

ABM International (Holdings) Limited

Strategic Report, Directors' Report and Financial Statements

Year Ended

31 October 2016

Company Number 09234078

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ABM International (Holdings) Limited

Report and financial statements
for the year ended 31 October 2016

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Directors

M Bindeman
W D Stephens

Registered office

George House, 75-83 Borough High Street, London SE1 1NH

Company number

09234078

Auditor

KPMG LLP
Botanic House
100 Hills Road
Cambridge
CB2 1AR

Legal form

Private company limited by shares

Country of incorporation

England & Wales

ABM International (Holdings) Limited

Strategic report for the year ended 31 October 2016

The directors present their Strategic report together with the audited financial statements for the year ended 31 October 2016.

Principal activities

The company is a wholly owned subsidiary of ABM UK Investments 2 LP, registered in England and Wales.

The company's principal activity is a holding company.

On 20 November 2015 the company purchased the share capital of Westway Services Holdings (2014) Limited for consideration of £38,383,476.

On 9 December 2015, the company issued 200 ordinary shares of £1 each for a total consideration of £447,235.

On 13 June 2016 the company issued £67,085,197 of loan notes on the Bermuda Stock Exchange.

Results

The statement of comprehensive income is set out on page 6 and shows the loss for the year.

Post balance sheet events

None

Directors

The directors of the company were:

E Patterson	(resigned 31 October 2017)
A Donnell	(appointed 9 December 2015, resigned 30 April 2018)
M Bindeman	(appointed 9 December 2015)
W D Stephens	(appointed 31 October 2017)

On behalf of the board



M Bindeman
Director

George House, 75-83 Borough High Street, London SE1 1NH

Date: 15 June 2018

ABM International (Holdings) Limited

Report of the directors for the year ended 31 October 2016

The directors present their Directors' report together with the audited financial statements for the year ended 31 October 2016.

Proposed dividend

The directors do not recommend the payment of a dividend.

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Disclosure of information to the auditor

The directors as at the date of this report has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the company's auditor is unaware.

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic report and Directors' report that complies with that law and those regulations.

ABM International (Holdings) Limited

Report of the directors
for the year ended 31 October 2016 (*continued*)

Auditor

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

KPMG LLP were appointed as auditor in the period and are deemed to be reappointed under section 485 of the Companies Act 2006.

On behalf of the board



M. Bindeman
Director

George House, 75-83 Borough High Street, London SE1 1NH

Date: 15 June 2018

ABM International (Holdings) Limited

Independent auditor's report to the members of ABM International (Holdings) Limited

We have audited the financial statements of ABM International (Holdings) Limited for the year ended 31 October 2016 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, this report has been prepared in accordance with the Companies Act 2006.

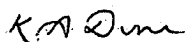
ABM International (Holdings) Limited

Independent auditor's report to the members of ABM International (Holdings) Limited (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.



Kelly Dunn (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Botanic House
100 Hills Road
Cambridge
CB2 1AR

Date: 15 June 2018

ABM International (Holdings) Limited

Statement of comprehensive income for the year ended 31 October 2016

	Note	1 November 2015 to 31 October 2016 £	24 September 2014 to 31 October 2015 £
Interest payable	6	(3,180,608)	(23,788)
Income from shares in group undertakings		1,247,077	-
Loss before tax		<u>(1,933,531)</u>	<u>(23,788)</u>
Tax on loss	7	509,931	-
Loss after tax and total comprehensive income for the financial period attributable to owners		<u>(1,423,600)</u>	<u>(23,788)</u>

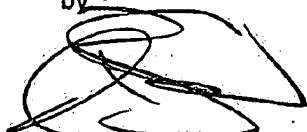
There are no other recognised profits for the year other than those disclosed in the statement of comprehensive income and the statement of changes in equity.

