
ATLAS CONTRACTORS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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ATLAS CONTRACTORS LIMITED

COMPANY INFORMATION

Directors	N J Earley R W Empson
Company secretary	T H Earley
Registered number	02633080
Registered office	82 Hampton Road West Hanworth Middlesex TW13 6DZ
Independent auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditors 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX

ATLAS CONTRACTORS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

Introduction

The directors present their Strategic report for the year ended 31 December 2016.

Business review

During what was the group's thirtieth anniversary year we are pleased to report a continuation of successful growth with our management team having once again exceeded expectations.

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

The National Living Wage and staff recruitment remain a challenge but we work closely with our clients and are confident that these issues will continue to be well managed. Our loyal staff ensure that the business continues to perform well with prestigious new clients joining our portfolio and trading during 2017 to date fully on track.

Principal risks and uncertainties

The company's primary financial instruments are bank overdrafts, trade debtors, trade creditors and intercompany balances. These arise directly from the company's trading operations and management have implemented policies to monitor and control the liquidity and credit risks which derive from their financial assets and liabilities. Liquidity risk is managed by the company's finance director using simple forecasting and projection methods. Credit risk is managed through the use of a credit controller.

Financial key performance indicators

The directors monitor the performance of the company with reference to the following financial key performance indicators:

- The company's turnover increased by £6,260,640 to £33,217,133.
- The company's gross margin increased by £384,038 to £2,652,024.

This report was approved by the board on 22nd September, 2017 and signed on its behalf.



N J Earley
Director

ATLAS CONTRACTORS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

Results and dividends

The profit for the year, after taxation, amounted to £1,870,920 (2015 - £373,218).

Directors

The directors who served during the year were:

N J Earley
R W Empson

Future developments

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

ATLAS CONTRACTORS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

Employee involvement

The company recognises the importance of good communications with its employees and considers the most effective form of communication regarding its activities, performance and plans is by way of informal discussions between management and other employees at a local level.

Disabled employees

It is the company's policy to give disabled people full and fair consideration for all job vacancies for which they offer themselves as suitable candidates, having regard to their particular aptitudes and abilities. Training and career development opportunities are available to all employees and the company endeavours to retrain any member of staff who develops a disability while in the employment of the company.

Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

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

Auditors

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22nd September, 2017 and signed on its behalf.



N J Earley
Director

ATLAS CONTRACTORS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ATLAS CONTRACTORS LIMITED

We have audited the financial statements of Atlas Contractors Limited for the year ended 31 December 2016, set out on pages 6 to 24. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Financial Reporting Council'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.

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 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

ATLAS CONTRACTORS LIMITED

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

Opinion on other matter prescribed by the Companies Act 2006


In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

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.



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

Barnes Roffe LLP

Chartered Accountants &

Statutory Auditors

3 Brook Business Centre

Cowley Mill Road

Uxbridge

Middlesex

UB8 2FX

Date: 28 September 2017

ATLAS CONTRACTORS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Turnover	4	33,217,133	26,956,493
Cost of sales		(30,565,109)	(24,688,507)
Gross profit		2,652,024	2,267,986
Administrative expenses		(1,181,153)	(1,041,706)
Operating profit	5	1,470,871	1,226,280
Income from fixed assets investments		400,759	957,697
Amounts written off investments		-	(1,808,815)
Interest payable and expenses	9	(710)	(2,055)
Profit before tax		1,870,920	373,107
Tax on profit	10	-	111
Profit for the year		1,870,920	373,218
Total comprehensive income for the year		1,870,920	373,218

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 9 to 24 form part of these financial statements.

All amounts relate to continuing operations.

ATLAS CONTRACTORS LIMITED
REGISTERED NUMBER: 02633080

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	12		307,195		318,097
Tangible assets	13		-		1,268
Investments	14		1,040,185		293,618
			<u>1,347,380</u>		<u>612,983</u>
Current assets					
Stocks	15		-	12,800	
Debtors: amounts falling due within one year	16	7,065,582		6,062,865	
Cash at bank and in hand	17	137,470		220,214	
			<u>7,203,052</u>	<u>6,295,879</u>	
Creditors: amounts falling due within one year	18	(3,155,760)		(3,385,110)	
Net current assets			<u>4,047,292</u>		<u>2,910,769</u>
Net assets			<u><u>5,394,672</u></u>		<u><u>3,523,752</u></u>
Capital and reserves					
Called up share capital	20		2		2
Profit and loss account	21		5,394,670		3,523,750
			<u><u>5,394,672</u></u>		<u><u>3,523,752</u></u>

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

22nd September, 2017



N J Earley
Director

The notes on pages 9 to 24 form part of these financial statements.

