Chartered Accountants

Chamber of Commerce House
22 Great Victoria Street
Belfast BT2 7BA
Northern Ireland

Tel: 028 9044 2000
Fax: 028 9044 2050
Web: www.hillvellacott.com

Hill Vellacott

Company registration number: NI026732

COMPANIES HOUSE
11 AUG 2017
BELFAST

Amalgamated Environmental Services (AES) Limited

Unaudited financial statements

(in accordance with s.444 Companies Act 2006)

31 December 2016

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JNI 11/08/2017 #12
COMPANIES HOUSE

Partners
P.G. Hegarty, FCCA
A.H. Curry, FCA, CTA, TEP
P.W. Gribben, FCA
S. Hamilton, FCA

Contents

Directors and other information

Directors	Mr. Timothy Alexander Dundee Mr. Colin James Johnston Mr. Paul Thomas McEvoy
Secretary	Mr PT McEvoy
Company number	NI026732
Registered office	Chamber of Commerce House 22 Great Victoria Street Belfast BT2 7BA
Business address	Unit 4 Ravenhill Business Park Ravenhill Road Belfast BT6 8AW
Accountants	Hill Vellacott 22 Great Victoria Street Belfast BT2 7BA
Bankers	Bank of Ireland University Road Belfast BT7 1NH

Amalgamated Environmental Services (AES) Limited

Report to the board of directors on the preparation of the unaudited statutory financial statements of Amalgamated Environmental Services (AES) Limited Year ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Amalgamated Environmental Services (AES) Limited for the year ended 31 December 2016 which comprise the statement of financial position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of Chartered Accountants Ireland, we are subject to its ethical and other professional requirements which are detailed at www.charteredaccountants.ie.

This report is made solely to the board of directors of Amalgamated Environmental Services (AES) 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 financial statements of Amalgamated Environmental Services (AES) Limited and state those matters that we have agreed to state to the board of directors of Amalgamated Environmental Services (AES) Limited as a body, in this report in accordance with the requirements of Chartered Accountants Ireland as detailed at www.charteredaccountants.ie To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Amalgamated Environmental Services (AES) Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Amalgamated Environmental Services (AES) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Amalgamated Environmental Services (AES) Limited. You consider that Amalgamated Environmental Services (AES) 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 financial statements of Amalgamated Environmental Services (AES) 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 financial statements.

Hill Vellacott

Hill Vellacott
Chartered accountants

22 Great Victoria Street
Belfast
BT2 7BA

19 June 2017

Statement of financial position
31 December 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	6	145,784		146,629	
			145,784		146,629
Current assets					
Stocks		321,780		218,373	
Debtors	7	2,276,755		2,011,339	
Cash at bank and in hand		24,092		23,812	
		2,622,627		2,253,524	
Creditors: amounts falling due within one year	8	(1,263,091)		(1,006,679)	
Net current assets			1,359,536		1,246,845
Total assets less current liabilities			1,505,320		1,393,474
Creditors: amounts falling due after more than one year	9		(28,715)		(25,877)
Provisions for liabilities			(25,666)		(24,760)
Net assets			1,450,939		1,342,837
Capital and reserves					
Called up share capital			3		3
Profit and loss account			1,450,936		1,342,834
Shareholders funds			1,450,939		1,342,837

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:
- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their 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 and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The notes on pages 6 to 11 form part of these financial statements.

Statement of financial position (continued)
31 December 2016

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 19 June 2017, and are signed on behalf of the board by:

Mr. Paul Thomas McEvoy
Director

Company registration number: NI026732

The notes on pages 6 to 11 form part of these financial statements.

Notes to the financial statements
Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Amalgamated Environmental Services (AES) Limited, Chamber of Commerce House, 22 Great Victoria Street, Belfast, BT2 7BA.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	20%	reducing balance
Fittings fixtures and equipment	-	20%	reducing balance
Motor vehicles	-	25%	reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Staff costs

The average number of persons employed by the company during the year, including the directors was 39 (2015: 37).

5. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation of tangible assets	37,385	34,353

6. Tangible assets

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2016	362,587	59,647	208,013	630,247
Additions	3,389	649	38,150	42,188
Disposals	-	-	(37,025)	(37,025)
At 31 December 2016	365,976	60,296	209,138	635,410
Depreciation				
At 1 January 2016	297,983	40,527	145,108	483,618
Charge for the year	13,298	3,846	20,241	37,385
Disposals	-	-	(31,377)	(31,377)
At 31 December 2016	311,281	44,373	133,972	489,626
Carrying amount				
At 31 December 2016	54,695	15,923	75,166	145,784
At 31 December 2015	64,604	19,120	62,905	146,629

7. Debtors

	2016	2015
	£	£
Trade debtors	1,110,323	897,948
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,137,935	1,052,935
Other debtors	28,497	60,456
	2,276,755	2,011,339

8. Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	369,548	404,974
Trade creditors	612,496	372,933
Corporation tax	1,551	-
Social security and other taxes	110,420	125,433
Other creditors	169,076	103,339
	1,263,091	1,006,679

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

	2016	2015
	£	£
Other creditors	28,715	25,877

The bank facility is secured by:
-a debenture charging all of the assets and undertaking of the Borrower;
-an assignment of the Aviva life policy on the life of Mr Colin Johnston with cover in the sum of £500,000
-a joint and several guarantee and indemnity from Mr Colin Johnston and Mr Paul McEvoy with the principal amount recoverable thereunder being capped at £100,000
-an intercreditor agreement subordinating all directors' shareholders' and third party loans, and the security therefor, to the amount due to the Bank; and
-the unlimited cross-guarantee from AES-Marconi Limited and the Borrower in favour of the Bank.

The Cross-Guarantee is counter-covered by:
- a debenture charging all of the assets and undertaking of AES-Marconi Limited;
- an assignment of the Aviva life policy on the life of Mr Paul McEvoy with cover in the sum of £500,000; and
- a joint and several guarantee and indemnity from Mr Colin Johnston and Mr Paul McEvoy in respect of the liabilities of AES-Marconi Limited with the principal amount recoverable thereunder being capped at £600,000.

10. Related party transactions

The company had the following related party transactions:
The company is related to AES Marconi Limited, as AES Marconi Limited hold 100% of the issued shares in the company.
In the year the company paid bank loan repayments on behalf of AES Marconi Limited of £85,000 (2015 £79,000).
The company advanced £0 (2015 £12,650) to AES Marconi Limited in the year.
At the balance sheet date the amount owed to the company by AES Marconi Limited was £1,137,935 (2015 £1,052,935). The loan is unsecured and interest free.

11. Controlling party

The company is controlled by the directors.

12. Ultimate parent undertaking

AES-Marconi Limited, a company incorporated in Northern Ireland, owns 100% of the issued share capital of the company and is the ultimate parent company.