

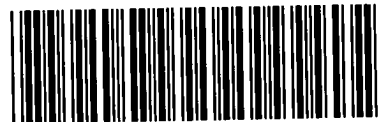
**Registered number: 01070973**

**GREENWORKS CONTROLLED  
ENVIRONMENTS LIMITED**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 SEPTEMBER 2017**

WEDNESDAY



A08 \*A6ZA29BN\* 07/02/2018 #287  
COMPANIES HOUSE

**GREENWORKS CONTROLLED ENVIRONMENTS LIMITED****REGISTERED NUMBER:01070973****BALANCE SHEET****AS AT 30 SEPTEMBER 2017**

	<b>Note</b>	<b>2017</b> £	<b>2016</b> £
<b>Fixed assets</b>			
Intangible assets	6	36,292	42,792
Tangible assets	7	195,159	276,514
		<u>231,451</u>	<u>319,306</u>
<b>Current assets</b>			
Stocks		112,971	91,473
Debtors: amounts falling due within one year	8	518,844	607,128
Cash at bank and in hand	9	2,280	4,324
		<u>634,095</u>	<u>702,925</u>
Creditors: amounts falling due within one year	10	(703,170)	(1,082,760)
<b>Net current liabilities</b>		<u>(69,075)</u>	<u>(379,835)</u>
<b>Total assets less current liabilities</b>		162,376	(60,529)
Creditors: amounts falling due after more than one year	11	(42,163)	(64,974)
<b>Net assets/(liabilities)</b>		<u><u>120,213</u></u>	<u><u>(125,503)</u></u>
<b>Capital and reserves</b>			
Called up share capital		5,410	5,410
Share premium account		60,902	60,902
Profit and loss account		53,901	(191,815)
		<u>120,213</u>	<u>(125,503)</u>

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 income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

**GREENWORKS CONTROLLED ENVIRONMENTS LIMITED**

**REGISTERED NUMBER:01070973**

**BALANCE SHEET (CONTINUED)**

***AS AT 30 SEPTEMBER 2017***

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



.....  
**A. R. J. Warren**

Director

Date: 11/11/18

The notes on pages 3 to 12 form part of these financial statements.

# **GREENWORKS CONTROLLED ENVIRONMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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### **1. General information**

Greenworks Controlled Environments Limited (the company) is a limited company domiciled and incorporated in England and Wales.

The address of its registered office is Unit 1, Warsop Trading Estate, Hever Road, Edenbridge, Kent, TN8 5LD.

The addresses of the company's places of business are Haltwhistle Road, Western Industrial Estate, South Woodham Ferrers, Essex, CM3 5ZA and Unit 2 Roman Way, Thetford, Norfolk, IP24 1XB.

The principal activities are the supply and servicing of air conditioning units and refrigeration.

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

Monetary amounts in these financial statements in pounds sterling and are rounded to the nearest whole £1, except where otherwise stated.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

The director has prepared the financial statements on the going concern basis because the company has his financial support via the parent company, of which he is also a director and shareholder, for at least twelve months from the date of approval of the accounts.

#### **2.3 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:

##### **Installation project income**

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as the proportion of total contract value equivalent to the percentage of costs to date compared with estimated total costs.

##### **Service income**

Annual service income is recognised over the maintenance period. The company receives revenue in advance for annual maintenance. At the balance sheet date, the deferred income recognised on the balance sheet represents revenue received in advance for this service, which is released to the profit and loss account over the maintenance period.

# GREENWORKS CONTROLLED ENVIRONMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 2. Accounting policies (continued)

#### 2.4 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 income and retained earnings over its useful economic life.

The estimated useful lives range as follows:

Goodwill	-	10% straight line
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#### 2.5 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 basis:

Freehold property	- 50 years straight line for property; 10 years straight line for improvements
Plant and machinery	- 25% straight line
Motor vehicles	- 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 income and retained earnings.

#### 2.6 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 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 profit or loss.

# **GREENWORKS CONTROLLED ENVIRONMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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### **2. Accounting policies (continued)**

#### **2.7 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.

#### **2.8 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### **2.9 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 and loans to related parties.

#### **2.10 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.

#### **2.11 Foreign currency translation**

##### **Functional and presentation currency**

The company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

#### **2.12 Finance costs**

Finance costs are charged to the Statement of income and retained earnings 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.

#### **2.13 Operating leases**

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

# **GREENWORKS CONTROLLED ENVIRONMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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### **2. Accounting policies (continued)**

#### **2.14 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 income and retained earnings 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.

#### **2.15 Borrowing costs**

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

#### **2.16 Taxation**

Tax is recognised in the Statement of income and retained earnings, 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.

### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **4. Employees**

The average monthly number of employees, including directors, during the year was 32 (2016 - 35).

