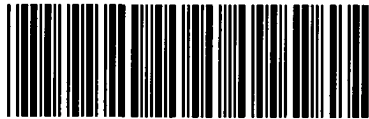


Registered number: 06883247

ATLAS FM LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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ATLAS FM LIMITED

COMPANY INFORMATION

Directors

N J Earley
R W Empson

Company secretary

T H Earley
D A M Empson

Registered number

06883247

Registered office

Riding Court House
Riding Court Road
Datchet
Berkshire
England
SL3 9JT

Independent auditors

Hillier Hopkins LLP
Chartered Accountants & Statutory Auditors
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

ATLAS FM LIMITED

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ATLAS FM LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The principal activity of the company continues to be that of a non-trading holding company. The principal activity of the subsidiaries continues to be that of providing office cleaning services.

Business review

Following the global shock of March 2020, the world came back towards normality in 2021. After a stop-start period businesses were able to fully re-open and this meant that sales resumed a positive upwards trend.

The pandemic did bring positives for certain parts of our business and it certainly meant an element of resetting of how clients view the importance and necessity of cleaning and sanitisation. This brought with it an increase in service for many clients although the new norm of working from home has meant that building occupation for many businesses has been much reduced. We have seen something of a reversal of this trend in more recent months with memory of the pandemic fading and an obvious need to control costs now that high inflation has revisited us.

We continue to see 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. We believe that this positively differentiates us from the majority of our competitors; a national business with proper local presence and knowledge.

We highlighted the impact of Brexit on the labour market in our previous report and this is most certainly not going to suddenly be resolved. This effect has now been significantly magnified by a sudden escalation in costs back towards levels not experienced for some decades. Staff recruitment and retention is our biggest challenge and hence we work closely with our clients such that we remain confident that with a pragmatic approach the difficult issues we all face can continue to be well managed. Our loyal staff ensure that the business continues to perform well despite the obvious challenges and trading during 2022 to date is on track.

Principal risks and uncertainties

The group's primary financial instruments are bank overdrafts, trade debtors, trade creditors and intercompany balances. These arise directly from the group'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 group'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 group with reference to the following financial key performance indicators:

- The group's turnover increased from £109,998,165 to £128,576,101.
- The group's gross profit increased from £29,657,393 to £37,848,069..

ATLAS FM LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Directors' statement of compliance with duty to promote the success of the Group

As the board at Atlas FM we are of course fully aware that we have a legal responsibility under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the company's success for the benefit of its members as a whole (why else would we be in business?) and to have regard to the long term effect of our decisions on the company and its stakeholders. This statement addresses the ways in which we as a board approach this responsibility.

Atlas FM, through its operating companies, has provided cleaning, security and related facilities management services since formation in 1986 with the business still owned and overseen by its founders. We always have a mind to our long term and highly valued relationships with our employees, customers and suppliers along with any potential impact we might have on the wider economy and environment.

Our staff are our key asset and as such we ensure that they are treated fairly and with respect. Our high rate of staff retention speaks for itself. We endeavour to ensure that their interests remain at the forefront of our business management process and with the pandemic seemingly ended we have resumed our long history of controlled growth bringing with it development opportunities for staff without job losses that many had feared.

To state the obvious, without customers we would have no business and of course we prioritise service delivery to meet expectations and thus retain long-term mutually beneficial relationships. We work closely with our client base and ensure that we tailor our services to their needs. Our business has continued to thrive through good and more difficult times which has been achieved by ensuring that we meet customer needs, something which is facilitated by our fantastic workforce.

Our suppliers are a key element of our service delivery chain and we ensure that we partner with the right businesses and have appropriate processes in place to manage and maintain strong relationships with these critical partners. We ensure that we pay our suppliers promptly.

We are fully cognisant of the potential impact of our business on the wider environment and the people we engage with. We follow up to date environmental and health and safety policy and practice with a team of dedicated qualified professionals employed to ensure we fulfil our responsibilities. Being a consistently profitable business we pay corporation tax along with the collection and transmission of the range or sales and payroll taxes, thus making a very significant direct financial contribution to the wider economy (in addition to the indirect impact of employment).

ATLAS FM LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Future developments

We are hopeful that we have now emerged from an unprecedented period of incredible worry and concern for the world when the survival of all was in question. Thankfully we have benefitted from the brilliance of the scientific community and the creative and steadfast support of the government. For the business community that has allowed us to maintain our workforce largely intact and increasingly welcome back confident and loyal staff who in the main have been fully vaccinated and financially supported.

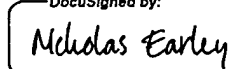
When the pandemic hit in March 2020 we were of course shell-shocked and worried as to what the future held. Fortunately, where clients continued to operate, our cleaning services were critical in keeping people safe which meant that sectors of our business continued to thrive and this offset the impact of the many closures that we saw in the retail, hospitality, leisure and general office sectors.

