

Registered number
03882193

The Environmental Laboratory Limited

Unaudited Filleted Accounts

31 December 2017

The Environmental Laboratory Limited**Registered number:** 03882193**Balance Sheet****as at 31 December 2017**

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	4	241,725	292,043
Current assets			
Stocks		60,000	60,472
Debtors	5	619,585	493,475
Cash at bank and in hand		91,167	34,178
		<u>770,752</u>	<u>588,125</u>
Creditors: amounts falling due within one year	6	(435,813)	(348,579)
Net current assets		<u>334,939</u>	<u>239,546</u>
Total assets less current liabilities		<u>576,664</u>	<u>531,589</u>
Creditors: amounts falling due after more than one year	7	(34,041)	(67,061)
Net assets		<u>542,623</u>	<u>464,528</u>
Capital and reserves			
Called up share capital		3,600	3,600
Share premium		356,301	356,301
Profit and loss account		182,722	104,627
Shareholders' funds		<u>542,623</u>	<u>464,528</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 members have 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 18 September 2018

The Environmental Laboratory Limited

Notes to the Accounts

for the year ended 31 December 2017

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).

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. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, 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, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

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.

2 Employees	2017 Number	2016 Number
Average number of persons employed by the company	<u>29</u>	<u>29</u>

3 Taxation

At 31 December 2017, the company had gross tax losses carried forward of £196,000 (2016: £295,000) for offset against future trading profits. After taking account of accelerated capital allowances, the deferred tax asset of £3,800 has not been provided in these accounts (2016: £18,700).

4 Tangible fixed assets

	Plant & machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2017	843,702	421,010	68,549	1,333,261

Additions	8,910	8,714	27,917	45,541
Disposals	-	-	(17,583)	(17,583)
At 31 December 2017	<u>852,612</u>	<u>429,724</u>	<u>78,883</u>	<u>1,361,219</u>
Depreciation				
At 1 January 2017	731,917	284,650	24,651	1,041,218
Charge for the year	23,704	41,761	16,804	82,269
On disposals	-	-	(3,993)	(3,993)
At 31 December 2017	<u>755,621</u>	<u>326,411</u>	<u>37,462</u>	<u>1,119,494</u>
Net book value				
At 31 December 2017	<u>96,991</u>	<u>103,313</u>	<u>41,421</u>	<u>241,725</u>
At 31 December 2016	111,785	136,360	43,898	292,043

5 Debtors	2017	2016
	£	£
Trade debtors	301,193	324,521
Amounts owed by group undertakings	-	11,991
Other debtors	318,392	156,963
	<u>619,585</u>	<u>493,475</u>

6 Creditors: amounts falling due within one year	2017	2016
	£	£
Obligations under finance lease and hire purchase contracts	43,293	44,258
Trade creditors	85,387	73,849
Amounts owed to group undertakings	77,915	-
Taxation and social security costs	53,088	61,210
Other creditors	176,130	169,262
	<u>435,813</u>	<u>348,579</u>

7 Creditors: amounts falling due after one year	2017	2016
	£	£
Obligations under finance lease and hire purchase contracts	<u>34,041</u>	<u>67,061</u>

8 Loans	2017	2016
	£	£
Creditors include:		
Secured loans	<u>252,139</u>	<u>258,435</u>

Obligations under finance leases and hire purchase agreements totalling £77,334 (2016: £111,319) are secured on the assets to which they relate.

At 31 December 2017, the company had an advance against trade debtors of £174,805 (2016: £147,116) under a receivables finance agreement, and this is secured by a fixed and floating charge over the assets of the company.

9 Related party transactions

The directors of the company are also directors of Sigma-HSE (UK) Limited and in addition, Dr Sampuran Singh is also the sole shareholder of Sigma-HSE (UK) Limited. Transactions between the companies are not necessarily undertaken on a normal market basis.

The company has provided net finance totalling £157,509 (2016: £153,000) to Sigma-HSE (UK) Limited during the year. Included within this is a fee of £12,453 (2016: £11,466) for the loan facility and £1,656 for use of cars and payments of £65,196 for management services, £12,000 for insurance recharges and £3,857 in respect of IT services received from Sigma-HSE (UK) Limited by the company. At 31 December 2017, Sigma-HSE (UK) Limited owed the company £308,106 (2016: £150,597), which is repayable on demand and is interest free. No provision has been made against this debt as the directors are of the opinion that it is fully recoverable.

10 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.

The directors consider that the company's ultimate parent company is Dalewood Limited, a company incorporated in Guernsey whose registered address is Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB. Dalewood Limited does not prepare group accounts. Dalewood Limited is under the control of a Discretionary Trust which has a beneficial interest in 100% of the issued share capital of the company. In the opinion of the directors there is no ultimate controlling party as no party has the ability to direct the financial and operating policies of the Trust with a view to gaining economic benefits from their direction.

11 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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