# GREENWORKS CONTROLLED ENVIRONMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 5. Taxation

	2017 £	2016 £
Group taxation relief	31,917	-
<b>Total current tax</b>	<b>31,917</b>	<b>-</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 19.5% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	277,633	174,857
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.5% (2016 - 20%)	54,135	34,972
<b>Effects of:</b>		
Depreciation for year in excess of capital allowances	(5,881)	1,670
Utilisation of tax losses	(14,187)	(36,642)
Provisions tax adjustment	(2,150)	-
Group relief	(31,917)	-
Payment/(receipt) for group relief	31,917	-
<b>Total tax charge for the year</b>	<b>31,917</b>	<b>-</b>

#### Factors that may affect future tax charges

At the year-end, the company had trading losses of £nil (2016: £72,753) available to carry forward against future trading profits.



# GREENWORKS CONTROLLED ENVIRONMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 6. Intangible assets

	<b>Goodwill</b> £
<b>Cost</b>	
At 1 October 2016	93,250
At 30 September 2017	<u>93,250</u>
<b>Amortisation</b>	
At 1 October 2016	50,458
Charge for the year	6,500
At 30 September 2017	<u>56,958</u>
<b>Net book value</b>	
At 30 September 2017	<u>36,292</u>
At 30 September 2016	<u>42,792</u>

# GREENWORKS CONTROLLED ENVIRONMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 7. Tangible fixed assets

	Land and buildings £	Other fixed assets £	Total £
<b>Cost or valuation</b>			
At 1 October 2016	172,341	581,384	753,725
Additions	-	991	991
Disposals	-	(14,020)	(14,020)
At 30 September 2017	172,341	568,355	740,696
<b>Depreciation</b>			
At 1 October 2016	20,945	456,265	477,210
Charge for the year on owned assets	7,146	44,807	51,953
Charge for the year on financed assets	-	29,723	29,723
Disposals	-	(13,349)	(13,349)
At 30 September 2017	28,091	517,446	545,537
<b>Net book value</b>			
At 30 September 2017	144,250	50,909	195,159
At 30 September 2016	151,396	125,119	276,515

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	40,836	70,559

### 8. Debtors

	2017 £	2016 £
Trade debtors	456,067	498,434
Other debtors	5,036	5,389
Prepayments and accrued income	57,741	103,305
	518,844	607,128

# GREENWORKS CONTROLLED ENVIRONMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 9. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	2,280	4,324
Less: bank overdrafts	(109,162)	(454,378)
	<u>(106,882)</u>	<u>(450,054)</u>

### 10. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	109,162	454,378
Bank loans	7,200	7,200
Trade creditors	144,541	222,231
Amounts owed to group undertakings	33,899	8,219
Other taxation and social security	129,802	111,753
Obligations under finance lease and hire purchase contracts	15,611	32,034
Other creditors	6,314	6,156
Accruals and deferred income	256,641	240,789
	<u>703,170</u>	<u>1,082,760</u>

The bank overdraft is secured by a debenture in favour of Svenska Handelsbanken AB (publ.), dated 22 November 2012. The aggregate secured debt at the year-end was £109,162 (2016: £454,378).

Finance lease liabilities are secured on the assets to which they relate. The aggregate secured debt at the year-end was £15,611 (2016: £32,034).

Bank loans of £7,200 (2016: £7,200) are secured by way of a legal charge over the company's freehold property.

# GREENWORKS CONTROLLED ENVIRONMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 11. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	41,400	48,600
Net obligations under finance leases and hire purchase contracts	763	16,374
	<u>42,163</u>	<u>64,974</u>

#### Secured loans

Finance lease liabilities are secured on the assets to which they relate. The aggregate secured debt at the year-end was £763 (2016: £16,374).

Bank loans of £41,400 (2016: £48,600) are secured by way of a legal charge over the company's freehold property.

### 12. Contingent liabilities

A debenture exists, dated 7 June 2016, in favour of the company's banker, which gives a cross guarantee to borrowings made by Greenworks Controlled Environments Limited, Greenworks Solutions Limited, the parent company, and Zepbrook Limited, a fellow subsidiary company. The net bank borrowings across the group amounted to £192,522 (2016: £nil). Excluding positive balances in the group and the overdraft of this company, the bank borrowings amounted to £1,887,348 (2016: £235,212).

### 13. 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 £32,023 (2016: £34,607). Contributions totalling £6,314 (2016: £6,156) were payable to the fund at the balance sheet date and are included in creditors.

### 14. Commitments under operating leases

At 30 September 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	32,564	34,400
Later than 1 year and not later than 5 years	128,000	128,600
Later than 5 years	57,490	89,490
	<u>218,054</u>	<u>252,490</u>

# **GREENWORKS CONTROLLED ENVIRONMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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### **15. Controlling party**

The company is a wholly owned subsidiary of Greenworks Solutions Limited, which is controlled by A. R. J. Warren and C. G. Warren. Greenworks Solutions Limited prepares group financial statements, and copies can be obtained from Companies House, Cardiff, CF4 3UZ.

### **16. Auditors' information**

The auditors' report issued on the financial statements for the year ended 30 September 2017 from which these financial statements are derived was unqualified.

The audit report was signed by Matthew Neill BA (Hons) MA ACA on behalf of Creaseys Group Limited.