

Environment Systems Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2018

Environment Systems Limited

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Environment Systems Limited

Company Information

Directors Mr S J Keyworth
Mr G Summers

Registered office c/o Mitchell Meredith
The Exchange
Temple Street
Llandrindod Wells
Powys
LD1 5HG

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

Environment Systems Limited
(Registration number: 04628049)
Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>4</u>	42,012	50,127
Current assets			
Debtors	<u>5</u>	452,536	547,791
Cash at bank and in hand		4,603	86,997
		457,139	634,788
Creditors: Amounts falling due within one year	<u>6</u>	(564,185)	(530,758)
Net current (liabilities)/assets		(107,046)	104,030
Total assets less current liabilities		(65,034)	154,157
Creditors: Amounts falling due after more than one year	<u>6</u>	(111,296)	(153,714)
Net (liabilities)/assets		(176,330)	443
Capital and reserves			
Called up share capital		685	685
Profit and loss account		(177,015)	(242)
Total equity		(176,330)	443

The notes on pages 4 to 8 form an integral part of these financial statements.
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Environment Systems Limited
(Registration number: 04628049)
Balance Sheet as at 31 March 2018

For the financial year ending 31 March 2018 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 14 November 2018 and signed on its behalf by:

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Mr G Summers
Director

The notes on pages 4 to 8 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 2018

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:

c/o Mitchell Meredith
The Exchange
Temple Street
Llandrindod Wells
Powys
LD1 5HG

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 14 November 2018.

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 liabilities of £107,046 (2017 - net current assets of £104,030) and total net liabilities of £176,330 (2017 - total net assets of £443). However creditors includes loans from directors of £169,822. The directors anticipate that the company will return to operating profit in 2019 and combined with the continued support of the directors, they consider it appropriate to prepare the financial statements on a going concern basis.

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 sales/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.

Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

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.

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 at the transaction price. 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 at the transaction price.

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 2018

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 directors) during the year, was 28 (2017 - 25).

4 Tangible assets

	Land and buildings £	Fixtures, fittings and computer equipment £	Total £
Cost or valuation			
At 1 April 2017	5,727	398,465	404,192
Additions	-	16,880	16,880
At 31 March 2018	5,727	415,345	421,072
Depreciation			
At 1 April 2017	818	353,247	354,065
Charge for the year	818	24,177	24,995
At 31 March 2018	1,636	377,424	379,060
Carrying amount			
At 31 March 2018	4,091	37,921	42,012
At 31 March 2017	4,909	45,218	50,127

Included within the net book value of land and buildings above is £4,091 (2017 - £4,909) in respect of short leasehold land and buildings.

Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

5 Debtors

	2018 £	2017 £
Trade debtors	448,841	542,814
Prepayments	3,695	4,977
Total current trade and other debtors	452,536	547,791

6 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Loans and overdrafts	7	42,418	39,751
Trade creditors		100,047	104,479
Directors' current accounts		169,822	169,822
Taxation and social security		248,448	201,856
Accruals and deferred income		3,450	14,850
		564,185	530,758

Due after one year

Loans and borrowings	7	111,296	153,714
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Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	7	111,296	153,714

Environment Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

7 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	29,750	46,750
Other borrowings	81,546	106,964
	<u>111,296</u>	<u>153,714</u>

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	17,004	17,004
Other borrowings	25,414	22,747
	<u>42,418</u>	<u>39,751</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 £46,750 (2017 - £63,750).

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.

Other borrowings

The Finance Wales loan is denominated in sterling with a nominal interest rate of 10%, and the final instalment is due on 1 March 2021. The carrying amount at year end is £106,965 (2017 - £126,337).

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

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £7,773 (2017 - £10,165).

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.