We did suffer along with others from the unavoidable stop-start impact of lockdowns but we are confident that the worst is behind us and we look forward to a strong economic recovery with all the benefits and opportunities that that brings.

Brexit had been largely forgotten during 2020 but it is now becoming clear that it will have a seriously negative impact on the availability of labour particularly in the service industry. Recruitment is proving to be very difficult and whilst we are confident that the ending of the government's excellent furlough scheme should bring people back to the market we expect that wage rate pressures will escalate and costs will inevitably rise; uplifting pay of course will be good news for staff who in our industry in particular have been historically under-paid. This will mean though that prices will have to increase and we will reluctantly have little choice than to negotiate new charging rates with our much-valued clients during the coming months.

We continue to financially manage our business conservatively and ensure that we do not have significant unavoidable fixed costs with minimal property and asset leases and we maintain sufficient working capital to allow us to operate with a minimum of financial stress. We are confident that we will continue to prosper during the coming period.

This report was approved by the board on 31-01-2023 | 13:03 GMT and signed on its behalf.

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N J Earley
Director

ATLAS FM LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group'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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £12,887,043 (2020 - £11,853,461).

Dividends paid in the year amounted to £Nil (2020 - £1,111,111).

Directors

The directors who served during the year were:

N J Earley
R W Empson

ATLAS FM LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of carbon emissions in compliance with Streamline Energy and Carbon Reporting ("SECR")

The Group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Group has complied with all applicable legislation and regulations.

	2021 kWh	2020 kWh
Energy		
Vehicle fuel	3,476,276	3,130,518
Rail travel	1,010	2,241
Electricity	291,879	233,074
Gas	266,961	190,707
Total energy	4,036,125	3,556,540
	tCO ₂ e	tCO ₂ e
Emissions		
Vehicle fuel	593.8	532.0
Rail travel	0.5	1.2
Electricity	68.0	54.3
Gas	49.4	35.3
Total SECR emissions	711.7	622.8
Intensity metric		
£m turnover	128.58	109.87
tCO ₂ per £m turnover	5.54	5.67

The Board is committed to reducing the environmental impact and contribution to climate change of the business. During the reporting year, we have assessed and measured our carbon footprint, including some Scope 3 emissions, and have set up data collation and reporting mechanisms going forward.

Following our initial assessment of our carbon emissions, we have identified that the majority of them arise from Scope 3 activities such as public transport, travel to sites, hotel stays and our supply chain impacts. In the forthcoming reporting year, we plan to:

- Refine our carbon data quality;
- Review the organisation and impact of our operational activities (e.g., travel to sites and hotel stays);
- Implement a 'Carbon Road Map' to outline how we can work toward Net Zero by 2050;
- Consider how we can start to monitor and measure emissions arising from our supply chain.

Future developments

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

ATLAS FM LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Company's policy for payment of creditors

The group agrees terms and conditions under which the business transactions with suppliers are conducted. It is the group's policy that payments to suppliers are made in accordance with these terms, provided that the supplier is also complying with all relevant business terms and conditions. The group's major suppliers are settled within 30 days and the balance paid within 60 days.

Employees involvement

The group 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 group'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 group endeavours to retrain any member of staff who develops a disability while in the employment of the group.

Matters covered in the Group Strategic Report

The company has chosen in accordance with section 414C of the Companies Act 2006, to set out financial risk management objectives and policies within the strategic reports.

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 and the Group'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 and the Group's auditors are aware of that information.

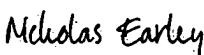
Post balance sheet events

There have been no significant events affecting the Group since the year end other than those matters referred to in the strategic report.

Auditors

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

This report was approved by the board on 31-01-2023 | 13:03 GMT and signed on its behalf.

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N J Earley
Director

ATLAS FM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLAS FM LIMITED

Opinion

We have audited the financial statements of Atlas FM Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group the Statement of comprehensive income account, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, 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 Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ATLAS FM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLAS FM LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

ATLAS FM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLAS FM LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and

ATLAS FM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLAS FM LIMITED (CONTINUED)

relevant tax legislation.

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 occurring 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 financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 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.

