

ACD Environmental Limited

Financial Statements

For the Year Ended 31 October 2018



ACD Environmental Limited

Registered number: 08058718

Balance Sheet As at 31 October 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	4		245,415		245,927
Investments	5		778,000		778,000
			<u>1,023,415</u>		<u>1,023,927</u>
Current assets					
Debtors	6	1,552,861		1,353,149	
Cash at bank and in hand	7	344,276		438,593	
			<u>1,897,137</u>	<u>1,791,742</u>	
Creditors: amounts falling due within one year	8	(1,167,474)		(1,551,070)	
Net current assets			<u>729,663</u>		<u>240,672</u>
Total assets less current liabilities			<u>1,753,078</u>		<u>1,264,599</u>
Creditors: amounts falling due after more than one year	9		(38,793)		(49,744)
Provisions for liabilities					
Deferred tax			(9,412)		(8,309)
Net assets			<u><u>1,704,873</u></u>		<u><u>1,206,546</u></u>
Capital and reserves					
Called up share capital			88		89
Share premium account			17,592		-
Profit and loss account			1,687,193		1,206,457
			<u><u>1,704,873</u></u>		<u><u>1,206,546</u></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 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.

ACD Environmental Limited

Registered number: 08058718

Balance Sheet (continued)

As at 31 October 2018

The company has opted not to file the profit and loss account 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 on 27 February 2019.



- J. Constable

Director

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

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

1. General information

ACD Environmental Limited is a private company limited by shares, incorporated in England and Wales. Its registered office is Construction House, Runwell Road, Wickford, Essex, SS11 7HQ.

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.

The following principal accounting policies have been applied:

2.2 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.

2.3 Tangible fixed assets and depreciation

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.

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

2. Accounting policies (continued)

2.3 Tangible fixed assets and depreciation (continued)

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 at the following rates:

Plant and machinery	-	20% reducing balance
Motor vehicles	-	20% reducing balance
Fixtures and fittings	-	20% reducing balance
Office equipment	-	20% reducing balance

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 the Profit and Loss Account.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 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.

2.6 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.

2.7 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 non-puttable ordinary shares.

2.8 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.

2.9 Finance costs

Finance costs are charged to the Profit and Loss Account 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.

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

2. Accounting policies (continued)

2.10 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.11 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, 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 46 (2017 - 36).

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 November 2017	5,773	209,255	14,725	94,830	324,583
Additions	4,727	56,145	725	13,506	75,103
Disposals	-	(31,827)	-	-	(31,827)
At 31 October 2018	10,500	233,573	15,450	108,336	367,859
Depreciation					
At 1 November 2017	417	55,636	4,437	18,165	78,655
Charge for the year on owned assets	1,624	5,190	2,089	16,727	25,630
Charge for the year on financed assets	-	29,191	-	-	29,191
Disposals	-	(11,032)	-	-	(11,032)
At 31 October 2018	2,041	78,985	6,526	34,892	122,444
Net book value					
At 31 October 2018	8,459	154,588	8,924	73,444	245,415
At 31 October 2017	5,356	153,618	10,288	76,665	245,927

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Motor vehicles	139,160	122,094

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

5. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 November 2017 at 31 October 2018	778,000
Net book value	
At 31 October 2018	<u>778,000</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
ACD (Landscape Architects) Southampton Limited	Ordinary	100 %	Dormant
ACD (Landscape Architects) Limited	Ordinary	100 %	Dormant
ACD (Arboriculture) Limited	Ordinary	100 %	Dormant
ACD Archaeology Limited	Ordinary	100 %	Dormant
ACD Ecology Limited	Ordinary	100 %	Dormant

6. Debtors

	2018 £	2017 £
Trade debtors	560,176	431,954
Amounts owed by subsidiary companies	773,173	785,090
Other debtors	6,231	5,955
Prepayments and accrued income	213,281	130,150
	<u>1,552,861</u>	<u>1,353,149</u>

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	344,276	438,593

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	24,517	12,456
Amounts owed to subsidiary companies	777,212	777,371
Corporation tax	116,757	100,581
Taxation and social security	134,400	146,337
Obligations under finance lease and hire purchase contracts	44,984	33,097
Other creditors	3,038	427,180
Accruals and deferred income	66,566	54,049
	1,167,474	1,551,071

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

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	38,793	49,744

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	33,669	33,096
Between 1-5 years	5,123	30,617
Over 5 years	-	19,127
	38,792	82,840

ACD Environmental Limited

Notes to the Financial Statements For the Year Ended 31 October 2018

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £35,559 (2017 - £34,507).

12. Related party transactions

At the balance sheet date, the company owed £427,488 (2017 - £427,541) to ACD Ecology Limited, £143,481 (2017 - £143,534) to ACD Arboriculture Limited, £18,076 (2017 - £18,076) to ACD Archaeology Limited and £188,166 (2017 - £188,219) to ACD (Landscape Architects) Southampton Limited, all of which are subsidiary companies.

At the balance sheet date, the company was owed £773,173 (2017 - £785,090) from a subsidiary company, ACD (Landscape Architects) Limited. No interest was charged on these loans.