

**Acre Industrial & Cleaning Services
Limited**

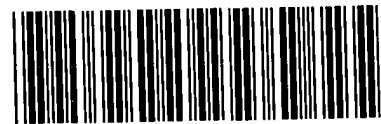
Unaudited Financial Statements

Year Ended

30 June 2017

Company Number SC117639

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Acre Industrial & Cleaning Services Limited

Company Information

Director	J.W. Price
Company secretary	L. Price
Registered number	SC117639
Registered office	Fulwood Estate Moss Road Houston Renfrewshire PA6 7BJ
Accountants	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
Bankers	Clydesdale Bank PLC 30 St Vincent Place Glasgow G1 2HL
Solicitors	MSM 51 Moss Street Paisley PA1 1DS

Acre Industrial & Cleaning Services Limited

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Acre Industrial & Cleaning Services Limited

**Chartered Accountants' Report to the Director on the
Unaudited Financial Statements of Acre Industrial & Cleaning Services Limited**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Acre Industrial & Cleaning Services Limited for the year ended 30 June 2017 which comprise the Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made solely to the board of directors of Acre Industrial & Cleaning Services Limited, as a body, in accordance with the terms of our engagement letter dated 10 January 2018. Our work has been undertaken solely to prepare for your approval the accounts of Acre Industrial & Cleaning Services Limited and state those matters that we have agreed to state to the board of directors of Acre Industrial & Cleaning Services Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Acre Industrial & Cleaning Services Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Acre Industrial & Cleaning Services Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Acre Industrial & Cleaning Services Limited. You consider that Acre Industrial & Cleaning Services Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Acre Industrial & Cleaning Services Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



BDO LLP
Glasgow
United Kingdom

22 FEBRUARY 2018

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

Acre Industrial & Cleaning Services Limited
Registered number: SC117639

Balance Sheet
As at 30 June 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	1,155,805	1,112,213
Investments	6	100	100
Investment property	7	567,317	567,317
		<u>1,723,222</u>	<u>1,679,630</u>
Current assets			
Debtors: amounts falling due within one year	8	1,364,692	785,335
Cash at bank and in hand	9	2,309,755	1,910,047
		<u>3,674,447</u>	<u>2,695,382</u>
Creditors: amounts falling due within one year	10	(1,011,454)	(787,329)
Net current assets		<u>2,662,993</u>	<u>1,908,053</u>
Total assets less current liabilities		<u>4,386,215</u>	<u>3,587,683</u>
Provisions for liabilities			
Deferred tax	12	(139,614)	(144,271)
		<u>(139,614)</u>	<u>(144,271)</u>
Net assets		<u><u>4,246,601</u></u>	<u><u>3,443,412</u></u>
Capital and reserves			
Called up share capital		20,000	20,000
Profit and loss account		4,226,601	3,423,412
		<u><u>4,246,601</u></u>	<u><u>3,443,412</u></u>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Acre Industrial & Cleaning Services Limited
Registered number: SC117639

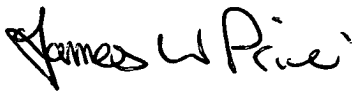
Balance Sheet (continued)
As at 30 June 2017

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

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



21/02/18

J.W. Price
Director

The notes on pages 6 to 15 form part of these financial statements.

Acre Industrial & Cleaning Services Limited

**Statement of Changes in Equity
For the Year Ended 30 June 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2016	20,000	3,423,412	3,443,412
Comprehensive income for the year			
Profit for the year	-	903,189	903,189
Total comprehensive income for the year	-	903,189	903,189
Dividends: Equity capital	-	(100,000)	(100,000)
Total transactions with owners	-	(100,000)	(100,000)
At 30 June 2017	20,000	4,226,601	4,246,601

Acre Industrial & Cleaning Services Limited

**Statement of Changes in Equity
For the Year Ended 30 June 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2015	20,000	2,984,957	3,004,957
Comprehensive income for the year			
Profit for the year	-	476,455	476,455
Total comprehensive income for the year	-	476,455	476,455
Dividends: Equity capital	-	(38,000)	(38,000)
Total transactions with owners	-	(38,000)	(38,000)
At 30 June 2016	20,000	3,423,412	3,443,412

The notes on pages 6 to 15 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

1. General information

Acre Industrial & Cleaning Services Limited is a company limited by shares and registered in Scotland. Details of the registered office is included in the company information page and the nature of the company's operations and its principal activities is that of industrial cleaning services. The financial statements have been prepared on a going concern basis in accordance with FRS 102 Section 1A - the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 (FRS102).