DocuSigned by:

Hillier Hopkins LLP

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Michael Jacoby FCA (Senior Statutory Auditor)

for and on behalf of

Hillier Hopkins LLP

Chartered Accountants & Statutory Auditors

51 Clarendon Road

Watford

Hertfordshire

WD17 1HP

Date: 31-01-2023 | 04:37 PST

ATLAS FM LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	128,576,101	109,998,165
Cost of sales		(90,728,032)	(80,340,772)
Gross profit		37,848,069	29,657,393
Administrative expenses		(21,579,729)	(14,644,340)
Exceptional administrative expenses		-	(21,496)
Other operating income	5	-	10,000
Operating profit	6	16,268,340	15,001,557
Amounts written off investments		-	80,000
Interest receivable and similar income	10	994	901
Interest payable and similar expenses	11	(34,603)	(38,588)
Profit before tax		16,234,731	15,043,870
Tax on profit	12	(3,347,688)	(3,190,409)
Profit for the financial year		12,887,043	11,853,461

The notes on pages 20 to 47 form part of these financial statements.

ATLAS FM LIMITED
REGISTERED NUMBER: 06883247

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

			2021	2020
	Note	£	£	(as restated) £
Fixed assets				
Intangible assets	16	1,313,664		1,921,612
Tangible assets	17	5,918,932		4,831,803
Investment property	19	6,626,273		6,626,273
		<u>13,858,869</u>		<u>13,379,688</u>
Current assets				
Stocks	20	39,242		32,795
Debtors: amounts falling due after more than one year	21	1,883,357		2,497,357
Debtors: amounts falling due within one year	21	33,578,381		26,953,897
Cash at bank and in hand	22	10,522,247		15,543,440
		<u>46,023,227</u>		<u>45,027,489</u>
Creditors: amounts falling due within one year	23	(17,264,354)		(27,972,475)
Net current assets		<u>28,758,873</u>		<u>17,055,014</u>
Total assets less current liabilities		<u>42,617,742</u>		<u>30,434,702</u>
Creditors: amounts falling due after more than one year	24	(249,847)		(951,526)
Provisions for liabilities				
Deferred taxation	27	(123,476)		(125,800)
Net assets		<u><u>42,244,419</u></u>		<u><u>29,357,376</u></u>
Capital and reserves				
Called up share capital	28	40		40
Capital redemption reserve	29	160		160
Profit and loss account	29	42,244,219		29,357,176
		<u><u>42,244,419</u></u>		<u><u>29,357,376</u></u>

ATLAS FM LIMITED
REGISTERED NUMBER: 06883247

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
31-01-2023 | 13:03 GMT

DocuSigned by:

Nicholas Earley

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N J Earley
Director

The notes on pages 20 to 47 form part of these financial statements.

ATLAS FM LIMITED
REGISTERED NUMBER: 06883247

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Investments	18		198		198
Current assets					
Debtors: amounts falling due after more than one year	21	1,883,357		2,497,357	
Debtors: amounts falling due within one year	21	18,939,844		25,058,363	
Cash at bank and in hand	22	2		2	
		<u>20,823,203</u>		<u>27,555,722</u>	
Creditors: amounts falling due within one year	23	(545,423)		(7,277,942)	
Net current assets			20,277,780		20,277,780
Net assets excluding pension asset			<u>20,277,978</u>		<u>20,277,978</u>
Net assets			<u><u>20,277,978</u></u>		<u><u>20,277,978</u></u>
Capital and reserves					
Called up share capital	28		40		40
Capital redemption reserve	29		160		160
Profit and loss account brought forward		20,277,778		1,388,889	
Profit for the year		-		20,000,000	
Other changes in the profit and loss account		-		(1,111,111)	
Profit and loss account carried forward			<u>20,277,778</u>		<u>20,277,778</u>
			<u><u>20,277,978</u></u>		<u><u>20,277,978</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31-01-2023 | 13:03 GMT

DocuSigned by:

Nicholas Earley

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N J Earley
Director

The notes on pages 20 to 47 form part of these financial statements.

ATLAS FM LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	40	160	29,357,176	29,357,376
Comprehensive income for the year				
Profit for the year	-	-	12,887,043	12,887,043
Total comprehensive income for the year	-	-	12,887,043	12,887,043
At 31 December 2021	40	160	42,244,219	42,244,419

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	40	160	18,614,826	18,615,026
Comprehensive income for the year				
Profit for the year	-	-	11,853,461	11,853,461
Total comprehensive income for the year	-	-	11,853,461	11,853,461
Dividends: Equity capital	-	-	(1,111,111)	(1,111,111)
At 31 December 2020	40	160	29,357,176	29,357,376

The notes on pages 20 to 47 form part of these financial statements.

ATLAS FM LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	40	160	20,277,778	20,277,978
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	40	160	20,277,778	20,277,978
	<hr/>	<hr/>	<hr/>	<hr/>

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	40	160	1,388,889	1,389,089
	<hr/>	<hr/>	<hr/>	<hr/>
Comprehensive income for the year				
Profit for the year	-	-	20,000,000	20,000,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	20,000,000	20,000,000
	<hr/>	<hr/>	<hr/>	<hr/>
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(1,111,111)	(1,111,111)
	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	-	(1,111,111)	(1,111,111)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	40	160	20,277,778	20,277,978
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 20 to 47 form part of these financial statements.

ATLAS FM LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	12,887,043	11,853,461
Adjustments for:		
Amortisation of intangible assets	1,391,152	1,465,498
Depreciation of tangible assets	885,495	910,575
Profit on disposal of tangible assets	(166,411)	(17,221)
Government grants	-	(10,000)
Interest payable	34,603	38,588
Interest receivable	(994)	(901)
Taxation charge	3,347,688	3,190,409
(Increase)/decrease in stocks	(6,447)	6,955
(Increase) in debtors	(5,626,334)	(2,117,091)
(Decrease)/increase in creditors	(10,180,317)	1,815,861
Corporation tax (paid)	(4,831,788)	(2,100,829)
Net cash (used in)/generated from operating activities	(2,266,310)	15,035,305
Cash flows from investing activities		
Purchase of intangible fixed assets	(783,204)	-
Purchase of tangible fixed assets	(1,916,049)	(2,552,533)
Sale of tangible fixed assets	207,319	42,441
Government grants received	-	10,000
Interest received	994	901
HP interest paid	(1,209)	-
Acquisition of subsidiary	-	(839,342)
Cash acquired from acquisition	-	51,357
Net cash (used in) investing activities	(2,492,149)	(3,287,176)

ATLAS FM LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from financing activities		
Repayment of loans	(667,113)	(34,328)
New finance leases	40,933	-
Dividends paid	-	(1,111,111)
Interest paid	(33,394)	(38,588)
Acquisition of subsidiary	(50,506)	-
Net cash (used in) financing activities	(710,080)	(1,184,027)
Net (decrease)/increase in cash and cash equivalents	(5,468,539)	10,564,102
Cash and cash equivalents at beginning of year	15,543,440	4,979,338
Cash and cash equivalents at the end of year	10,074,901	15,543,440
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	10,522,247	15,543,440
Bank overdrafts	(447,346)	-
	10,074,901	15,543,440

The notes on pages 20 to 47 form part of these financial statements.

ATLAS FM LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	15,543,440	5,160,151	20,703,591
Bank overdrafts	-	(302,708)	(302,708)
Debt due after 1 year	(951,526)	944,541	(6,985)
Debt due within 1 year	(39,866)	(884)	(40,750)
Finance leases	-	-	-
	<u>14,552,048</u>	<u>5,801,100</u>	<u>20,353,148</u>

The notes on pages 20 to 47 form part of these financial statements.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Atlas FM Limited is a company limited by shares incorporated in England and Wales. The address of the registered office is Riding Court House, Riding Court Road, Datchet, Berkshire, England, SL3 9JT.

The group 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.

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The directors have taken consideration of the impact of COVID-19 on the business and the withdrawal of the United Kingdom from the European Union. However, the directors are mindful that conditions in the market are uncertain and at the date of this report, it is not possible to reliably determine the effects that these events will have on the group in the future. Nevertheless, the directors note that the group is trading adequately and if this continues, they will have sufficient working capital and other finance available to continue trading for a period of not less than 12 months from the Statement of financial position date. As such, the directors believe that there are no significant uncertainties in their assessment of whether the business is a going concern and therefore have prepared the accounts on a going concern basis.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group 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.

Turnover is recognised on the date the service is supplied.

2.5 Operating leases: the Group as lessee

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

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Profit and Loss Account in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Consolidated 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.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.9 Borrowing costs**

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

2.10 Pensions**Defined contribution pension plan**

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

The contributions are recognised as an expense in the Consolidated 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 Group in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.13 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 the Group's share 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 Consolidated statement of comprehensive income over its useful economic life of 3 years.

Other intangible assets

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.

2.14 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, using the straight-line method.

Depreciation is provided on the following bases:

Short-term leasehold property	- Over the life of the assets
Plant and machinery	- 33.33% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 25% straight line
Office equipment	- 25% 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 in profit or loss.

2.15 Freehold property

No depreciation is provided on freehold property. This is contrary to Companies Act 2006, which requires that fixed assets should be depreciated. In the opinion of the directors, this accounting treatment is necessary in order to show a true and fair view of the position of the group.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.16 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.17 Investment property

Investment property is carried at fair value determined annually by internal valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.18 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.19 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. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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 the Consolidated statement of comprehensive income.

2.20 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.

2.21 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.22 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.

2.23 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.24 Financial instruments

The Group 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Consolidated 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 Group 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

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.24 Financial instruments (continued)**

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.

2.25 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.