ABM International (Holdings) Limited

Statement of financial position at 31 October 2016

<i>Company number 09234078</i>	Note	31 October 2016 £	31 October 2015 £
Fixed assets			
Investments	8	113,055,738	59,189,796
Current assets			
Cash at bank and in hand		1	1
Income tax receivable		509,931	-
Creditors: amounts falling due within one year	9	(51,101)	(57,832,449)
Net current assets/(liabilities)		<u>458,831</u>	<u>(57,832,448)</u>
Total assets less current liabilities		113,514,569	1,357,348
Creditors: amounts falling due after more than one year	10	(70,238,491)	(1,381,135)
Net assets/(liabilities)		<u>43,276,078</u>	<u>(23,787)</u>
Capital and reserves			
Called up share capital		44,723,466	1
Profit and loss account		(1,447,388)	(23,788)
Shareholders' funds/(deficit)		<u>43,276,078</u>	<u>(23,787)</u>

The financial statements were approved by the Board of Directors on 15 June 2018 and were signed on its behalf by:



M Bindeman
Director

The notes on pages 9 to 14 form part of these financial statements.

ABM International (Holdings) Limited

Statement of changes in equity for the year ended 31 October 2016

	Share capital £	Profit and loss account £	Total equity £
At 1 November 2015	1	(23,788)	(23,787)
Comprehensive income for the period			
Loss for the year	-	(1,423,600)	(1,423,600)
Total comprehensive income attributable to owner	-	(1,447,388)	(1,447,338)
Contributions by and distributions to owners			
Issue of shares	44,723,465	-	44,723,465
Total contributions by and distributions to owners	44,723,465	-	44,723,465
At 31 October 2016	44,723,466	(1,447,388)	43,276,078

The notes on pages 9 to 14 form part of these financial statements.

ABM International (Holdings) Limited

Notes forming part of the financial statements for the year ended 31 October 2016

1 Accounting policies

ABM International (Holdings) Limited (the "Company") is a private company incorporated, domiciled and registered in England and Wales. The registered number is 09234078 and the registered address is George House, 75-83 Borough High Street, London SE1 1NH.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

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 judgement in applying the company's accounting policies.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 15.

Consolidated financial statements

The company is exempt under section 400 of the Companies Act 2006 for the requirement to prepare group financial statements as it is itself a subsidiary undertaking and is fully consolidated in the financial statements of ultimate parent company. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Going concern

The financial statements have been prepared on a going concern basis. The company recorded a loss after tax of £1,423,600 for this period of trading, had net current assets of £458,831 and had net assets of £43,276,078 at the balance sheet date.

The company is supported by its ultimate parent company. ABM Industries Incorporated has confirmed that it will continue to support the company for a period of at least 12 months from the date of approval of these financial statements.

Cash flow statement

In preparing the financial statements of the company, advantage has been taken of the disclosure exemption available in FRS 102 not to present a cash flow statement as the company is a member of a group whose ultimate parent prepares publicly available consolidated financial statements which include the company.

The following principal accounting policies have been applied:

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

ABM International (Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 October 2016

1 Accounting policies (continued)

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- 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 timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Investments (see note 8): The most critical estimate, assumption and judgement relates to the determination of the carrying value of investments and whether there are indicators of impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the subsidiaries.

3 Directors' remuneration

No directors' remuneration was paid by ABM International (Holdings) Limited. Directors' remuneration is borne by fellow group companies.

4 Employees

The company did not have any employees during the year.

ABM International (Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 October 2016 (*continued*)

5 Auditor's remuneration

The audit fee for the company has been met in the year by ABM Industries Incorporated, the ultimate controlling party. The audit fee for the company for 2016 was £12,750.

6 Interest payable and similar charges

	31 October 2015 £	31 October 2016 £
Loan note interest	23,788	3,180,608

7 Tax on loss

	31 October 2015 £	31 October 2016 £
<i>UK corporation tax</i>		
Current tax on losses of the period	-	(509,931)
Tax on loss	-	(509,931)

The tax assessed for the period is different to the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	31 October 2015 £	31 October 2016 £
Loss before tax	(23,788)	(1,933,531)
Loss at the standard rate of corporation tax in the UK of 20.47% for 2015 and 20% for 2016	(4,869)	(386,706)
Effects of:		
Non-deductible interest	-	126,190
Dividend income not subject to UK tax	-	(249,415)
Deferred tax not recognised	4,869	-
Total tax charge for period	-	(509,931)

