

Environment Systems Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2017

Mitchell Meredith Limited
Chartered Accountants
The Exchange
Fiveways
Temple Street
Llandrindod Wells
Powys
LD1 5HG

Environment Systems Limited

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Environment Systems Limited

Company Information

Directors Mr G Summers
 Mr S J Keyworth

Company secretary Mr G Summers

Registered office The Exchange
 Fiveways
 Temple Street
 Llandrindod Wells
 Powys
 LD1 5HG

Accountants Mitchell Meredith Limited
 Chartered Accountants
 The Exchange
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**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Environment Systems Limited
for the Year Ended 31 March 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Environment Systems Limited for the year ended 31 March 2017 as set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icacw.com/cn/mcmbers/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Environment Systems Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Environment Systems Limited and state those matters that we have agreed to state to the Board of Directors of Environment Systems Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Environment Systems Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Environment Systems Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Environment Systems Limited. You consider that Environment Systems Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Environment Systems Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Mitchell Meredith Limited
Chartered Accountants
The Exchange
Fiveways
Temple Street
Llandrindod Wells
Powys
LD1 5HG

21 August 2017

Environment Systems Limited

(Registration number: 04628049)

Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>3</u>	50,127	32,634
Current assets			
Debtors	<u>4</u>	547,791	332,799
Cash at bank and in hand		<u>86,997</u>	<u>257</u>
		634,788	333,056
Creditors: Amounts falling due within one year	<u>5</u>	<u>(530,758)</u>	<u>(353,249)</u>
Net current assets/(liabilities)		<u>104,030</u>	<u>(20,193)</u>
Total assets less current liabilities		154,157	12,441
Creditors: Amounts falling due after more than one year	<u>5</u>	<u>(153,714)</u>	<u>(66,718)</u>
Net assets/(liabilities)		<u><u>443</u></u>	<u><u>(54,277)</u></u>
Capital and reserves			
Called up share capital		685	685
Profit and loss account		<u>(242)</u>	<u>(54,962)</u>
Total equity		<u><u>443</u></u>	<u><u>(54,277)</u></u>

The notes on pages 5 to 9 form an integral part of these financial statements.

Environment Systems Limited
(Registration number: 04628049)
Balance Sheet as at 31 March 2017

For the financial year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 Profit and Loss Account has been taken.

Approved and authorised by the Board on 21 August 2017 and signed on its behalf by:

.....

Mr G Summers

Company secretary and director

The notes on pages 5 to 9 form an integral part of these financial statements.
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Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

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:

The Exchange
Fiveways
Temple Street
Llandrindod Wells
Powys
LD1 5HG
UK

The principal place of business is:

9 Cefn Llan Science Park
Aberystwyth
Ceredigion
SY23 3AH

These financial statements were authorised for issue by the Board on 21 August 2017.

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 except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

At the balance sheet date the company had net current assets of £104,030 (2016 - net current liabilities of £20,193) and total net assets of £443 (2016 - total net liabilities of £54,277). However creditors includes loans from directors of £169,822. The directors anticipate that the company will return to operating profit in 2018 and combined with the continued support of the directors, they consider it appropriate to prepare the financial statements on a going concern basis.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

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
Leasehold improvements	Over 7 years
Fixtures and fittings	15% on cost
Computer equipment	25% on cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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.

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 Profit and Loss Account 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.

Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

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.

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 Tangible assets

	Land and buildings £	Fixtures, fittings and computer equipment £	Total £
Cost or valuation			
At 1 April 2016	-	363,930	363,930
Additions	5,727	34,535	40,262
At 31 March 2017	5,727	398,465	404,192
Depreciation			
At 1 April 2016	-	331,296	331,296
Charge for the year	818	21,951	22,769
At 31 March 2017	818	353,247	354,065
Carrying amount			
At 31 March 2017	4,909	45,218	50,127
At 31 March 2016	-	32,634	32,634

Included within the net book value of land and buildings above is £4,909 (2016 - £Nil) in respect of short leasehold land and buildings.

4 Debtors

	2017 £	2016 £
Trade debtors	542,814	320,877
Other debtors	4,977	11,922

Total current trade and other debtors

547,791

332,799

Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	<u>6</u>	39,751	70,959
Trade creditors		104,479	104,829
Amounts owed to group undertakings and undertakings in which the company has a participating interest		169,822	49,822
Taxation and social security		201,856	123,626
Other creditors		<u>14,850</u>	<u>4,013</u>
		<u>530,758</u>	<u>353,249</u>
Due after one year			
Loans and borrowings	<u>6</u>	<u>153,714</u>	<u>66,718</u>

6 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	46,750	63,750
Other borrowings	<u>106,964</u>	<u>2,968</u>
	<u>153,714</u>	<u>66,718</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	17,004	17,000
Bank overdrafts	-	24,382
Other borrowings	<u>22,747</u>	<u>29,577</u>
	<u>39,751</u>	<u>70,959</u>

Bank borrowings

The HSBC loan is denominated in Sterling with a nominal interest rate of 3.4% over base, and the final instalment is due on 24 December 2020. The carrying amount at year end is £63,750 (2016 - £80,750).

There is a fixed and floating charge over all assets of the company, together with a guarantee given by the directors to secure all liabilities of the company under the loan limited to £85,000.

Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Other borrowings

The EZBob everline loan with a carrying amount of £3,379 (2016 - £23,205) is denominated in sterling with a nominal interest rate of 31.3% APR. The final instalment is due on 31 May 2017.

This loan is secured by way of a full payment and performance guarantee by G Summers.

The Finance Wales loan with a carrying amount of £126,337 (2016 - £Nil) is denominated in sterling with a nominal interest rate of 10% per annum. The final instalment is due on 1 March 2021.

This loan is secured by a joint and several guarantee from the directors.

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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.