ATLAS CONTRACTORS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	2	3,523,750	3,523,752
Comprehensive income for the year			
Profit for the year	-	1,870,920	1,870,920
Total comprehensive income for the year	-	1,870,920	1,870,920
At 31 December 2016	2	5,394,670	5,394,672

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	2	5,150,532	5,150,534
Comprehensive income for the year			
Profit for the year	-	373,218	373,218
Total comprehensive income for the year	-	373,218	373,218
Dividends: Equity capital	-	(2,000,000)	(2,000,000)
At 31 December 2015	2	3,523,750	3,523,752

The notes on pages 9 to 24 form part of these financial statements.

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

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

The company specialises in the provision of office cleaning services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006, and on the assumption that the company is a going concern.

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

The following principal accounting policies have been applied:

2.2 Revenue

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

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.

Revenue is recognised when services are provide.

2.3 Consolidation statement

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

2.4 Cashflow statement

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

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant & machinery	- 15 - 20% reducing balance
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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.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

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

2.11 Financial instruments

The Company only enters into basic financial instruments 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 and loans to related parties.

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 case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

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

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.15 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period of the lease.

2.16 Pensions

Defined contribution pension plan

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

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

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.17 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 Balance sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

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

1. Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
2. Bad debt provision is made based on the company's assessment of the year end trade debtors and their knowledge of the clients and their ability to repay amounts that are due.

ATLAS CONTRACTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Turnover

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

	2016	2015
	£	£
Sales attributable to the principal activity	33,217,133	26,956,493
	<u>33,217,133</u>	<u>26,956,493</u>

Analysis of turnover by country of destination:

	2016	2015
	£	£
United Kingdom	33,217,133	26,956,493
	<u>33,217,133</u>	<u>26,956,493</u>

5. Operating profit

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets	1,268	739
Amortisation of intangible assets, including goodwill	265,902	237,203
Operating lease rentals - land and buildings	2,997	21,216
Defined contribution pension cost	(123)	1,818
	<u>(123)</u>	<u>1,818</u>

ATLAS CONTRACTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	6,250	5,600
	<u>6,250</u>	<u>5,600</u>
Fees payable to the Company's auditor and its associates in respect of:		
All other services	-	(84)
	<u>-</u>	<u>(84)</u>

7. Employees

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,673,883	1,877,409
Social security costs	121,159	120,506
Cost of defined contribution scheme	(123)	1,818
	<u>1,794,919</u>	<u>1,999,733</u>

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

	2016 No.	2015 No.
Administration	68	65
Cleaning	52	-
	<u>120</u>	<u>65</u>

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

8. Income from investments

	2016 £	2015 £
Dividends received from unlisted investments	400,759	957,697
	<u>400,759</u>	<u>957,697</u>

9. Interest payable and similar charges

	2016 £	2015 £
Other interest payable	710	2,055
	<u>710</u>	<u>2,055</u>

10. Taxation

	2016 £	2015 £
Corporation tax		
Adjustments in respect of previous periods	-	(111)
Total current tax	<u>-</u>	<u>(111)</u>
Taxation on profit/(loss) on ordinary activities	<u>-</u>	<u>(111)</u>

ATLAS CONTRACTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>1,870,920</u>	<u>373,107</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	<u>374,184</u>	<u>74,621</u>
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	361,763
Capital allowances for year in excess of depreciation	(3,968)	(3,141)
Utilisation of tax losses	(297,064)	(241,704)
Other timing differences leading to an increase (decrease) in taxation	7,000	-
Dividends from UK companies	(80,152)	(191,539)
Adjustments in respect of previous periods	-	(111)
Total tax charge for the year	<u>-</u>	<u>(111)</u>

Factors that may affect future tax charges

The company has carried forward losses of approximately £2,121,000 to be offset against future profits.

