

**CONFINED SPACE CONTRACT SERVICES (UK) LIMITED**  
Filleled Annual Report and Unaudited Financial Statements  
for the Year Ended 31 July 2021

# Confined Space Contract Services (UK) Limited

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# Confined Space Contract Services (UK) Limited

## Company Information

|                          |   |
|--------------------------|---|
| <b>Director</b>          | M Lemon   |
| <b>Registered office</b> | Suite 6, Birtley Business Centre<br>Station Lane<br>Birtley<br>Tyne and Wear<br>DH3 1QT                                 |
| <b>Bankers</b>           | Natwest<br>The Galleries<br>Washington Centre<br>Washington<br>Tyne and Wear<br>NE38 7SG                                |
| <b>Accountants</b>       | MHA Tait Walker<br>Chartered Accountants<br>Bulman House<br>Regent Centre<br>Gosforth<br>Newcastle upon Tyne<br>NE3 3LS |

# Confined Space Contract Services (UK) Limited

(Registration number: 04571675)

## Statement of Financial Position as at 31 July 2021

|  | Note     | 2021<br>£        | 2020<br>£        |
|--|----------|------------------|------------------|
| <b>Fixed assets</b>  |          |                  |                  |
| Tangible assets  | <u>4</u> | 141,241          | 93,700           |
| <b>Current assets</b>  |          |                  |                  |
| Stocks   | <u>5</u> | 8,800            | 6,421            |
| Debtors  | <u>6</u> | 584,373          | 320,606          |
| Cash at bank and in hand                                       |          | 900,861          | 570,337          |
|  |          | <u>1,494,034</u> | <u>897,364</u>   |
| <b>Creditors: Amounts falling due within one year</b>          | <u>7</u> | <u>(505,883)</u> | <u>(191,738)</u> |
| <b>Net current assets</b>                                      |          | <u>988,151</u>   | <u>705,626</u>   |
| <b>Total assets less current liabilities</b>                   |          | <u>1,129,392</u> | <u>799,326</u>   |
| <b>Creditors: Amounts falling due after more than one year</b> | <u>7</u> | <u>(276,038)</u> | <u>(151,743)</u> |
| <b>Provisions for liabilities</b>                              |          | <u>(17,870)</u>  | <u>(5,297)</u>   |
| <b>Net assets</b>  |          | <u>835,484</u>   | <u>642,286</u>   |
| <b>Capital and reserves</b>                                    |          |                  |                  |
| Called up share capital  |          | 100              | 408              |
| Capital redemption reserve                                     |          | 308              | -                |
| Profit and loss account  |          | <u>835,076</u>   | <u>641,878</u>   |
| <b>Total equity</b>  |          | <u>835,484</u>   | <u>642,286</u>   |

For the financial year ending 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and the option not to file the Income Statement has been taken.

The notes on pages 4 to 9 form an integral part of these financial statements.

# **Confined Space Contract Services (UK) Limited**

**(Registration number: 04571675)**

## **Statement of Financial Position as at 31 July 2021 (continued)**

Approved and authorised by the director on 13 December 2021

.....

M Lemon

Director

The notes on pages 4 to 9 form an integral part of these financial statements.

# **Confined Space Contract Services (UK) Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Suite 6, Birtley Business Centre, Station Lane, Birtley, Tyne and Wear, DH3 1QT.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

These financial statements are prepared in sterling which is the functional currency of the entity.

#### **Going concern**

The company meets its day to day working capital requirements through cash generated from operations and shareholder. The director has assessed the potential impact of COVID-19 on the company and has implemented a business continuity plan to mitigate against this.

The director has a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

# Confined Space Contract Services (UK) Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021 (continued)

### 2 Accounting policies (continued)

#### Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Other operating income includes £47,407 UK Government assistance provided through the Coronavirus Job Retention Scheme during the Covid-19 pandemic.

#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when 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.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class           | Depreciation method and rate |
|-----------------------|------------------------------|
| Plant and machinery   | 15% reducing balance         |
| Fixtures and fittings | 20% reducing balance         |
| Office equipment      | 33% reducing balance         |
| Motor vehicles        | 25% reducing balance         |

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

# **Confined Space Contract Services (UK) Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021 (continued)**

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

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.



## Confined Space Contract Services (UK) Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021 (continued)

#### 2 Accounting policies (continued)

##### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

##### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 23 (2020 - 21).

