

**Sureclean International Limited**

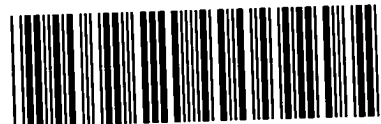
**Directors' Report and Financial  
Statements**

**Year Ended**

**31 December 2017**

**Company Number SC380564**

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**Sureclean International Limited**

**Company Information**

<b>Directors</b>	G Shor A Harman N A Challis
<b>Company secretary</b>	Burness Paul LLP
<b>Registered number</b>	SC380564
<b>Registered office</b>	50 Lothian Road Festival Square Edinburgh EH3 9WJ
<b>Independent auditor</b>	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
<b>Solicitors</b>	Ledingham Chalmers LLP Johnstone House 52-54 Rose Street Aberdeen AB10 1HA

# **Sureclean International Limited**

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**Sureclean International Limited**

**Directors' Report  
For the Year Ended 31 December 2017**

The directors present their report and the financial statements for the year ended 31 December 2017.

**Principal activity**

During the year ended 31 December 2017, the company provided a specialised cleaning service and rental of specialised equipment. However, as explained in note 1 to the financial statements the directors intend for the company to cease trading within the next 12 months. As a result this set of financial statements have been prepared on a basis other than that of a going concern.

**Directors**

The directors who served during the year were:

G Shor  
A Harman  
N A Challis

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

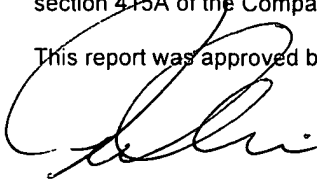
**Auditor**

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

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

This report was approved by the board on *12 October 2018* and signed on its behalf.



**N A Challis**  
Director

## **Sureclean International Limited**

### **Directors' Responsibilities Statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to 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.

## **Sureclean International Limited**

### **Independent Auditor's Report to the Members of Sureclean International Limited**

#### **Opinion**

We have audited the financial statements of Sureclean International Limited ("the Company") for the year ended 31 December 2017 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, 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 2017 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.

#### **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 Auditor's 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 UK, including the FRC'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.

#### **Emphasis of matter - Financial statements prepared on a basis other than going concern**

We draw attention to note 1 in the financial statements which explains that the company has no ongoing trade, and that the directors have taken the decision that the company will cease trading within the next 12 months and do not consider the company to be a going concern. Accordingly the financial statements have been prepared on a basis other than that of going concern as described in Note 1. Our opinion is not modified in respect of this matter.

#### **Other information**

The directors are responsible for the other information. The other information comprises the Directors' Report. 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.

**Independent Auditor's Report to the Members of Sureclean International Limited (continued)**

**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 financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 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; or
- the Directors were not entitled to 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 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.

**Auditor's 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 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 financial statements.

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

## **Sureclean International Limited**

### **Independent Auditor's Report to the Members of Sureclean International Limited (continued)**

#### **Use of 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



**Alastair Rae** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Glasgow  
United Kingdom

17 OCTOBER 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



**Sureclean International Limited**

**Profit and Loss Account  
For the Year Ended 31 December 2017**

	Note	2017 £	2016 £
Turnover	2	-	138,617
Cost of sales		-	(266)
<b>Gross profit</b>		-	138,351
Administrative expenses	5	(178,126)	(2,454)
<b>Operating (loss)/profit</b>	3	(178,126)	135,897
Taxation on loss on ordinary activities	6	(1,163)	-
<b>(Loss)/profit for the year after tax</b>		(179,289)	135,897

There was no other comprehensive income in the year (2016 - £Nil).

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

**Sureclean International Limited**  
**Registered number: SC380564**

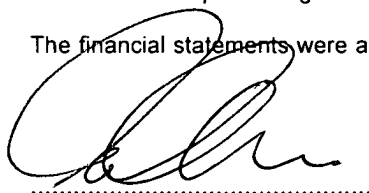
**Balance Sheet**  
**As at 31 December 2017**

	Note	2017 £	2017 £	2016 £	2016 £
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	8	-	209,496		
		-	209,496		
Creditors: amounts falling due within one year	9	(403,028)	(433,235)		
<b>NET CURRENT LIABILITIES</b>			<b>(403,028)</b>		<b>(223,739)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>(403,028)</b>		<b>(223,739)</b>
<b>NET LIABILITIES</b>			<b>(403,028)</b>		<b>(223,739)</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			1		1
Profit and loss account	10	(403,029)	(403,029)	(223,740)	(223,740)
			<b>(403,028)</b>		<b>(223,739)</b>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

*12 October 2018*



**N A Challis**

Director

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

**Sureclean International Limited**

**Statement of Changes in Equity  
For the Year Ended 31 December 2017**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2016</b>	<b>1</b>	<b>(359,637)</b>	<b>(359,636)</b>
Profit for the year	-	135,897	135,897
<b>At 1 January 2017 and 31 December 2016</b>	<b>1</b>	<b>(223,740)</b>	<b>(223,739)</b>
Loss for the year	-	(179,289)	(179,289)
<b>At 31 December 2017</b>	<b>1</b>	<b>(403,029)</b>	<b>(403,028)</b>

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

## **Sureclean International Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2017**

#### **1. Accounting policies**

##### **1.1 General information**

Sureclean International Limited is a private company, limited by shares, registered in Scotland and incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's principal activities is set out in the Directors' Report.