ABM International (Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 October 2016 (continued)

8 Fixed asset investments

	Subsidiary undertakings £
At 1 November 2015	59,189,796
Additions	53,865,942
	<hr/>
At 31 October 2016	113,055,738
	<hr/> <hr/>

On 20 November 2015 the company purchased the share capital of Westway Services Holdings (2014) Limited for consideration of £38,383,476. On 9 December 2015, the company issued 200 ordinary shares of £1 each for a total consideration of £447,235. The principal undertakings are as follows:

Name	Registered office address	Ordinary share capital %	Nature of business
ABM Group UK Limited	[A]	100%	Holding of investments
Omni Serv Limited	[B]	100%	Aviation services provider
ABM Onsite Services ULC	[C]	100%	Holding company
ABM Facility Services UK Limited [1]	[A]	100%	Facility management services
ABM Facility Services Scotland Limited [1]	[A]	100%	Facility management services
GBM Services (Civic) Limited [1]	[A]	100%	Facility management services
Eclipse Contract Cleaning Limited [2]	[A]	100%	Facility management services
Omniserv (Holland) B.V. [3]	[D]	100%	Dormant
Westway Services Holdings (2014) Ltd	[A]	100%	Holding of investments
Westway Services Holdings (2010) Ltd	[A]	100%	Holding of investments
Westway Services Limited	[A]	100%	Facility management services

[1] Held by ABM Group UK Limited

[2] Held by ABM Facility Services Scotland Limited

[3] Held by Omni Serv Limited

[A] George House, 75-83 Borough High Street, London SE1 1NH

[B] World Business Centre 2 Newall Road London Heathrow Airport, Hounslow, Middlesex, TW6 2SF

[C] 1055 West Georgia Street, 1500 Royal Centre, Vancouver BC, Canada V6E 4N7

[D] Pompmolenlaan 9, 3447GK Woerden

9 Creditors: amounts falling due within one year

	31 October 2015 £	31 October 2016 £
Loan notes payable	57,808,661	-
Accruals and deferred income	23,788	51,101
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	57,832,449	51,101
	<hr/> <hr/>	<hr/> <hr/>

10 Creditors: amounts falling due after more than one year

	31 October 2015 £	31 October 2016 £
Loan notes payable	1,381,135	67,085,197
Accruals and deferred income	-	3,153,294
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	1,381,135	70,238,491
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ABM International (Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 October 2016 (*continued*)

10 Creditors: amounts falling due after more than one year (*continued*)

The terms of repayment of the loan notes payable are:

	31 October 2015 £	31 October 2016 £
Within one year	57,808,661	-
Within two to five years	1,381,135	67,085,197
	<u>59,189,796</u>	<u>67,085,197</u>

The loan notes carry an interest rate of 5.0675%. The loans are repayment in full in 2020.

11 Financial instruments

The company's financial instruments may be analysed as follows:

	31 October 2015 £	31 October 2016 £
Financial liabilities		
Financial liabilities measured at amortised cost	59,189,796	67,085,197
	<u>59,189,796</u>	<u>67,085,197</u>

Financial liabilities measured at amortised cost comprise of loan notes payable.

12 Share capital	£	£
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1 each	1	44,723,466
	<u>1</u>	<u>44,723,466</u>

13 Ultimate parent company and controlling party

The company's immediate parent undertaking is ABM UK Investments 2 LP, a partnership registered in England and Wales. The company's ultimate parent undertaking and ultimate controlling party is ABM Industries Incorporated, a company incorporated in United States of America. ABM Industries Incorporated is both the smallest and largest group of undertakings for which consolidated accounts including results of the company are prepared. The consolidated financial statements of ABM Industries Incorporated are available to the public and may be obtained from 1 Liberty Plaza, FI 7, New York, NY 10006.

ABM International (Holdings) Limited

**Notes forming part of the financial statements
for the year ended 31 October 2016 (continued)**

14 Subsequent events

None

15 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 October 2016 and the comparative information presented in these financial statements for the period ended 31 October 2015.

In preparing its FRS 102 Balance Sheet, the Company was not required to adjust amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP).