

4. Staff costs (continued)

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

	2015 No.	2014 No.
Administration	8	8
Services	280	295
	<u>288</u>	<u>303</u>

5. Directors' emoluments

	2015 £	2014 £
Emoluments	<u>-</u>	<u>55,507</u>
Company pension contributions to defined contribution pension schemes	<u>-</u>	<u>560</u>

During the year retirement benefits were accruing to no directors (2014 - 1) in respect of defined contribution pension schemes.

D Ford and J Spencer was employed and remunerated by ABM Facility Services UK Ltd, a company under common control, in respect of his service to both ABM Facility Services UK Ltd and to Eclipse Contract Cleaning Ltd. He receives no remuneration from Eclipse Contract Cleaning Ltd.

J McPherson is employed and remunerated by ABM Facility Services (Scotland) Ltd, the parent company, in respect of his service to both ABM Facility (Scotland) Ltd and to Eclipse Contract Cleaning Ltd. He receives no remuneration from Eclipse Contract Cleaning Ltd.

E Patterson received no remuneration through Eclipse Contract Cleaning Ltd or ABM Group UK Ltd and any of its subsidiaries.

6. Interest payable

	2015 £	2014 £
On finance leases and hire purchase contracts	<u>2,918</u>	<u>5,398</u>

7. Exceptional item

	2015 £	2014 £
Profit on disposal of assets	<u>-</u>	<u>43,176</u>

Eclipse Contract Cleaning Limited

Notes to the financial statements For the year ended 31 October 2015

8. Taxation

	2015 £	2014 £
Analysis of tax (credit)/charge in the year		
UK corporation tax charge on (loss)/profit for the year	-	100,000
Adjustments in respect of prior periods	(6,277)	-
Tax on (loss)/profit on ordinary activities	(6,277)	100,000

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20.42% (2014 - 21.83%). The differences are explained below:

	2015 £	2014 £
(Loss)/profit on ordinary activities before tax	(85,882)	478,428
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.42% (2014 - 21.83%)	(17,537)	104,428
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	66	889
Capital allowances for year in excess of depreciation	11,597	3,786
Utilisation of tax losses	6,277	-
Adjustments to tax charge in respect of prior periods	(6,277)	-
Non-taxable income	-	(9,118)
Other differences leading to an increase (decrease) in the tax charge	(403)	15
Current tax (credit)/charge for the year (see note above)	(6,277)	100,000

Eclipse Contract Cleaning Limited

Notes to the financial statements For the year ended 31 October 2015

9. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
Cost				
At 1 November 2014	168,066	58,670	19,620	246,356
Additions	775	-	1,386	2,161
Disposals	(33,523)	-	(10,234)	(43,757)
At 31 October 2015	135,318	58,670	10,772	204,760
Depreciation				
At 1 November 2014	109,947	45,217	17,649	172,813
Charge for the year	48,747	13,453	1,906	64,106
On disposals	(33,523)	-	(10,234)	(43,757)
At 31 October 2015	125,171	58,670	9,321	193,162
Net book value				
At 31 October 2015	10,147	-	1,451	11,598
At 31 October 2014	58,119	13,453	1,971	73,543

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

	2015 £	2014 £
Motor vehicles	-	13,453

10. Stocks

	2015 £	2014 £
Finished goods and goods for resale	-	1,550

11. Debtors

	2015 £	2014 £
Trade debtors	837,833	345,666
Amounts owed by group undertakings	250,400	-
Other debtors	6,277	756
Prepayments and accrued income	29,587	304,121
	1,124,097	650,543

Eclipse Contract Cleaning Limited

Notes to the financial statements **For the year ended 31 October 2015**

12. Creditors: **Amounts falling due within one year**

	2015 £	2014 £
Net obligations under finance leases and hire purchase contracts	-	2,195
Trade creditors	85,264	159,620
Amounts owed to group undertakings	434,505	-
Corporation tax	-	99,815
Other taxation and social security	79,403	113,813
Other creditors	72,873	81,362
Accruals and deferred income	160,011	7,491
	<u>832,056</u>	<u>464,296</u>

The company is in a Composite Company Unlimited Multilateral Guarantee with its fellow group companies, where HSBC has a fixed and floating charge over all its assets should the group's liabilities not be met. At the balance sheet date, the potential liability, not recognised in these accounts, was £nil (2014: £nil).

13. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

14. Reserves

	Profit and loss account £
At 1 November 2014	472,844
Loss for the financial year	(79,605)
At 31 October 2015	<u>393,239</u>

15. Reconciliation of movement in equity shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	473,044	337,088
(Loss)/profit for the financial year	(79,605)	378,428
Dividends (Note 16)	-	(242,472)
Closing shareholders' funds	<u>393,439</u>	<u>473,044</u>

Eclipse Contract Cleaning Limited

Notes to the financial statements For the year ended 31 October 2015

16. Dividends

	2015 £	2014 £
Dividends paid on equity capital	-	242,472

17. Pension commitments

The company operates a money-purchase, defined contribution 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 £7,893 (2014: £5,507). At the balance sheet date, there were outstanding contributions of £Nil (2014: £Nil) payable to the fund.

18. Related party transactions

In the prior year, L Murphy and B Murphy, directors of the company at the time received dividends totalling £111,955 and £130,517 respectively from the company, which included the freehold property and two motor vehicles as part of the dividend.

The company in the prior year recognised a profit on sale of these assets totalling to £43,176 and is included within note 7 to the financial statements.

19. Related parties and ultimate parent undertaking

The company's immediate parent undertaking is ABM Facility Services (Scotland) Limited, a company registered in England and Wales.

The Company being a wholly owned subsidiary has elected to utilise the exemption in FRS 8 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.