

Registered number  
03398241

ATC Services (UK) Limited  
Report and Accounts  
For the Year Ended 31 December 2020

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**ATC Services (UK) Limited**  
**Report and accounts**  
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**ATC Services (UK) Limited**  
**Company Information**

**Director**

T J Barton White

**Secretary**

T J Barton White

**Independent auditor**

Haines Watts  
305 Regents Park Road  
Finchley  
London  
N3 1DP

**Bankers**

Lloyds Bank plc  
1 Reading Road  
Henley-on-Thames  
Oxfordshire  
RG9 1AE

**Registered office**

23 Shackleton Court  
2 Maritime Quay  
London  
E14 3QF

**Registered number**

03398241

**ATC Services (UK) Limited****Registered number: 03398241****Director's Report**

The director presents his report and accounts for the year ended 31 December 2020.

**Principal activities**

The company's principal activity during the year continued to be the provision of management services to its parent undertaking.

**Directors**

The following person served as director during the year:

T J Barton White

**Dividends**

Dividends in the year were £65,000 (2019: £Nil).

**Disclosure of information to auditors**

The Director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he 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.

**Director's responsibilities**

The Director is responsible for preparing the Director's Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Director to prepare Financial Statements for each financial year. Under that law the Director has elected to prepare the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Director must not approve the Financial Statements unless he is 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 Director is 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

**ATC Services (UK) Limited**

**Registered number:** 03398241

**Director's Report**

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**Independent auditor**

During the year, Haines Watts were appointed as auditor.

Haines Watts will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small company provisions**

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 01.04.2021 and signed on its behalf.



T J Barton White  
Director

**ATC Services (UK) Limited**  
**Independent auditor's report**  
**to the member of ATC Services (UK) Limited**

**Opinion**

We have audited the accounts of ATC Services (UK) Limited for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and notes to the accounts, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis of 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, 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.

**Material uncertainty related to going concern**

We draw your attention to Note 1 Going Concern in the financial statements, which indicate that the company is entirely dependent on its parent company, Associated Tobacco Company Limited, for its income. As stated in Note 1 Going Concern, this indicates that a material uncertainty exists that may cast a significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in this respect.

However, not all future events or conditions can be predicted. The COVID 19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications of the company's trade, customers, suppliers and wider economy. The Directors' view on the impact of COVID 19 is disclosed within the accounting policies note.

**Other information**

The other information comprises the information included in the report and accounts, other than the accounts and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Opinions 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 directors' report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**ATC Services (UK) Limited**  
**Independent auditor's report**  
**to the member of ATC Services (UK) Limited**

**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 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 accounts 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; or
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

**Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Director the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focused on laws and regulations which could be expected to give rise to a material misstatement in the financial statements, including but not limited to the Companies Act 2006 and UK tax legislation. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- Enquiring of management concerning actual and potential litigation and claims.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**ATC Services (UK) Limited**  
**Independent auditor's report**  
**to the member of ATC Services (UK) Limited**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's 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 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.



Hassan Behcet  
(Senior Statutory Auditor)  
for and on behalf of  
Haines Watts  
Chartered Accountants and Statutory Auditor

305 Regents Park Road  
Finchley  
London  
N3 1DP

01.04.2021



**ATC Services (UK) Limited**  
**Statement of Comprehensive Income**  
**for the year ended 31 December 2020**

	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
<b>Turnover</b>	624,627	657,504
Administrative expenses	(594,991)	(626,194)
<b>Operating profit</b>	<u>29,636</u>	<u>31,310</u>
Interest receivable	108	-
<b>Profit before taxation</b>	<u>29,744</u>	<u>31,310</u>
Tax on profit	(5,777)	(5,910)
<b>Profit for the financial year</b>	<u>23,967</u>	<u>25,400</u>

There was no other comprehensive income for 2020 (2019: £Nil).

The notes on pages 9 to 14 form part of these Financial Statements.

**ATC Services (UK) Limited**  
**Registered number: 03398241**  
**Statement of Financial Position**  
**as at 31 December 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	6	-	617
<b>Current assets</b>			
Debtors	7	21,460	28,550
Cash at bank and in hand		<u>61,901</u>	<u>49,171</u>
		83,361	77,721
<b>Creditors: amounts falling due within one year</b>	8	(58,619)	(12,563)
<b>Net current assets</b>		<u>24,742</u>	<u>65,158</u>
<b>Net assets</b>		<u>24,742</u>	<u>65,775</u>
<b>Capital and reserves</b>			
Called up share capital	9	100	100
Profit and loss account		<u>24,642</u>	<u>65,675</u>
<b>Shareholder's funds</b>		<u>24,742</u>	<u>65,775</u>

The Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.



