

JUST ADD WATER MANAGEMENT LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2017

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JUST ADD WATER MANAGEMENT LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | C Sampson J Sturt |
| Company secretary | C Sampson |
| Registered number | 03769200 |
| Registered office | New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ |
| Accountants | MHA MacIntyre Hudson Chartered Accountants New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ |

JUST ADD WATER MANAGEMENT LIMITED

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JUST ADD WATER MANAGEMENT LIMITED
REGISTERED NUMBER: 03769200

BALANCE SHEET
AS AT 31 MAY 2017

| | Note | 2017 £ | 2016 £ |
|--|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 955 | 5,835 |
| Investments | 5 | 70,212 | 120,212 |
| | | <u>71,167</u> | <u>126,047</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 424,501 | 611,544 |
| Cash at bank and in hand | 7 | 81,111 | 101,357 |
| | | <u>505,612</u> | <u>712,901</u> |
| Creditors: amounts falling due within one year | 8 | (209,475) | (202,446) |
| Net current assets | | <u>296,137</u> | <u>510,455</u> |
| Total assets less current liabilities | | <u>367,304</u> | <u>636,502</u> |
| Net assets | | <u><u>367,304</u></u> | <u><u>636,502</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Profit and loss account | | 367,204 | 636,402 |
| | | <u><u>367,304</u></u> | <u><u>636,502</u></u> |

JUST ADD WATER MANAGEMENT LIMITED
REGISTERED NUMBER: 03769200

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2017

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 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 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 by:



C Sampson
Director

Date: *27th February 2018*

The notes on pages 3 to 9 form part of these Financial Statements.

JUST ADD WATER MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

1. General information

Just Add Water Management Limited is a limited liability Company incorporated in England and Wales. The Company was incorporated on 13 May 1999 under the Company registration number 03769200. The registered office is 30-34 New Bridge Street, London, EC4V 6BJ.

The Financial Statements are prepared in sterling, which is the functional currency of the company and are rounded to the nearest pound.

The significant accounting policies applied in the presentation of these Financial Statements are set out below.

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 judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis as the directors believe that no material uncertainties exist. The directors have considered the levels of reserves held and the expected level of turnover and costs for 12 months from approving these financial statements.

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:

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

2. Accounting policies (continued)

2.4 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:

| | |
|-----------------------|---------------|
| Plant and machinery | - 33% and 50% |
| Fixtures and fittings | - 20% |

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.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less 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 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.

2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Sterling.

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income 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.

2.11 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.

2.12 Interest income

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

JUST ADD WATER MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

2. Accounting policies (continued)**2.13 Taxation**

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.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2016 - 5).

4. Tangible fixed assets

| | Plant and machinery £ | Fixtures and fittings £ | Total £ |
|-------------------------------------|--------------------------------------|--|--------------------|
| Cost or valuation | | | |
| At 1 June 2016 | 19,529 | 2,335 | 21,864 |
| Additions | 1,743 | - | 1,743 |
| At 31 May 2017 | 21,272 | 2,335 | 23,607 |
| Depreciation | | | |
| At 1 June 2016 | 14,090 | 1,939 | 16,029 |
| Charge for the year on owned assets | 6,310 | 313 | 6,623 |
| At 31 May 2017 | 20,400 | 2,252 | 22,652 |
| Net book value | | | |
| At 31 May 2017 | 872 | 83 | 955 |
| At 31 May 2016 | 5,439 | 396 | 5,835 |

JUST ADD WATER MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

5. Fixed asset investments

| | Investments in subsidiary companies £ | Other fixed asset investments £ | Total £ |
|--------------------------|---|--|------------|
| Cost or valuation | | | |
| At 1 June 2016 | 70,212 | 50,000 | 120,212 |
| At 31 May 2017 | 70,212 | 50,000 | 120,212 |
| Impairment | | | |
| Charge for the period | - | 50,000 | 50,000 |
| At 31 May 2017 | - | 50,000 | 50,000 |
| Net book value | | | |
| At 31 May 2017 | 70,212 | - | 70,212 |
| At 31 May 2016 | 70,212 | 50,000 | 120,212 |

During the year ended 31 May 2016 the Company set up a 100% owned subsidiary Just Add Water Pte Ltd registered in Singapore by subscription to all 150,000 Ordinary shares of \$1 each at a cost of £70,212.

The company has also invested £50,000 to gain a 30% shareholding in Burnt Orange. This has been fully impaired in the year on the basis that the company has been loss making to date and does not currently hold equity on the balance sheet to support value in the costs invested.

6. Debtors

| | 2017 £ | 2016 £ |
|------------------------------------|----------------|----------------|
| Trade debtors | 229,883 | 237,957 |
| Amounts owed by group undertakings | 21,852 | - |
| Other debtors | 13,647 | 247,546 |
| Prepayments and accrued income | 159,119 | 126,041 |
| | <u>424,501</u> | <u>611,544</u> |

JUST ADD WATER MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

7. Cash and cash equivalents

| | 2017 £ | 2016 £ |
|--------------------------|---------------|----------------|
| Cash at bank and in hand | 81,111 | 101,357 |
| | <u>81,111</u> | <u>101,357</u> |

8. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 29,259 | 18,870 |
| Corporation tax | 36,275 | 59,248 |
| Other taxation and social security | 56,034 | 85,836 |
| Other creditors | 87,907 | 38,492 |
| | <u>209,475</u> | <u>202,446</u> |

9. 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 £2,733 (2016 - £Nil). There were no contributions payable at the balance sheet date.

10. Related party transactions

During the year the Company paid dividends of £173,400 to Claire Sampson, a Director of the Company.

During the year the Company paid dividends of £166,600 to Jeremy Sturt, a Director of the Company.

At 31 May 2016 the following directors had overdrawn loan accounts. Interest was charged at HMRC's recommended rate of 3.75% and the balances were repaid in full before the year end, leaving their balances in credit.

| | 01.06.2016 £ | Amounts advanced (including interest) £ | Amounts repaid £ | 31.05.2017 £ |
|----------------|-----------------|---|------------------------|-----------------|
| Claire Sampson | 116,262 | 151,533 | (290,225) | (22,430) |
| Jeremy Sturt | 111,608 | 121,308 | (254,965) | (22,049) |

JUST ADD WATER MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

11. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.