

Company Registration No. SC117639 (Scotland)

**ACRE INDUSTRIAL & CLEANING
SERVICES LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

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ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

BALANCE SHEET

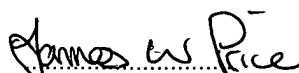
AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3	1,332,898		1,155,805	
Investment properties	4	577,463		567,317	
Investments	5	100		100	
		<u>1,910,461</u>		<u>1,723,222</u>	
Current assets					
Stocks		6,035		8,053	
Debtors	6	1,392,818		1,356,639	
Cash at bank and in hand		3,391,219		2,309,755	
		<u>4,790,072</u>		<u>3,674,447</u>	
Creditors: amounts falling due within one year	7	<u>(1,174,159)</u>		<u>(1,011,454)</u>	
Net current assets		<u>3,615,913</u>		<u>2,662,993</u>	
Total assets less current liabilities		<u>5,526,374</u>		<u>4,386,215</u>	
Provisions for liabilities		<u>(136,706)</u>		<u>(139,614)</u>	
Net assets		<u>5,389,668</u>		<u>4,246,601</u>	
Capital and reserves					
Called up share capital	8	20,000		20,000	
Profit and loss reserves		5,369,668		4,226,601	
Total equity		<u>5,389,668</u>		<u>4,246,601</u>	

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 15 March 19


J W Price
Director

Company Registration No. SC117639

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2016	20,000	3,423,412	3,443,412
Year ended 30 June 2017:			
Profit and total comprehensive income for the year	-	903,189	903,189
Dividends	-	(100,000)	(100,000)
Balance at 30 June 2017	20,000	4,226,601	4,246,601
Year ended 30 June 2018:			
Profit and total comprehensive income for the year	-	1,353,067	1,353,067
Dividends	-	(210,000)	(210,000)
Balance at 30 June 2018	20,000	5,369,668	5,389,668

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

Acre Industrial & Cleaning Services Limited is a private company limited by shares incorporated in Scotland. The registered office is Fulwood Estates, Linwood Moss Road, Houston by Johnstone, RENFREWSHIRE, PA6 7BJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue 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.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10% - Straight Line
Plant and equipment	25% - Straight Line
Fixtures and fittings	25% - Straight Line
Motor vehicles	15%- 25% - Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies (Continued)

1.4 Investment properties

Investment properties are initially recognised at cost which included purchase cost and any directly attributable expenditure. Investment properties whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in the profit and loss account accumulated in the profit and loss reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case is recognised in the profit and loss account for the year.

1.5 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 63 (2017 - 64).

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2017	284,798	4,235,303	4,520,101
Additions	44,117	451,617	495,734
Disposals	-	(46,882)	(46,882)
At 30 June 2018	328,915	4,640,038	4,968,953
Depreciation and impairment			
At 1 July 2017	255,048	3,109,247	3,364,295
Depreciation charged in the year	6,968	311,674	318,642
Eliminated in respect of disposals	-	(46,882)	(46,882)
At 30 June 2018	262,016	3,374,039	3,636,055
Carrying amount			
At 30 June 2018	66,899	1,265,999	1,332,898
At 30 June 2017	29,750	1,126,055	1,155,805

4 Investment property

	2018 £
Fair value	
At 1 July 2017	567,317
Additions	10,146
At 30 June 2018	577,463

The fair value of the investment property has been arrived at on the basis of a valuation carried out by DM Hall Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2018 £	2017 £
Cost	490,417	490,417
Accumulated depreciation	-	-
Carrying amount	490,417	490,417

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

5 Fixed asset investments

	2018 £	2017 £
Investments	100	100

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2017 & 30 June 2018	100
Carrying amount	
At 30 June 2018	100
At 30 June 2017	100

6 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	1,241,033	1,215,309
Other debtors	151,785	141,330
	1,392,818	1,356,639

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	256,559	450,007
Corporation tax	315,691	236,693
Other creditors	601,909	324,754
	1,174,159	1,011,454

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

8 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
20,000 of £1 each	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Hugh Boyle.

The auditor was Johnston Carmichael LLP.

ACRE INDUSTRIAL & CLEANING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
Within one year	2,568	2,568
Between two and five years	7,276	9,844
	<u>9,844</u>	<u>12,412</u>

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

2018 £	2017 £
<u>46,479</u>	<u>46,479</u>

11 Events after the reporting date

On 24 December 2018 the company purchased property to the value of £725,470.

12 Related party transactions

During the year, dividends of £105,000 (2017- £50,000) were paid to both J Price, the director, and to L. Price, the company secretary. The dividend paid was £210,000 (2017- £100,000).

13 Parent company

The company was controlled throughout the year by its director, J.W. Price.