##### **1.2 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 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.

As the company has no ongoing trade, the directors have taken the decision that the company will cease trading within the next 12 months. The directors do not consider the company to be a going concern and the financial statements have been prepared on a basis other than that of a going concern. The financial statements do not include any adjustments as a result of the financial statements being prepared on a basis other than going concern.

The following principal accounting policies have been applied:

##### **1.3 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Sureclean Holdco Limited as at 31 December 2017 and these financial statements may be obtained from Companies House.

##### **1.4 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.

Revenue is recognised in respect of specialised cleaning services provided to customers at the point at which the service is provided.

**Sureclean International Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**1. Accounting policies (continued)**

**1.5 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing significant parts of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss 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 bases:

Plant and machinery - 10% - 50% 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 within 'other operating income' in the Profit and Loss Account.

**1.6 Debtors**

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

## **Sureclean International Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2017**

#### **1. Accounting policies (continued)**

##### **1.7 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 Profit and Loss Account.

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 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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

##### **1.8 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.

## **Sureclean International Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2017**

#### **1. Accounting policies (continued)**

##### **1.9 Foreign currency translation**

###### **Functional and presentation currency**

The company's functional currency is USD. This differs from the presentational currency which is GBP. The reason for the difference is that the company is registered in the United Kingdom but operates abroad.

###### **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 Profit and Loss Account.

##### **1.10 Taxation**

Tax is recognised in the Profit and Loss Account, 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 Balance Sheet date in the countries where the company operates and generates income.

#### **2. Turnover**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Outside UK	-	138,617
	<u>-</u>	<u>138,617</u>

All turnover arose outwith the United Kingdom. No turnover arose in the current year.

**Sureclean International Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**3. Operating (loss)/profit**

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bad debt	<b>178,126</b>	-
Exchange differences	-	(320)
	<u>          </u>	<u>          </u>

Fees in connection with the audit of the company's financial statements were met by the company's parent company, NRC Environmental Services (UK) Limited.

**4. Employees**

The average monthly number of employees, including directors, during the year was nil (2016 - nil).

**5. Administrative expenses**

During the year the company chose to write off the outstanding balance due from its overseas trading agent. The balance amounted to £178,126.

**6. Taxation**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Foreign tax</b>		
Foreign tax in respect of prior periods	<b>1,163</b>	-
	<u>1,163</u>	<u>-</u>
<b>Total current tax</b>	<b>1,163</b>	-
	<u>1,163</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<b>1,163</b>	-
	<u>1,163</u>	<u>-</u>



**Sureclean International Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**6. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
(Loss)/profit on ordinary activities before tax	<u>(178,126)</u>	<u>135,897</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	<u>(34,283)</u>	<u>27,179</u>
<b>Effects of:</b>		
Other timing differences leading to an increase/(decrease) in taxation	4,002	(4,385)
Deferred tax not recognised	30,281	-
Utilisation of tax losses	-	(22,794)
Non-recoverable overseas taxation	1,163	-
<b>Total tax charge for the year</b>	<u><u>1,163</u></u>	<u><u>-</u></u>

**Factors that may affect future tax charges**

There are carried forward tax losses of £223,807 (2016 - £39,240) which have not been recognised.

**7. Tangible fixed assets**

	Plant and machinery £
<b>Cost or valuation</b>	
At 1 January 2017	<u>16,709</u>
At 31 December 2017	<u><u>16,709</u></u>
<b>Depreciation</b>	
At 1 January 2017	<u>16,709</u>
At 31 December 2017	<u><u>16,709</u></u>
<b>Net book value</b>	
At 31 December 2017	<u><u>-</u></u>
At 31 December 2016	<u><u>-</u></u>

**Sureclean International Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**8. Debtors**

	2017 £	2016 £
Amounts owed by group undertakings	-	208,333
Other debtors	-	1,163
	<u>-</u>	<u>209,496</u>

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

	2017 £	2016 £
Amounts owed to group undertakings	<u>403,028</u>	433,235
	<u>403,028</u>	<u>433,235</u>

**10. Reserves**

**Profit and loss account**

This reserve records the cumulative trading profits and losses of the company, net of any dividends.

**11. Related party transactions**

The company is a wholly owned subsidiary of NRC Environmental Services (UK) Limited and has taken advantage of the exemption not to disclose transactions with NRC Environmental Services (UK) Limited or other wholly owned subsidiaries within the group.

NRC International Services Limited invoices and collects income on behalf of Sureclean International Limited. At 31 December 2017 there was an outstanding amount of income collected by NRC International Services Limited owed to Sureclean International Limited of £Nil (2016 - £208,333).

**12. Ultimate parent and controlling party**

The company's immediate parent company is NRC Environmental Services (UK) Limited.

The ultimate controlling party is JF Lehman & Company, which is incorporated in the US.

Sureclean Holdco Limited is the smallest group for which the company is included in consolidated financial statements. Those are publicly available and can be obtained from Companies House. JF Lehman & Company is the largest group for which the company is included in a consolidation. Those financial statements are not publicly available.