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 judgments in applying the above accounting policies that have had the most significant effect on the amount recognised in the financial statements:

1. Determine whether there are indicators of impairment of the company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the assets.
2. Determine whether other debtors which mainly consist of amounts due from connected companies are recoverable.
3. Tangible and intangible 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.

4. Turnover

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	128,576,101	109,998,165
	<u>128,576,101</u>	<u>109,998,165</u>

All turnover relates to the principal activity of the group.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Other operating income

	2021 £	2020 £
Government grants receivable	-	10,000
	<u>-</u>	<u>10,000</u>

6. Operating profit

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

	2021 £	2020 £
Depreciation of tangible fixed assets	885,495	910,757
Amortisation of intangible assets, including goodwill	1,391,152	1,465,498
Profit on sale of tangible fixed assets	(40,908)	(17,221)
Defined contribution pension cost	990,775	535,497
Operating lease rentals- land and buildings	479,017	364,807
Operating lease rental- others	17,957	19,193
	<u>17,957</u>	<u>19,193</u>

7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	4,785	6,800
	<u>4,785</u>	<u>6,800</u>
Fees payable to the Group's auditor and its associates in respect of:		
Audit of subsidiaries	73,500	71,938
	<u>73,500</u>	<u>71,938</u>

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Employees

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

	Group 2021 £	Group 2020 £
Wages and salaries	87,352,072	72,029,444
Social security costs	6,347,366	8,831,451
Cost of defined contribution pension scheme	990,755	535,497
	<u>94,690,193</u>	<u>81,396,392</u>

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

	2021 £	2020 £
Directors	2	2
Administration	725	384
Operational	8,228	9,393
	<u>8,955</u>	<u>9,779</u>

The wages and salaries cost has been reduced by £5,783,441 (2020 - £13,100,947) as a result of government Covid-19 furlough grants received.

9. Directors' remuneration

During the year, the directors received emoluments of £15,698 (2020 - Nil).

During the year retirement benefits were accruing to no directors (2020 - Nil) in respect of defined benefit contribution pension schemes.

10. Interest receivable

	2021 £	2020 £
Other interest receivable	994	901
	<u>994</u>	<u>901</u>

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	9,119	33,078
Other loan interest payable	2,946	-
Finance leases and hire purchase contracts	1,209	31
Other interest payable	21,329	5,479
	<u>34,603</u>	<u>38,588</u>

12. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	3,350,247	3,188,586
Adjustments in respect of previous periods	(235)	18,996
	<u>3,350,012</u>	<u>3,207,582</u>
Total current tax	<u>3,350,012</u>	<u>3,207,582</u>
Deferred tax		
Origination and reversal of timing differences	(2,324)	(17,173)
Total deferred tax	<u>(2,324)</u>	<u>(17,173)</u>
Taxation on profit on ordinary activities	<u>3,347,688</u>	<u>3,190,409</u>

ATLAS FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	16,234,731	15,043,870
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	3,084,599	2,862,135
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	276,549	255,397
Capital allowances for year differing from depreciation	53	61,043
Adjustments to tax charge in respect of prior periods	(235)	18,996
Other timing differences leading to an (decrease)/increase in taxation	(9,954)	20,110
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	-	(10,099)
Deferred tax movement	(2,324)	(17,173)
Utilisation of losses	(1,000)	-
Total tax charge for the year	3,347,688	3,190,409

Factors that may affect future tax charges

The group has approximately £939,967 (2020 - £942,732) of non-trading loan relationship losses available for offset against future trading profits arising in that company.

The group has approximately £1,326 (2020 - £1,326) trading losses available for offset against future trading profits arising in that company.

In the March 2021 Budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Dividends

	2021 £	2020 £
Dividends paid	-	1,111,111
	<u>-</u>	<u>1,111,111</u>
	<u>-</u>	<u>1,111,111</u>

The directors had an interest in dividends of £Nil (2020 - £1,000,000).

14. Exceptional items

	2021 £	2020 £
Provision for related-party bad debts	-	21,496
	<u>-</u>	<u>21,496</u>
	<u>-</u>	<u>21,496</u>

15. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

ATLAS FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Intangible assets

Group

	Goodwill £	Negative goodwill £	Total £
Cost			
At 1 January 2021	10,703,835	(311,134)	10,392,701
Additions	783,204	-	783,204
Disposals	(775,000)	-	(775,000)
At 31 December 2021	10,712,039	(311,134)	10,400,905
Amortisation			
At 1 January 2021	8,782,223	(311,134)	8,471,089
Charge for the year on owned assets	1,391,152	-	1,391,152
On disposals	(775,000)	-	(775,000)
At 31 December 2021	9,398,375	(311,134)	9,087,241
Net book value			
At 31 December 2021	1,313,664	-	1,313,664
At 31 December 2020	1,921,612	-	1,921,612

