

Registered number: 05486732

CRS Air Conditioning Limited

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 31 July 2020

Balance Sheet
As at 31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	125,000	150,000
Tangible assets	5	27,646	32,302
		<u>152,646</u>	<u>182,302</u>
Current assets			
Debtors: amounts falling due within one year	6	234,226	190,619
Cash at bank and in hand		255,111	135,364
		<u>489,337</u>	<u>325,983</u>
Creditors: amounts falling due within one year	8	(166,365)	(84,986)
Net current assets		<u>322,972</u>	<u>240,997</u>
Total assets less current liabilities		<u>475,618</u>	<u>423,299</u>
Creditors: amounts falling due after more than one year	9	(48,155)	(12,927)
Provisions for liabilities			
Deferred tax	11	(10,003)	(5,492)
		<u>(10,003)</u>	<u>(5,492)</u>
Net assets		<u><u>417,460</u></u>	<u><u>404,880</u></u>

Balance Sheet (continued)
As at 31 July 2020

	2020 £	2019 £
Capital and reserves		
Called up share capital	100	100
Profit and loss account	417,360	404,780
	<u>417,460</u>	<u>404,880</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

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C R Staples

Director

Date: 29 April 2021

The notes on pages 3 to 10 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 July 2020**

1. General information

CRS Air Conditioning Limited is a private company limited by share capital, incorporated in England and Wales (registered number: 05486732).

The registered office address is A2 Yeoman Gate, Yeoman Way, Worthing, West Sussex BN13 3QZ.

The principal place of business is Dunsfold, Thakeham Road, Storrington, West Sussex RH20 3NW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Going concern

The financial statements have been prepared on a going concern basis. While the impact of the Covid-19 virus has been assessed by the directors, so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the company's trade, its customers and suppliers. However, taking into consideration the UK Government's response and the company's planning, the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**Notes to the Financial Statements
For the Year Ended 31 July 2020**

2. Accounting policies (continued)

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	20	years
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2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	20%	per annum
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Notes to the Financial Statements
For the Year Ended 31 July 2020**

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.15 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**Notes to the Financial Statements
For the Year Ended 31 July 2020**

2. Accounting policies (continued)

2.16 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2019 - 3).

Notes to the Financial Statements
For the Year Ended 31 July 2020

4. Intangible assets

	Goodwill £
Cost	
At 1 August 2019	500,000
At 31 July 2020	<u>500,000</u>
Amortisation	
At 1 August 2019	350,000
Charge for the year on owned assets	25,000
At 31 July 2020	<u>375,000</u>
Net book value	
At 31 July 2020	<u><u>125,000</u></u>
At 31 July 2019	<u><u>150,000</u></u>

Notes to the Financial Statements
For the Year Ended 31 July 2020

5. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 August 2019	57,595
Additions	2,164
At 31 July 2020	59,759
Depreciation	
At 1 August 2019	25,293
Charge for the year on owned assets	6,820
At 31 July 2020	32,113
Net book value	
At 31 July 2020	27,646
At 31 July 2019	32,302

The net book value of assets held under finance leases or hire purchase contracts, included above are £22,968 (2019: 28,710).

6. Debtors

	2020 £	2019 £
Trade debtors	209,773	144,847
Other debtors	24,453	45,772
	234,226	190,619

7. Government grants

Government grants received include the Coronavirus Job Retention Scheme (CJRS) grant which the Company utilised as a result of the government imposed lockdowns. The total amount received as a result of the CJRS totalled £1,632.

The Company also received a loan using the Coronavirus Business Interruption Loan Scheme (CBILS) and received a Business Interruption Payment (BIP) covering the first full year of interest as a result. The BIP provided for up to 31 July 2020 totalled £208. This equated to 2 of the total 12 months' worth of the total BIP.

Notes to the Financial Statements
For the Year Ended 31 July 2020

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	94,776	27,723
Corporation tax	36,319	1,988
Other taxation and social security	18,662	34,957
Obligations under finance lease and hire purchase contracts	4,772	4,500
Other creditors	9,911	14,268
Accruals and deferred income	1,925	1,550
	<u>166,365</u>	<u>84,986</u>

9. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	40,000	-
Net obligations under finance leases and hire purchase contracts	8,155	12,927
	<u>48,155</u>	<u>12,927</u>

10. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due 1-2 years		
Bank loans	5,359	-
	<u>5,359</u>	<u>-</u>
Amounts falling due 2-5 years		
Bank loans	34,641	-
	<u>34,641</u>	<u>-</u>
	<u>40,000</u>	<u>-</u>

Notes to the Financial Statements
For the Year Ended 31 July 2020

11. Deferred taxation

	2020 £
At beginning of year	(5,492)
Charged to profit or loss	(4,511)
At end of year	<u>(10,003)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(10,003)	(5,492)
	<u>(10,003)</u>	<u>(5,492)</u>

12. Transactions with directors

During the year, the directors received an unsecured loan from the company with interest charged at 2.5%. The loan is repayable on demand. The directors received advances of £95,815 (2019 - £34,649) and repaid £117,133 (2019 - £nil).

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.