Registered number: 00481054

IDEAL CLEANING SERVICES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

IDEAL CLEANING SERVICES LIMITED

CONTENTS

IDEAL CLEANING SERVICES LIMITED

COMPANY INFORMATION

Directors	D Dring P R Taylor J A Dring J D Burns G M Ingle G J Benning C Dring
Company secretary	G M Ingle
Registered number	00481054
Registered office	351 Nuthall Road Nottingham NG8 5BX
Accountants	Cooper Parry Group Limited Chartered Accountants Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

IDEAL CLEANING SERVICES LIMITED
REGISTERED NUMBER: 00481054

BALANCE SHEET
AS AT 30 JUNE 2022

	Note		2022 £		2021 £
Fixed assets					
Intangible assets	5		-		-
Tangible assets	6		640,858		624,812
Investments	7		55,102		55,102
			695,960		679,914
Current assets					
Stocks	8	38,659		34,138	
Debtors: amounts falling due after more than one year	9	100,000		-	
Debtors	9	2,072,785		1,706,172	
Cash at bank and in hand		1,520,254		1,767,138	
		3,731,698		3,507,448	
Creditors: amounts falling due within one year	10	(1,512,459)		(1,792,792)	
Net current assets			2,219,239		1,714,656
Total assets less current liabilities			2,915,199		2,394,570
Pension liability/asset	12		84,000		(1,165,000)
Net assets			2,999,199		1,229,570
Capital and reserves					
Called up share capital	11		64,977		64,977
Capital redemption reserve			15,000		15,000
Profit and loss account			2,919,222		1,149,593
			2,999,199		1,229,570

IDEAL CLEANING SERVICES LIMITED
REGISTERED NUMBER: 00481054

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2022

The directors consider 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 the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 by:

DocuSigned by:
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P R Taylor
Director

Date: 27 February 2023

The notes on pages 4 to 16 form part of these financial statements.

1. General information

Ideal Cleaning Services Limited is a limited liability company, limited by shares, incorporated and domiciled in the United Kingdom. The address of its registered office is 351 Nuthall Road, Nottingham, NG8 5BX.

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for the year ended 30 June 2022 (2021: year ended 30 June 2021).

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.

The following principal accounting policies have been applied:

2.2 Going concern

The company has continued to achieve profits and maintained a strong net current asset position.

The directors have considered the going concern position of the company, and consider that the company will continue to trade for a period of at least 12 months from the date of signing these accounts.

The directors are confident that the company has adequate resources to continue in operation and, accordingly, have adopted the going concern basis in preparing the financial statements.

2.3 Exemption from preparing consolidated financial statements

The company, and the group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption to prepare consolidated accounts.

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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

Turnover from a contract to provide services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;

- it is probable that the company will receive the consideration due under the contract.

2.5 Intangible assets

Goodwill

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

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.

The estimated useful lives range as follows:

Goodwill	-	2	years

2. Accounting policies (continued)

2.6 Tangible fixed assets

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

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to statement of comprehensive income during the period in which they are incurred.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives on the following basis:

Freehold property	- 2% straight line
Plant and machinery	- 10, 12.5 or 20% per annum
Motor vehicles and related plant	- 25 or 33% reducing balance
Fixtures and fittings	- 12.5 or 20% straight line
Computer software	- 50% straight line

Fixtures and fittings, plant and machinery and motor vehicles and related plant are written off in the year that they become fully depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the statement of comprehensive income.

At each balance sheet date, the directors review the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Any impairment loss is recognised as an expense immediately.

2.7 Investments

Investments are measured at cost less accumulated impairment. Investments are reviewed annually for signs of impairment. If an impairment loss is identified this is recognised immediately in the statement of comprehensive income and the value of the investment is reduced accordingly.

2.8 Stocks

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

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

2. Accounting policies (continued)

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties and loans with related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

2.10 Pensions

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 payments 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.

The company also operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 10 August 2022. The scheme ceased to accrue any further benefits in 2017.

The funding for past service is invested through the scheme's trustees. The assets of the scheme are held separately from those of the company in an independently administered fund and are valued in accordance with Section 28 of FRS102 "Employee Benefits". The cost of providing pensions is charged to the statement of comprehensive income in accordance with FRS102 over the periods benefiting from the services of employees. The contributions are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method. The pension expense for the company's defined benefit schemes is recognised as follows:

- Within finance costs

The net interest cost of the scheme being the difference between interest on liabilities and interest on assets.

- Within administrative expenses

Service cost/admin charge

- Within other comprehensive income

Actuarial gains and losses arising on the assets and liabilities of the scheme.

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax charge for the year is comprised of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Current or deferred tax is recognised in the statement of comprehensive income, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current or deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2.12 Provisions

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

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 in to account relevant risks and uncertainties.

When payments are made they are charged against the provision carried in the balance sheet.

2.13 Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to the Coronavirus Job Retention Scheme are recognised in the statement of comprehensive income when the relevant requirements are met.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

2.15 Exceptional items

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

3. Employees

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

	2022 No.	2021 No.
Administration	34	41
Operatives	659	720
	693	761

4. Dividends

	2022 £	2021 £
Ordinary shares	120,000	120,000
Preference shares	348	348
	120,348	120,348

5. Intangible assets

	Goodwill £
Cost	
At 1 July 2021	429,574
At 30 June 2022	429,574
Amortisation	
At 1 July 2021	429,574
At 30 June 2022	429,574
Net book value	
At 30 June 2022	-
At 30 June 2021	-

6. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles & related plant £	Fixtures & fittings £	Total £
Cost					
At 1 July 2021	408,906	166,202	1,072,659	134,053	1,781,820
Additions	-	6,019	220,704	6,003	232,726
Disposals	-	-	(100,921)	-	(100,921)
At 30 June 2022	408,906	172,221	1,192,442	140,056	1,913,625
Depreciation					
At 1 July 2021	189,869	142,318	723,701	101,120	1,157,008
Charge for the year	6,030	13,405	158,450	14,650	192,535
Disposals	-	-	(76,776)	-	(76,776)
At 30 June 2022	195,899	155,723	805,375	115,770	1,272,767
Net book value					
At 30 June 2022	213,007	16,498	387,067	24,286	640,858
At 30 June 2021	219,037	23,884	348,958	32,933	624,812

7. Fixed asset investments

	Investments in subsidiary companies £	Unlisted investments £	Other fixed asset investments £	Total £
Cost or valuation				
At 1 July 2020 and 30 June 2021	101	55,000	1	55,102
Net book value				
At 1 July 2020 and 30 June 2021	101	55,000	1	55,102

7. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Ideal Services Group Limited	Dormant	Ordinary	100%
Ashleys Services Limited	Dormant	Ordinary	100%
BMS Janitorial Limited*	Dormant	Ordinary	100%
Kleanguard Limited*	Dormant	Ordinary	100%

The aggregate of the share capital and reserves as at 30 June 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	**Aggregate of share capital and reserves £**
Ideal Services Group Limited	1
Ashleys Services Limited	100
BMS Janitorial Limited*	1,600
Kleanguard Limited*	1,000

*denotes investments held indirectly through Ideal Services Group Limited.

All subsidiaries are dormant and therefore made no profit or loss during the year.

The company holds 20% of the ordinary shares in Century Health (Nottingham) Limited, a company incorporated in the United Kingdom. The investment is not treated as an associate in these financial statements as the company does not have significant influence over the operating policies. During the year the company received £499,988 dividends (2021: £Nil) from Century Health (Nottingham) Limited.

8. Stocks

	2022 £	2021 £
Raw materials	38,659	34,138

9. Debtors

	2022 £	2021 £
Due after more than one year		
Other debtors	100,000	-

	2022 £	2021 £
Trade debtors	1,990,291	1,610,579
Amounts owed by group companies	2,599	2,599
Other debtors	-	1,090
Prepayments and accrued income	79,895	91,904
	2,072,785	1,706,172

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	197,716	217,458
Amounts owed to group undertakings	2,700	2,700
Other taxation and social security	529,109	769,748
Other creditors	256,872	338,431
Accruals and deferred income	526,062	464,455
	1,512,459	1,792,792

11. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
60,000 Ordinary shares of £1 each	60,000	60,000
4,977 7% cumulative preference shares of £1 each	4,977	4,977
	64,977	64,977

7% cumulative preference shares.

These shares carry no right to redemption except that is upon winding up of the company when they rank ahead of the equity shares and are redeemable at the subscription price plus unpaid and accrued dividends. These shares carry no right to vote unless the dividend relating to them remains unpaid twelve months after the end of the relevant accounting year or unless a resolution is proposed to wind the company up, reduce its share capital or change the rights of this class of share.

12. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £104,568 (2021: £84,987).

The company also operated an executive scheme, which closed in 2020. Contributions payable to the fund amounted to £5,000 (2021: £5,000).

The company operates a Defined benefit pension scheme.

The pension cost relating to the Ideal Retirement and Death Benefit Scheme is assessed in accordance with the advice of an independent qualified actuary using the Market Related basis. The latest actuarial valuation of the scheme was carried out at 18 February 2022.

The amount of actuarial gains recognised in the statement of comprehensive income was £1,187,000 (2021: £583,000).

Reconciliation of present value of plan liabilities:

	2022 £	2021 £
At the beginning of the year	7,284,000	7,717,000
Interest income	129,000	107,000
Actuarial (gains)/losses	(1,959,000)	(356,000)
Benefits paid	(267,000)	(184,000)
At the end of the year	5,187,000	7,284,000

Reconciliation of present value of plan assets:

	2022 £	2021 £
At the beginning of the year	6,119,000	5,908,000
Interest cost	108,000	82,000
Actuarial gains	(772,000)	227,000
Contributions	83,000	86,000
Benefits paid	(267,000)	(184,000)
At the end of the year	5,271,000	6,119,000

12. Pension commitments (continued)

Composition of plan assets:

	2022 %	2021 %
Insured pensioners	35	39
Diversified Growth Funds (DGFs)	37	34
Global Absolute Return Strategies (GARS)	26	24
Cash	2	3
Total plan assets	100	100

	2022 £	2021 £
Fair value of plan assets	5,271,000	6,119,000
Present value of plan liabilities	(5,187,000)	(7,284,000)
Net pension scheme liability	84,000	(1,165,000)

The amounts recognised in profit or loss are as follows:

	2022 £	2021 £
Interest on obligation	21,000	25,000

The company expects to contribute £75,000 to its Defined benefit pension scheme in 2023.

12. Pension commitments (continued)

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2022 %	2021 %
Discount rate	3.8	1.8
Future salary increases	N/a	N/a
Future pension increases	2.6	2.5
Inflation assumption (CPI)	2	2
Inflation assumption (RPI)	3.1	3.2

The mortality assumptions for the amounts for the scheme liabilities at 30 June 2022 have been based on the SAPS S3 tables (year of birth usage CMI 2020 projections) and include a long term of improvement of 1.25%.

The updated actuarial valuation at 30 June 2022 has assumed that 100% of members will commute the maximum amount of pension forecast at retirement.

13. Related party transactions

Certain directors have interest bearing loans due from the company. During the year, interest was paid of £13,024 (2021: £10,334) on these loans. At the year end an amount of £209,324 (2021: £198,905) was outstanding and owed to the directors which is included within other creditors.

14. Controlling party

The company is controlled by the directors, by virtue of their majority shareholding.