Goodwill arising on consolidation is being amortised over the directors' estimate of its useful life of 3 years. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

ATLAS FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Tangible fixed assets (as restated)

Group

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £
Cost						
At 1 January 2021	3,794,335	-	1,590,012	2,417,465	542,319	116,764
Additions	1,216,543	-	192,180	313,942	146,927	46,457
Acquisition of subsidiary	-	11,890	188,324	146,046	15,428	129,966
Disposals	-	-	(8,460)	(365,628)	(153,232)	(43,664)
At 31 December 2021	5,010,878	11,890	1,962,056	2,511,825	551,442	249,523
Depreciation						
At 1 January 2021	-	-	1,135,226	1,923,051	462,444	108,371
Charge for the year on owned assets	-	446	301,942	447,233	74,015	51,693
Charge for the year on financed assets	-	-	-	7,687	-	2,479
Disposals	-	-	146,976	(354,653)	(153,232)	(43,664)
Acquisition of subsidiary	-	8,243	-	119,989	15,406	125,030
At 31 December 2021	-	8,689	1,584,144	2,143,307	398,633	243,909
Net book value						
At 31 December 2021	5,010,878	3,201	377,912	368,518	152,809	5,614
At 31 December 2020	3,794,335	-	454,786	494,414	79,875	8,393

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Tangible fixed assets (as restated) (continued)

	Total £
Cost	
At 1 January 2021	8,460,895
Additions	1,916,049
Acquisition of subsidiary	491,654
Disposals	(570,984)
At 31 December 2021	<u>10,297,614</u>
Depreciation	
At 1 January 2021	3,629,092
Charge for the year on owned assets	875,329
Charge for the year on financed assets	10,166
Disposals	(404,573)
Acquisition of subsidiary	268,668
At 31 December 2021	<u>4,378,682</u>
Net book value	
At 31 December 2021	<u><u>5,918,932</u></u>
At 31 December 2020	<u><u>4,831,803</u></u>

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Tangible fixed assets (as restated) (continued)

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Freehold	5,010,878	3,794,335
Long leasehold	3,201	-
Short leasehold	-	31,011
	<u>5,014,079</u>	<u>3,825,346</u>

18. Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost	
At 1 January 2021	198
At 31 December 2021	<u>198</u>

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Atlas Cleaning Limited	Ordinary	100%	Cleaning services
Atlas Contractors Limited	Ordinary	100%	Cleaning services
Atlas Managed Integrated Services Limited *	Ordinary	100%	Cleaning services
Enterprise Support Services UK Limited *	Ordinary	100%	Cleaning services
Clientcare Cleaning Limited *	Ordinary	100%	Cleaning services
Clientcare Group Limited *	Ordinary	100%	Dormant
Green Sky Cleaning Limited *	Ordinary	100%	Cleaning Services
Atlas Commercial Property Investments Limited	Ordinary	100%	Property investment and real estate services
Atlas Facilities Management Limited	Ordinary	100%	Cleaning services
QX Services Limited *	Ordinary	100%	Cleaning services
Sussex Cleaning and Care Limited *	Ordinary	100%	Cleaning services
Team Contract (Scotland) Limited*	Ordinary	100%	Cleaning services
Uniqwin UK Limited *	Multiple	100%	Private security services

All existing subsidiaries have a registered office at Riding Court House, Riding Court Road, Datchet, Berkshire, England, SL3 9JT.

Team Contract (Scotland) Limited has a registered office at 6-8 The Anderston Centre, Glasgow, G2 7PH.

Uniqwin UK Limited has a registered office at Riding Court House, Riding Court Road, Datchet, Berkshire, England, SL3 9JT.

* Companies which are indirectly controlled by Atlas FM Limited.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Investment property (as restated)

Group

	Freehold investment property £
Valuation	
At 1 January 2021	6,626,273
At 31 December 2021	6,626,273

The 2021 valuations were made by directors, on an open market value for existing use basis.

20. Stocks

	Group 2021 £	<i>Group 2020 £</i>
Consumables	37,015	30,250
Finished goods and goods for resale	2,227	2,545
	39,242	32,795

The difference between purchase price or production cost of stocks and their replacement cost is not material.

