

Company Registration No. SC292909 (Scotland)

**COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**PAGES FOR FILING WITH REGISTRAR**

# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

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# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Intangible assets	4		-		18,460
Tangible assets	5		7,616		17,223
<b>Current assets</b>					
Stocks		97,078		58,441	
Debtors	6	196,000		172,441	
Cash at bank and in hand		2,100		2,386	
		<u>295,178</u>		<u>233,268</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(582,793)</u>		<u>(551,385)</u>	
<b>Net current liabilities</b>			(287,615)		(318,117)
<b>Total assets less current liabilities</b>			(279,999)		(282,434)
<b>Creditors: amounts falling due after more than one year</b>	8		(103,888)		(134,808)
<b>Net liabilities</b>			<u>(383,887)</u>		<u>(417,242)</u>
<b>Capital and reserves</b>					
Called up share capital	9		2,000		2,000
Profit and loss reserves			<u>(385,887)</u>		<u>(419,242)</u>
<b>Total equity</b>			<u>(383,887)</u>		<u>(417,242)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

## **COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2017***

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The financial statements were approved by the board of directors and authorised for issue on 25 September 2018 and are signed on its behalf by:

P. Bryceland  
**Director**

**Company Registration No. SC292909**

# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Company information

Commercial & Industrial Cleaning Supplies Limited is a private company limited by shares incorporated in Scotland. The registered office is 10 Empress Court, St Andrew Street, Greenock, PA15 4RW.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The accounts are prepared on the going concern basis as the company has the continuing support of the bank, its parent company and other related parties.

#### 1.3 Turnover

Turnover represents amounts receivable for the supply of cleaning materials. It is measured at the fair value of consideration received or receivable and represents amounts receivable net of discounts and value added tax.

The company recognises revenue when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the entity and when the risks and rewards of ownership have passed to the customer. This typically happens when goods are delivered and legal title has passed.

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

The goodwill was fully amortised in the year to 31 December 2015 at the rate disclosed above.

#### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development Costs	3-5 years straight line
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# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
Computer equipment	25% straight line
Motor vehicles	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Financial assets classified as receivable within one year are not amortised.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Any impairment loss is recognised in the profit and loss account. Subsequent reversals are reversed recognised in profit and loss but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.11 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Employee benefits**

The costs of short-term employee benefits including holiday pay are recognised as a liability and an expense.

#### **1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.15 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 2 Judgements and key sources of estimation uncertainty

(Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Depreciation

Depreciation of fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate.

#### Bad Debts

Bad debt provisions are provided at rates deemed appropriate by directors.

Specific allowances are provided for when it is known to the directors that the debtor is not recoverable in part or in full.

General allowances are provided based on the directors cumulative knowledge and experience of the industry, where it is deemed probable a portion of the debtors balance will become unrecoverable.

#### Stock provisions

Stock provisions are provided at rates to write off stock for theft, spoilage, obsolescence or other damages to physical stock holdings. The provisions are reviewed annually by the directors and revised accordingly. Provisions are made where it is probable current stock holdings, due to slow movements, are likely to become obsolete or spoiled.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2016 - 6).

### 4 Intangible fixed assets

	Goodwill £	Other £	Total £
<b>Cost</b>			
At 1 January 2017 and 31 December 2017	90,000	105,130	195,130
<b>Amortisation and impairment</b>			
At 1 January 2017	90,000	86,670	176,670
Amortisation charged for the year	-	18,460	18,460
At 31 December 2017	90,000	105,130	195,130
<b>Carrying amount</b>			
At 31 December 2017	-	-	-
At 31 December 2016	-	18,460	18,460

# COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 5 Tangible fixed assets

	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2017 and 31 December 2017	32,821	4,559	28,995	66,375
<b>Depreciation and impairment</b>				
At 1 January 2017	25,709	3,000	20,443	49,152
Depreciation charged in the year	7,112	586	1,909	9,607
At 31 December 2017	32,821	3,586	22,352	58,759
<b>Carrying amount</b>				
At 31 December 2017	-	973	6,643	7,616
At 31 December 2016	7,112	1,559	8,552	17,223

### 6 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	136,767	56,329
Other debtors	39,883	84,608
	176,650	140,937
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset	19,350	31,504
<b>Total debtors</b>	196,000	172,441

### 7 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	-	26,046
Trade creditors	256,110	145,367
Other taxation and social security	13,079	11,130
Other creditors	313,604	368,842
	582,793	551,385

## COMMERCIAL & INDUSTRIAL CLEANING SUPPLIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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**8 Creditors: amounts falling due after more than one year**

	2017	2016
	£	£
Other creditors	103,888	134,808
	<u>          </u>	<u>          </u>

**9 Called up share capital**

	2017	2016
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2,000 Ordinary Shares of £1 each	2,000	2,000
	<u>          </u>	<u>          </u>
	<u>2,000</u>	<u>2,000</u>

**10 Related party transactions**

**Transactions with related parties**

At the balance sheet date a loan existed between the company and its direct parent Ethos Facilities Ltd (previously Commercial and Industrial Cleaning Services Ltd). The amount owed to Ethos Facilities Ltd was £204,859 (2016 - £321,532).

A loan also existed between the company and its fellow subsidiary Riverside Cafe (Greenock) Limited. The amount owed to Commercial and Industrial Cleaning Supplies Ltd was £4,936 (2016 - £75).

At the balance sheet date the company owed a company, owned by a close family member of the directors, £99,978 (2016 - £128,139).

**11 Parent company**

The parent company of Commercial & Industrial Cleaning Supplies Limited is Ethos Facilities Limited (previously Commercial & Industrial Cleaning Services Limited) whose registered office is 10 Empress Court, St Andrew Street, Greenock, PA15 4RW.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.