#### 4 Tangible assets

|                          | <b>Fixtures and<br/>fittings<br/>£</b> | <b>Plant and<br/>machinery<br/>£</b> | <b>Office<br/>equipment<br/>£</b> | <b>Motor<br/>vehicles<br/>£</b> | <b>Total<br/>£</b> |
|--------------------------|--|--------------------------------------|-----------------------------------|---------------------------------|--------------------|
| <b>Cost or valuation</b> |  |                                      |                                   |                                 |                    |
| At 1 August 2020         | 5,418                                  | 35,773                               | 14,238                            | 122,005                         | 177,434            |
| Additions                | 2,650                                  | 25,594                               | 3,860                             | 84,291                          | 116,395            |
| Disposals                | -                                      | -                                    | -                                 | (73,341)                        | (73,341)           |
| At 31 July 2021          | 8,068                                  | 61,367                               | 18,098                            | 132,955                         | 220,488            |
| <b>Depreciation</b>      |  |                                      |                                   |                                 |                    |
| At 1 August 2020         | 3,830                                  | 18,145                               | 12,094                            | 49,666                          | 83,735             |
| Charge for the year      | 671                                    | 3,924                                | 1,302                             | 31,226                          | 37,123             |
| Eliminated on disposal   | -                                      | -                                    | -                                 | (41,611)                        | (41,611)           |
| At 31 July 2021          | 4,501                                  | 22,069                               | 13,396                            | 39,281                          | 79,247             |
| <b>Carrying amount</b>   |  |                                      |                                   |                                 |                    |
| At 31 July 2021          | 3,567                                  | 39,298                               | 4,702                             | 93,674                          | 141,241            |
| At 31 July 2020          | 3,733                                  | 17,628                               | -                                 | 72,339                          | 93,700             |

# Confined Space Contract Services (UK) Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021 (continued)

### 5 Stocks

|                   | 2021<br>£ | 2020<br>£ |
|-------------------|-----------|-----------|
| Other inventories | 8,800     | 6,421     |

### 6 Debtors

|               | 2021<br>£ | 2020<br>£ |
|---------------|-----------|-----------|
| Trade debtors | 583,336   | 319,019   |
| Other debtors | 1,037     | 1,587     |
|               | 584,373   | 320,606   |

### 7 Creditors

#### Creditors: amounts falling due within one year

|                              | Note | 2021<br>£ | 2020<br>£ |
|------------------------------|------|-----------|-----------|
| <b>Due within one year</b>   |      |           |           |
| Bank loans and overdrafts    | 8    | 115,229   | 14,388    |
| Trade creditors              |      | 218,101   | 10,734    |
| Taxation and social security |      | 67,013    | 81,668    |
| Accruals and deferred income |      | 3,950     | 4,175     |
| Other creditors              |      | 1,963     | -         |
| Corporation tax liability    |      | 97,905    | 77,562    |
| Director's loan account      |      | 1,722     | 3,211     |
|                              |      | 505,883   | 191,738   |

#### Creditors: amounts falling due after more than one year

|                           | Note | 2021<br>£ | 2020<br>£ |
|---------------------------|------|-----------|-----------|
| <b>Due after one year</b> |      |           |           |
| Loans and borrowings      | 8    | 276,038   | 151,743   |

# Confined Space Contract Services (UK) Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021 (continued)

### 8 Loans and borrowings

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| <b>Current loans and borrowings</b>         |                |                |
| Bank borrowings                             | 92,353         | -              |
| Hire purchase and finance lease liabilities | 22,876         | 14,388         |
|   | <u>115,229</u> | <u>14,388</u>  |
|   |                |                |
|   | 2021<br>£      | 2020<br>£      |
| <b>Non-current loans and borrowings</b>     |                |                |
| Bank borrowings                             | 219,813        | 106,052        |
| Hire purchase and finance lease liabilities | 56,225         | 45,691         |
|   | <u>276,038</u> | <u>151,743</u> |

### 9 Financial commitments, guarantees and contingencies

#### Amounts disclosed in the statement of financial position

Included in the statement of financial position are pensions of £1,964 (2020 - £Nil).

### 10 Related party transactions

#### Transactions with directors

|                         | At 1 August<br>2020<br>£ | Advances to<br>directors<br>£ | Repayments<br>by director<br>£ | At 31 July<br>2021<br>£ |
|-------------------------|--------------------------|-------------------------------|--------------------------------|-------------------------|
| <b>2021</b>             |                          |                               |                                |                         |
| <b>M Lemon</b>          |                          |                               |                                |                         |
| Director's loan account | 3,211                    | 99                            | (1,588)                        | 1,722                   |

|                         | At 1 August<br>2019<br>£ | At 31 July<br>2020<br>£ |
|-------------------------|--------------------------|-------------------------|
| <b>2020</b>             |                          |                         |
| <b>M Lemon</b>          |                          |                         |
| Director's loan account | 3,211                    | 3,211                   |

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.