

Registered number  
03882193

The Environmental Laboratory Limited

Unaudited Filleted Accounts

31 December 2020

**The Environmental Laboratory Limited****Registered number:** 03882193**Balance Sheet****as at 31 December 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	367,968	349,303
<b>Current assets</b>			
Stocks		104,400	116,110
Debtors	5	517,505	679,166
Cash at bank and in hand		28,322	20,078
		<u>650,227</u>	<u>815,354</u>
<b>Creditors: amounts falling due within one year</b>	6	(271,573)	(472,945)
<b>Net current assets</b>		<u>378,654</u>	<u>342,409</u>
<b>Total assets less current liabilities</b>		<u>746,622</u>	<u>691,712</u>
<b>Creditors: amounts falling due after more than one year</b>	7	(152,102)	(137,117)
<b>Provisions for liabilities</b>		(20,634)	(12,912)
<b>Net assets</b>		<u>573,886</u>	<u>541,683</u>
<b>Capital and reserves</b>			
Called up share capital		3,600	3,600
Share premium		356,301	356,301
Profit and loss account		213,985	181,782
<b>Shareholder's funds</b>		<u>573,886</u>	<u>541,683</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Dr Sampuran Singh

Director

Approved by the board on 12 April 2021

**The Environmental Laboratory Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2020**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

***Going concern***

Since March 2020, in common with many other companies, the outbreak of Covid-19 in the UK and the measures taken to control its spread, have had a detrimental impact on our business. Specifically, turnover and profits were affected notably in the early months of the pandemic when industry shut-down. Business gradually increased during the second half of the year. The company has traded profitably in the first quarter of the 2021 year.

Whilst it is not possible to reliably estimate the duration and severity of the consequences of the pandemic, as well as their impact on the financial position and results of the company in the future periods, the directors believe it is well positioned to continue to trade profitably, having reduced costs. Accordingly, the accounts have been prepared on the going concern basis.

***Turnover***

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the preparation of chemical analysis reports for customers and is recognised as the services are provided.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	20% reducing balance
Fixtures, fittings and equipment	5 years straight line
Motor vehicles	4 years straight line

***Stocks***

Stock is comprised of consumables used in the process of analytical chemistry and is valued at the lower of cost and net realisable value. Work-in-progress is valued by reference to the cost of sales percentage applied during the period of analytical chemistry.

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

### ***Taxation***

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only 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 measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference. Current and deferred tax assets and liabilities are not discounted.

### ***Leased assets***

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

### ***Pensions***

Contributions to defined contribution plans are expensed in the period to which they relate.

<b>2 Employees</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Average number of persons employed by the company	<u>28</u>	<u>29</u>

### **3 Taxation**

At 31 December 2020, the company had gross tax losses of £170,548 (2019: £209,151) to be carried forward to offset against future taxable profits. Gross tax losses amounting to £nil (2019: £88,822) were surrendered to the parent company, Sigma-HSE Limited

### **4 Tangible fixed assets**

	<b>Plant &amp; machinery</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				

At 1 January 2020	852,612	691,060	81,883	1,625,555
Additions	-	158,754	-	158,754
Disposals	-	(246)	-	(246)
At 31 December 2020	<u>852,612</u>	<u>849,568</u>	<u>81,883</u>	<u>1,784,063</u>

#### Depreciation

At 1 January 2020	790,788	417,173	68,291	1,276,252
Charge for the year	12,633	116,194	11,061	139,888
On disposals	-	(45)	-	(45)
At 31 December 2020	<u>803,421</u>	<u>533,322</u>	<u>79,352</u>	<u>1,416,095</u>

#### Net book value

At 31 December 2020	<u>49,191</u>	<u>316,246</u>	<u>2,531</u>	<u>367,968</u>
At 31 December 2019	61,824	273,887	13,592	349,303

<b>5 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	211,614	322,319
Amounts owed by group undertakings	264,700	328,351
Other debtors	41,191	28,496
	<u>517,505</u>	<u>679,166</u>

<b>6 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Obligations under finance lease and hire purchase contracts	110,869	84,836
Trade creditors	87,894	103,140
Amounts owed to group undertakings	-	83,197
Taxation and social security costs	62,856	19,266
Other creditors	9,954	182,506
	<u>271,573</u>	<u>472,945</u>

<b>7 Creditors: amounts falling due after one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Obligations under finance lease and hire purchase contracts	<u>152,102</u>	<u>137,117</u>

<b>8 Loans</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Creditors include:		
Secured loans	<u>262,971</u>	<u>402,336</u>

Obligations under finance lease and hire purchase agreements totalling £262,971 (2019:

£221,953) are secured on the assets to which they relate.

At 31 December 2020, the company had an advance against trade debtors of £nil (2019: £180,383) under a receivables finance agreement, and this is secured by a fixed and floating charge over the assets of the company.

9 Capital commitments	2020	2019
	£	£
Amounts contracted for but not provided in the accounts	-	65,497

## 10 Related party transactions

Included within trade debtors at 31 December 2020 is a debt of £nil (2019:£70,872) owed by Sigma-HSE (India) Pvt Ltd for the purchase of equipment from the company. Dr S Singh and Mr K S Sampuran are directors and shareholders of Sigma-HSE (india) Pvt Ltd.

## 11 Controlling party

The company is a wholly owned subsidiary of Sigma-HSE Limited, a company incorporated in England. Sigma-HSE Limited does not prepare consolidated accounts. Its registered office is Unit 2, Moorside Point, Moorside Road, Winchester, Hampshire, SO23 7RX.

Dr Sampuran Singh is the ultimate controlling party of Sigma-HSE Ltd by virtue of his majority shareholding.

## 12 Other information

The Environmental Laboratory Limited is a private company limited by shares and incorporated in England. Its registered office is:

Unit 2A, Windmill Road  
Ponswood Industrial Estate  
St Leonards-on-Sea  
East Sussex  
TN38 9BY

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