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.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold Improvements	- 10% Straight line
Plant and machinery	- 25% Straight line
Motor vehicles	- 15% - 25% Straight line
Fixtures and fittings	- 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 the statement of comprehensive income.

2.4 Investment property

Investment property is carried at fair value determined periodically by external 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.

2.5 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 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.

2.7 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.

2.8 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, loans to related parties and investments in non-puttable ordinary shares.

2.9 Creditors

Short term creditors are measured at 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.

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

2. Accounting policies (continued)

2.10 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.

2.11 Operating leases: the company as lessor

Rentals income from operating leases is credited to the statement of comprehensive income on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.12 Leased assets: the company as lessee

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 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 balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.14 Interest income

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

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company 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 the statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 balance sheet.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 balance sheet 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;
- 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 company 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 balance sheet date.

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

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

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

- 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 such issues as future market conditions, the remaining life of the asset and projected disposal values.
- Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

4. Employees

The average monthly number of employees, including directors, during the year was 64 (2016 - 64).

Acre Industrial & Cleaning Services Limited

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

5. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 July 2016	270,294	469,485	3,255,929	159,208	4,154,916
Additions	14,504	829	371,290	3,312	389,935
Disposals	-	-	(24,750)	-	(24,750)
At 30 June 2017	284,798	470,314	3,602,469	162,520	4,520,101
Depreciation					
At 1 July 2016	246,351	449,212	2,191,807	155,333	3,042,703
Charge for the year on owned assets	8,697	14,439	320,504	2,703	346,343
Disposals	-	-	(24,750)	-	(24,750)
At 30 June 2017	255,048	463,651	2,487,561	158,036	3,364,296
Net book value					
At 30 June 2017	29,750	6,663	1,114,908	4,484	1,155,805
At 30 June 2016	23,943	20,273	1,064,122	3,875	1,112,213

Acre Industrial & Cleaning Services Limited

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2016	100
	<hr/>
At 30 June 2017	100
	<hr/>
 Net book value	
At 30 June 2017	100
	<hr/>
At 30 June 2016	100
	<hr/>

7. Investment property

	Freehold investment property £
Valuation	
At 1 July 2016	567,317
	<hr/>
At 30 June 2017	567,317
	<hr/>

The valuations were made by DM Hall Chartered Surveyors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2017 £	2016 £
Historic cost	490,417	490,417
	<hr/>	<hr/>

Acre Industrial & Cleaning Services Limited

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

8. Debtors

	2017	2016
	£	£
Trade debtors	1,215,309	726,185
Prepayments and accrued income	149,383	59,150
	<u>1,364,692</u>	<u>785,335</u>

9. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	2,309,755	1,910,047
	<u>2,309,755</u>	<u>1,910,047</u>

10. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	450,007	331,957
Corporation tax	236,693	92,859
Other taxation and social security	179,818	137,049
Other creditors	-	2,957
Accruals and deferred income	144,936	222,507
	<u>1,011,454</u>	<u>787,329</u>

Acre Industrial & Cleaning Services Limited

Notes to the Financial Statements For the Year Ended 30 June 2017

11. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	2,309,755	1,910,047
Financial assets measured at amortised cost	1,215,309	746,384
	<u>3,525,064</u>	<u>2,656,431</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>450,007</u>	<u>334,884</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors.

12. Deferred taxation

	2017 £	2016 £
At beginning of year	(144,271)	(119,025)
Charged to profit or loss	4,657	(25,246)
At end of year	<u>(139,614)</u>	<u>(144,271)</u>
	2017 £	2016 £
Accelerated capital allowances	(144,271)	(131,547)
Revaluation surplus	4,657	(12,724)
	<u>(139,614)</u>	<u>(144,271)</u>

13. Pension commitments

The company operates a defined contributions 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 £90,988 (2016 - £90,352). Contributions totalling £1,614 (2016 - £1,334) were payable to the fund at the balance sheet date.

Acre Industrial & Cleaning Services Limited

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

14. Commitments owed under non-cancellable operating leases

At 30 June 2017 the company as a lessor was owed future minimum lease payments under non-cancellable operating leases as follows

	2017 £	2016 £
Not later than 1 year	46,479	46,479