ATLAS FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

21. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due after more than one year				
Other debtors	1,883,357	2,497,357	1,883,357	2,497,357
	<u>1,883,357</u>	<u>2,497,357</u>	<u>1,883,357</u>	<u>2,497,357</u>

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	24,110,239	20,305,005	-	-
Amounts owed by group undertakings	-	-	11,983,301	20,288,677
Other debtors	8,575,347	5,835,935	6,956,543	4,769,686
Prepayments and accrued income	892,795	812,957	-	-
	<u>33,578,381</u>	<u>26,953,897</u>	<u>18,939,844</u>	<u>25,058,363</u>

22. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	10,522,247	15,543,440	2	2
Less: bank overdrafts	(447,346)	-	-	-
	<u>10,074,901</u>	<u>15,543,440</u>	<u>2</u>	<u>2</u>

ATLAS FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

23. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank overdrafts	447,346	-	-	-
Bank loans	89,593	40,750	-	-
Trade creditors	1,677,669	1,640,649	-	-
Amounts owed to group undertakings	-	-	-	7,166,831
Corporation tax	1,077,052	2,025,765	465,840	-
Other taxation and social security	8,337,953	12,191,272	-	-
Obligations under finance lease and hire purchase contracts	26,656	-	-	-
Other creditors	4,884,397	11,618,634	79,583	111,111
Accruals and deferred income	723,688	455,405	-	-
	<u>17,264,354</u>	<u>27,972,475</u>	<u>545,423</u>	<u>7,277,942</u>

The company has given a mortgage debenture, dated 5 November 2014, to Natwest Bank PLC. The debenture is secured by a fixed and floating charge over all current and future assets of the company.

Bank loans and overdrafts are additionally secured by a cross guarantee dated 30 July 1993 (refer to note 31 for further details).

24. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £
Bank loans	235,570	951,526
Net obligations under finance leases and hire purchase contracts	14,277	-
	<u>249,847</u>	<u>951,526</u>

The company has given a mortgage debenture, dated 5 November 2014, to Natwest Bank PLC. The debenture is secured by a fixed and floating charge over all current and future assets of the company.

Bank loans and overdrafts are additionally secured by a cross guarantee dated 30 July 1993 (refer to note 31 for further details).

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

25. Loans

	Group 2021 £	<i>Group 2020 £</i>
Amounts falling due within one year		
Bank loans	89,593	40,750
Amounts falling due 1-2 years		
Bank loans	82,483	41,000
Amounts falling due 2-5 years		
Bank loans	153,087	910,526
	<u>325,163</u>	<u>992,276</u>

26. Financial instruments

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>34,568,943</u>	<u>28,638,297</u>	<u>20,823,201</u>	<u>27,555,720</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>7,334,575</u>	<u>14,251,559</u>	<u>79,583</u>	<u>7,277,942</u>

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

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, amounts owed to group undertakings and other creditors.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

27. Deferred taxation

Group

	2021 £	2020 £
At beginning of year	125,800	131,927
Credited to the Consolidated statement of comprehensive income	(2,324)	(17,173)
Arising on business combinations	-	11,046
At end of year	123,476	125,800
	Group 2021 £	Group 2020 £
(Decelerated)/Accelerated capital allowances	123,476	125,800
	123,476	125,800

28. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
20 Ordinary A shares of £1 each	20	20
20 Ordinary B shares of £1 each	20	20
	40	40

The declaration of a dividend in respect of one class of share shall not compel a dividend at the same rate to be declared in respect of the other class of share.

The Ordinary 'A' and 'B' shares rank *pari passu* in all other respects.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

29. Reserves**Capital redemption reserve**

The capital redemption reserve represents the nominal value of shares repurchased.

Profit and loss account

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

30. Business combinations**Acquisition of Uniqwin UK Limited on 31 August 2021****Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value adjustments £	Fair value £
Fixed Assets			
Tangible	53,598	-	53,598
	<u>53,598</u>	<u>-</u>	<u>53,598</u>
Current Assets			
Stocks	22,355	-	22,355
Debtors	624,089	-	624,089
Cash at bank and in hand	134,175	-	134,175
Total Assets	<u>834,217</u>	<u>-</u>	<u>834,217</u>
Creditors			
Due within one year	(400,333)	-	(400,333)
Total identifiable net assets	<u>433,884</u>	<u>-</u>	<u>433,884</u>
Goodwill			566,116
Total purchase consideration			<u>1,000,000</u>
Consideration			
			£
Cash			<u>1,000,000</u>

ATLAS FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

30. Business combinations (continued)

Cash outflow on acquisition

	£
Purchase consideration settled in cash, as above	1,000,000

The results of Uniqwin UK Limited on 31 August 2021 since acquisition are as follows:

	Current period since acquisition £
Turnover	1,428,164
Profit for the period since acquisition	22,018

Acquisition of Team Contract Services (Scotland) Limited on 1 November 2021

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustments £	Fair value £
Fixed Assets			
Tangible	42,586	-	42,586
	42,586	-	42,586
Current Assets			
Stocks	8,815	-	8,815
Debtors	427,350	-	427,350
Cash at bank and in hand	209,626	-	209,626
Total Assets	688,377	-	688,377
Creditors			
Due within one year	(538,465)	-	(538,465)
Total Identifiable net assets	149,912	-	149,912
Goodwill			217,088
Total purchase consideration			367,000