T J Barton White  
Director

Approved by the board on 01.04.2021

The notes on pages 9 to 14 form part of these Financial Statements.

**ATC Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2020**

**1 Accounting policies**

***Basis of preparation***

The Financial Statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

***Going concern***

The Company is entirely dependent on its parent, Associated Tobacco Company Limited, for its income. The Company's Statement of Financial Position as at 31 December 2020 and 2019 shows that the Company was clearly solvent with the ability to pay all its debts as they fell due.

The draft group profit for the year ended 31 December 2020 is \$13,061,356, and as at 31 December 2020 the group has draft negative Profit and Loss Reserves of \$1,387,251. The parent company has access to banking facilities however to aid its working capital and financing requirements.

The Director can confirm that the Company has not been impacted by the current COVID-19 viral pandemic.

The Director can confirm that the Company currently has sufficient resources to meet its debts as they fall due and he therefore considers that the Company is a going concern and has prepared the Financial Statements on that basis.

***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:

***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.

***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.

**ATC Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2020**

***Tangible fixed assets (continued)***

Repairs and maintenance are charged to the Statement of Comprehensive Income during the period in which they are incurred.

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 (office equipment)	20% to 33.33%
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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.

***Debtors***

Short term debtors are measured at transaction price, less any impairment.

***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. There are no cash equivalents.

***Creditors***

Short term creditors are measured at the transaction price.

***Taxation***

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.

**ATC Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2020**

***Taxation (continued)***

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.

***Foreign currency translation***

Functional and presentation currency:

The Company's functional and presentational currency is UK Pound Sterling.

Transactions and balances:

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

***Operating leases: the company as a lessee***

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

***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.

**2 Audit information**

The audit report is unqualified.

Senior statutory auditor:

Hassan Behcet

Firm:

Haines Watts

Date of audit report:

01.04.2021

**ATC Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2020**

<b>3 Auditor's remuneration</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled	3,800	4,050
	<u>3,800</u>	<u>4,050</u>
<b>4 Employees</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Average number of persons employed by the company	<u>5</u>	<u>5</u>
<b>5 Director's remuneration</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Director's emoluments	168,754	176,513
	<u>168,754</u>	<u>176,513</u>
<b>6 Tangible fixed assets</b>		
		<b>Plant and machinery</b>
		<b>£</b>
<b>Cost</b>		
At 1 January 2020		3,961
Disposals		<u>(3,961)</u>
At 31 December 2020		<u>-</u>
<b>Depreciation</b>		
At 1 January 2020		3,344
Charge for the year		617
On disposals		<u>(3,961)</u>
At 31 December 2020		<u>-</u>
<b>Net book value</b>		
At 31 December 2020		<u>-</u>
At 31 December 2019		<u>617</u>

**ATC Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2020**

<b>7 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	695	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	15,369
Other debtors	20,765	13,181
	<u>21,460</u>	<u>28,550</u>
Amounts due after more than one year included above	<u>5,250</u>	<u>8,250</u>

<b>8 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	321	1,440
Amounts owed to group undertakings and undertakings in which the company has a participating interest	47,097	-
Corporation tax	5,777	5,922
Other creditors	5,424	5,201
	<u>58,619</u>	<u>12,563</u>

<b>9 Share capital</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid:</b>		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

**10 Other financial commitments**

At 31 December 2020, the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Not later than one year	21,000	15,833
Later than one year and not later than five years	31,500	-
	<u>52,500</u>	<u>15,833</u>

**11 Related party transactions**

The Company has taken advantage of the exemption under section 33 of FRS 102 regarding the disclosure of transactions entered between two or more members of a group for wholly owned members of that group.

**ATC Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2020**

**12 Controlling party**

The immediate and ultimate parent undertaking is Associated Tobacco Company Limited, a company registered in the British Virgin Islands. No one individual has a controlling interest in Associated Tobacco Company Limited.

**13 Other information**

ATC Services (UK) Limited is a private company limited by shares and incorporated in England. Its registered office is:

23 Shackleton Court  
2 Maritime Quay  
London  
E14 3QF