

Company registration number 04628049 (England and Wales)

**ENVIRONMENT SYSTEMS LIMITED**

Unaudited Financial Statements

for the Year Ended 31 March 2023

**ENVIRONMENT SYSTEMS LIMITED**

**Contents**

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	<b>Page</b>
Company information	1
Balance sheet	2 - 3
Notes to the financial statements	4 - 8

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# ENVIRONMENT SYSTEMS LIMITED

## Company Information

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<b>Directors</b>	Mr S J Keyworth Mr G Summers
<b>Company number</b>	04628049
<b>Registered office</b>	The Exchange Fiveways Temple Street Llandrindod Wells Powys UK LD1 5HG
<b>Accountants</b>	Mitchell Meredith Limited The Exchange Fiveways Temple Street Llandrindod Wells Powys UK LD1 5HG

# ENVIRONMENT SYSTEMS LIMITED

## Balance Sheet

As at 31 March 2023

	Notes	£	2023 £	£	2022 £
<b>Fixed assets</b>					
Tangible assets	4		80,879		74,066
<b>Current assets</b>					
Debtors	5	754,678		924,185	
Cash at bank and in hand		11		16,215	
		<u>754,689</u>		<u>940,400</u>	
<b>Creditors: amounts falling due within one year</b>	6	(1,068,323)		(1,054,100)	
<b>Net current liabilities</b>			<u>(313,634)</u>		<u>(113,700)</u>
<b>Total assets less current liabilities</b>			<u>(232,755)</u>		<u>(39,634)</u>
<b>Creditors: amounts falling due after more than one year</b>	7		<u>(22,440)</u>		<u>(32,389)</u>
<b>Net liabilities</b>			<u><u>(255,195)</u></u>		<u><u>(72,023)</u></u>
<b>Capital and reserves</b>					
Called up share capital			120,685		120,685
Profit and loss reserves			<u>(375,880)</u>		<u>(192,708)</u>
<b>Total equity</b>			<u><u>(255,195)</u></u>		<u><u>(72,023)</u></u>

## **ENVIRONMENT SYSTEMS LIMITED**

### **Balance Sheet**

**As at 31 March 2023**

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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 21 December 2023 and are signed on its behalf by:

Mr G Summers

**Director**

**Company Registration No. 04628049**

# ENVIRONMENT SYSTEMS LIMITED

## Notes to the Financial Statements

For the Year Ended 31 March 2023

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### 1 Accounting policies

#### Company information

Environment Systems Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Exchange, Fiveways, Temple Street, Llandrindod Wells, Powys, UK, LD1 5HG.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the balance sheet date the company had net current liabilities of £313,634 (2022 - £113,701) and total net liabilities of £255,195 (2022 - £72,023). However creditors includes loans from directors of £31,614. In addition the directors are aware of the turnover and margins that the company needs to achieve in order to keep the company in profit and they believe these targets can be met. The directors review realistic objectives at regular intervals, based on this periodic review, the company's plans and the continued support of the directors, they consider it appropriate to prepare the financial statements on the going concern basis.

#### 1.3 Turnover

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 Turnover when:  
The amount of Turnover 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.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over 5 years
Fixtures and fittings	15% on cost
Computers	25% on cost
Motor vehicles	15% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# ENVIRONMENT SYSTEMS LIMITED

## Notes to the Financial Statements

### For the Year Ended 31 March 2023

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#### 1 Accounting policies

##### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at transaction price.

##### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# ENVIRONMENT SYSTEMS LIMITED

## Notes to the Financial Statements

### For the Year Ended 31 March 2023

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#### 1 Accounting policies

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



# ENVIRONMENT SYSTEMS LIMITED

## Notes to the Financial Statements

For the Year Ended 31 March 2023

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	31	27

### 4 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2022	12,035	32,136	538,062	9,999	592,232
Additions	-	1,824	32,747	10,999	45,570
At 31 March 2023	12,035	33,960	570,809	20,998	637,802
<b>Depreciation and impairment</b>					
At 1 April 2022	6,359	28,431	482,001	1,375	518,166
Depreciation charged in the year	1,262	969	33,651	2,875	38,757
At 31 March 2023	7,621	29,400	515,652	4,250	556,923
<b>Carrying amount</b>					
At 31 March 2023	4,414	4,560	55,157	16,748	80,879
At 31 March 2022	5,676	3,705	56,061	8,624	74,066

### 5 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	685,925	909,538
Corporation tax recoverable	38,712	-
Prepayments and accrued income	30,041	14,647
	754,678	924,185

## ENVIRONMENT SYSTEMS LIMITED

### Notes to the Financial Statements

For the Year Ended 31 March 2023

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**6 Creditors: amounts falling due within one year**

	2023	2022
	£	£
Bank loans and overdrafts	25,323	9,706
Other borrowings	-	5,757
Trade creditors	141,936	91,748
Taxation and social security	865,800	860,675
Other creditors	31,614	82,614
Accruals and deferred income	3,650	3,600
	<u>1,068,323</u>	<u>1,054,100</u>

**7 Creditors: amounts falling due after more than one year**

	2023	2022
	£	£
Bank loans and overdrafts	<u>22,440</u>	<u>32,389</u>

**8 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023	2022
	£	£
	<u>69,000</u>	<u>84,000</u>

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.