11. Dividends

	2016 £	2015 £
Dividends paid on equity capital	-	2,000,000
	<u>-</u>	<u>2,000,000</u>

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

12. Intangible assets

	Goodwill £
Cost	
At 1 January 2016	1,247,863
Additions	255,000
At 31 December 2016	<u>1,502,863</u>
Amortisation	
At 1 January 2016	929,766
Charge for the year	265,902
At 31 December 2016	<u>1,195,668</u>
Net book value	
At 31 December 2016	<u>307,195</u>
At 31 December 2015	<u>318,097</u>

The goodwill cost of £1,502,863 (2015 - £1,247,863) relates to externally acquired goodwill arising from the purchase of cleaning businesses.

ATLAS CONTRACTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

13. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 January 2016	375,389	53,644	111,853	540,886
At 31 December 2016	375,389	53,644	111,853	540,886
Depreciation				
At 1 January 2016	375,389	52,376	111,853	539,618
Charge for the year on owned assets	-	1,268	-	1,268
At 31 December 2016	375,389	53,644	111,853	540,886
Net book value				
At 31 December 2016	-	-	-	-
At 31 December 2015	-	1,268	-	1,268

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2016	2,599,944
Additions	746,567
Disposals	(501,000)
At 31 December 2016	<u>2,845,511</u>
Impairment	
At 1 January 2016	2,306,326
Disposals	(501,000)
At 31 December 2016	<u>2,306,326</u>
Net book value	
At 31 December 2016	<u><u>1,040,185</u></u>
At 31 December 2015	<u><u>293,618</u></u>

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

14. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Atlas Managed Integrated Services Limited	Ordinary	100 %	Provision of cleaning services
Comprehensive Cleaning Limited	Ordinary	100 %	Provision of cleaning services
Comprehensive Cleaning (Leisure) Limited	Ordinary	100 %	Provision of cleaning services
Atlas FM Services Limited	Ordinary	100 %	Provision of cleaning services
Nova Window Cleaners Limited	Ordinary	100 %	Dissolved - 19 April 2016
Cleaning and Maintenance Company Limited	Ordinary	100 %	Dissolved - 1 November 2016
Crystal Cleaning Limited	Ordinary	100 %	Provision of cleaning services

	Aggregate of share capital and reserves £	Profit/(loss) £
Crystal Cleaning Limited	96,672	26,123
Atlas Managed Integrated Services Limited	396,882	142,490
Comprehensive Cleaning Limited	150	29,530
Comprehensive Cleaning (Leisure) Limited	100	164,023
Atlas FM Services Limited	250,760	-
Nova Window Cleaners Limited	4	-
Cleaning and Maintenance Company Limited	52	-

15. Stocks

	2016 £	2015 £
Raw materials and consumables	-	12,800
	-	12,800

ATLAS CONTRACTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

16. Debtors

	2016 £	2015 £
Trade debtors	6,603,790	6,009,406
Amounts owed by group undertakings	461,792	-
Other debtors	-	43,001
Prepayments and accrued income	-	10,458
	<u>7,065,582</u>	<u>6,062,865</u>

17. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	137,470	220,214
	<u>137,470</u>	<u>220,214</u>

18. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	5,484	117,130
Amounts owed to group undertakings	4,306	-
Corporation tax	-	65,600
Other taxation and social security	269,304	502,589
Other creditors	2,870,481	2,527,550
Accruals and deferred income	6,185	172,241
	<u>3,155,760</u>	<u>3,385,110</u>

ATLAS CONTRACTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

19. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	7,065,582	6,052,407
	<u>7,065,582</u>	<u>6,052,407</u>
Financial liabilities		
Financial liabilities measured at amortised cost	2,880,271	2,644,680
	<u>2,880,271</u>	<u>2,644,680</u>

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

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

20. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

21. Reserves

Profit & loss account

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

22. Contingent liabilities

There is an intercompany guarantee in place covering the company and Atlas Cleaning Limited. At the year end, the cumulative potential liability on bank loans and overdrafts was £Nil (2015 - £Nil).

The company has provided its bankers with security over all assets of the company in the form of a debenture.

ATLAS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £Nil (2015 - £1,818).

24. Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 102 not to disclose any transactions with other wholly owned members of the group.

25. Controlling party and ultimate parent undertaking

The ultimate parent company is Atlas FM Limited, a company incorporated in England and Wales. That company has prepared group accounts for the year ended 31 December 2016. Consolidated accounts for Atlas FM Limited are available at Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. This is the only company in the group which prepares consolidated accounts.

The directors are of the opinion that there is no ultimate controlling party.