

REGISTERED NUMBER: 04118287 (England and Wales)

Unaudited Financial Statements
for the Year Ended 31 December 2018
for
Direct Cooling Systems Limited

**Contents of the Financial Statements
for the year ended 31 December 2018**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

Direct Cooling Systems Limited
Company Information
for the year ended 31 December 2018

DIRECTOR: Mr D C Spencer

SECRETARY: Mr M R Burton

REGISTERED OFFICE: 2 Stanhope Street
Long Eaton
Nottingham
Nottinghamshire
NG10 4QN

REGISTERED NUMBER: 04118287 (England and Wales)

ACCOUNTANTS: Clayton & Brewill
Chartered Accountants
Cawley House
149-155 Canal Street
Nottingham
Nottinghamshire
NG1 7HR

Direct Cooling Systems Limited (Registered number: 04118287)

**Balance Sheet
31 December 2018**

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	4		47,776		74,206
Investment property	5		<u>175,000</u>		<u>175,000</u>
			222,776		249,206
CURRENT ASSETS					
Stocks	6	551,217		1,224,099	
Debtors	7	397,135		551,187	
Cash at bank		<u>-</u>		<u>406,190</u>	
		948,352		2,181,476	
CREDITORS					
Amounts falling due within one year	8	<u>1,058,252</u>		<u>2,049,921</u>	
NET CURRENT (LIABILITIES)/ASSETS			(109,900)		131,555
TOTAL ASSETS LESS CURRENT LIABILITIES			112,876		380,761
CREDITORS					
Amounts falling due after more than one year	9		<u>64,291</u>		<u>98,517</u>
NET ASSETS			<u>48,585</u>		<u>282,244</u>
CAPITAL AND RESERVES					
Called up share capital			55		55
Retained earnings			<u>48,530</u>		<u>282,189</u>
SHAREHOLDERS' FUNDS			<u>48,585</u>		<u>282,244</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

Direct Cooling Systems Limited (Registered number: 04118287)

**Balance Sheet - continued
31 December 2018**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 23 August 2019 and were signed by:

Mr D C Spencer - Director

**Notes to the Financial Statements
for the year ended 31 December 2018**

1. STATUTORY INFORMATION

Direct Cooling Systems Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Long term contracts

Long term contracts are contracts entered into for design, manufacture or construction of a single substantial asset or the provision of a service where the time taken to complete occurs in more than one accounting period and failure to record the turnover and profit on them would result in the accounts not giving a true and fair view. For the purposes of these accounts contracts with an estimated value on completion of more than £20,000 are held to be material and accounted for in accordance with the rules for long term contracts.

Amounts recoverable on long term contracts, which are included in debtors are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess payments are included in creditors as payments received on account.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued
for the year ended 31 December 2018**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 28 (2017 - 31) .

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2018	5,485	306,680	16,234	328,399
Additions	-	23,686	-	23,686
Disposals	-	(58,899)	-	(58,899)
At 31 December 2018	<u>5,485</u>	<u>271,467</u>	<u>16,234</u>	<u>293,186</u>
DEPRECIATION				
At 1 January 2018	5,326	234,951	13,916	254,193
Charge for year	106	47,792	1,314	49,212
Eliminated on disposal	-	(57,995)	-	(57,995)
At 31 December 2018	<u>5,432</u>	<u>224,748</u>	<u>15,230</u>	<u>245,410</u>
NET BOOK VALUE				
At 31 December 2018	<u>53</u>	<u>46,719</u>	<u>1,004</u>	<u>47,776</u>
At 31 December 2017	<u>159</u>	<u>71,729</u>	<u>2,318</u>	<u>74,206</u>

**Notes to the Financial Statements - continued
for the year ended 31 December 2018**

4. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 January 2018	175,968
Additions	23,686
Disposals	(43,404)
Transfer to ownership	(47,890)
At 31 December 2018	<u>108,360</u>
DEPRECIATION	
At 1 January 2018	105,238
Charge for year	46,793
Eliminated on disposal	(42,500)
Transfer to ownership	(42,298)
At 31 December 2018	<u>67,233</u>
NET BOOK VALUE	
At 31 December 2018	<u>41,127</u>
At 31 December 2017	<u>70,730</u>

5. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2018 and 31 December 2018	<u>175,000</u>
NET BOOK VALUE	
At 31 December 2018	<u>175,000</u>
At 31 December 2017	<u>175,000</u>

Fair value at 31 December 2018 is represented by:

	£
Valuation in 2018	19,975
Cost	<u>155,025</u>
	<u>175,000</u>

If investment property had not been revalued it would have been included at the following historical cost:

	2018 £	2017 £
Cost	<u>155,025</u>	<u>155,025</u>

Investment property was valued on an open market basis on 31 December 2018 by the director

Direct Cooling Systems Limited (Registered number: 04118287)

**Notes to the Financial Statements - continued
for the year ended 31 December 2018**

6. STOCKS		
	2018	2017
	£	£
Work-in-progress	<u>551,217</u>	<u>1,224,099</u>
7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2018	2017
	£	£
Trade debtors	5,068	208,362
Amounts owed by group undertakings	386,707	334,855
Other debtors	<u>5,360</u>	<u>7,970</u>
	<u>397,135</u>	<u>551,187</u>
8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2018	2017
	£	£
Bank loans and overdrafts	330,347	54,500
Hire purchase contracts	19,041	31,759
Trade creditors	482,517	1,795,885
Taxation and social security	215,825	154,743
Other creditors	<u>10,522</u>	<u>13,034</u>
	<u>1,058,252</u>	<u>2,049,921</u>
9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2018	2017
	£	£
Bank loans	27,000	44,000
Hire purchase contracts	<u>37,291</u>	<u>54,517</u>
	<u>64,291</u>	<u>98,517</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>9,000</u>	<u>13,500</u>
10. SECURED DEBTS		
The following secured debts are included within creditors:		
	2018	2017
	£	£
Bank overdraft	313,347	-
Bank loans	44,000	98,500
Hire purchase contracts	<u>56,332</u>	<u>86,276</u>
	<u>413,679</u>	<u>184,776</u>

There is a fixed and floating charge over the undertaking, its property and all of the current and future assets of the company, dated 17th July 2015 held by Svenska Handelsbanken.

There is also a legal charge which secures all monies due or becoming due to Svenska Handelsbanken over 2 Stanhope Street, Long Eaton, Nottingham, dated 6th November 2015, by way of a fixed charge.

Obligations under hire purchase contracts are secured on the assets to which they relate.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.