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

30. Business combinations (continued)**Consideration**

	£
Cash	367,000

Cash outflow on acquisition

	£
Purchase consideration settled in cash, as above	367,000

The results of Team Contract Services (Scotland) Limited on 1 November 2021 since acquisition are as follows:

	Current period since acquisition £
Turnover	310,037
(Loss) for the period since acquisition	(76,370)

31. Contingent liabilities

The company has provided an intercompany guarantee covering Atlas Cleaning Limited, Atlas Contractors Limited, Atlas Managed Integrated Services Limited, Atlas Facilities Management Limited and Atlas FM Limited. At the year end the potential liability of Atlas Cleaning Limited was £Nil (2020 - £Nil).

32. Prior year adjustment

The accounts have been restated to reclassify a property from tangible fixed assets to investment properties. This has had no impact on previously reported profits or net assets.

33. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge for the year is shown in note 8. The amount outstanding to the pension fund at the year was £434,207 (2020 - £239,909).

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

34. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	<i>Group 2020 £</i>
Not later than 1 year	139,276	<i>141,849</i>
Later than 1 year and not later than 5 years	73,809	<i>196,000</i>
	<u>213,085</u>	<u><i>337,849</i></u>

	Group 2021 £	<i>Group 2020 £</i>
Not later than 1 year	-	<i>976</i>
	<u>-</u>	<u><i>976</i></u>

The Company had no commitments under the non-cancellable operating leases as at the reporting date.

35. Transactions with directors

At the year end, the Company was owed £1,433,352 (2021 - £Nil) by a director, which is included in other debtors.

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

36. Related party transactions

The group has taken advantage of the exemption allowed by FRS102, not to disclose any transactions with other wholly owned subsidiaries that are included in the consolidated financial statements of Atlas FM Limited.

At the year end, the group owed £474,987 (2020 - £1,194,684) to a director and their spouse.

At the year end, the group owed £Nil (2020 - £2,304,966) to a director.

At the year end, the group owed £Nil (2020 - £111,111) to a close family member of a director.

During the year, the group made rental payments of £128,000 (2020 - £120,000) for the rent of the properties owned by the Directors.

Uniform Express Limited

During the year under review, the group traded with Uniform Express Limited, a company in which the directors have a beneficial interest. The balance owing to the company at the year end was £1,883,357 (2020 - £2,502,338) due to the loan being novated at Atlas FM Limited, the parent company. During the year there was a recharge of expenses of £36,000 (2020 - £36,000).

Atlas New Homes Limited

The group has advanced funds to Atlas New Homes Limited, a company owned and controlled by the directors, N J Earley and R W Empson. The amount due from Atlas New Homes Limited at the year end was £3,586,876 of which £852,395 has been provided for as a bad debt (2020 - £3,434,374 of which £852,395 has been provided for as a bad debt).

Deeprise Developments Limited

The group has made loans to Deeprise Developments Limited, a company in which the directors have a beneficial interest. The balance owing to the company at the year end was £1,882,217 of which £1,882,217 has been provided for as a bad debt (2020 - £1,884,007 of which £1,882,217 has been provided for as a bad debt).

Atlas Industrial Engineering Limited

The group has advanced funds to Atlas Industrial Engineering Limited, a company owned and controlled by the directors, N J Earley and R W Empson. The amount outstanding at 31 December 2021 was £2,180,627 of which £2,180,627 has been provided for as a bad debt previously (2020 - £2,190,879 of which £2,190,879 had been provided for).

ATLAS FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

36. Related party transactions (continued)

Earley Developments Limited

The group has made loans to and received loans from Earley Developments Limited, a company in which N J Earley, a director has a beneficial interest. The balance owing from the company at the year end was £79,583 (2020 - £79,583).

Atlas Commercial Property Limited

The group has made loans to Atlas Commercial Property Limited, a company in which N J Earley, a director has a beneficial interest. The balance owing to the company at the year end was £1,381,593 (2020 - £1,146,505). During the year, the group was also charged rent of £108,600 (2020 - £100,600) by Atlas Commercial Property Limited.

Atlas Living Limited

The group has made loans to Atlas Living Limited, a company in which N J Earley, a director has a beneficial interest. The balance owing to the company at the year end was £941,277 (2020 - £1,041,202).

Hayes Hygiene Limited

The group has made purchases of £1,323,806 (2020 - £1,582,597) from a company under common control. Included within trade creditors is an amount of £135,935 (2020 - £100,375) which was outstanding at the year end.

37. Controlling party

The directors are of the opinion that N J Earley and R W Empson are the ultimate controlling parties.