

**AUTOMATED ENVIRONMENTAL  
SYSTEMS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2018**

**MAGEE GAMMON**

Chartered Accountants

Henwood House

Henwood

Ashford

Kent

TN24 8DH

**AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**  
**REGISTERED NUMBER:08657294**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018	2017
<b>FIXED ASSETS</b>			
Intangible assets	4	1	4,500
Tangible assets	5	88,343	37,291
Investments	6	90	90
		<u>88,434</u>	<u>41,881</u>
<b>CURRENT ASSETS</b>			
Stocks		270,783	213,318
Debtors: amounts falling due within one year	7	300,332	363,024
Cash at bank and in hand	8	229,684	275,944
		<u>800,799</u>	<u>852,286</u>
Creditors: amounts falling due within one year	9	(235,428)	(396,181)
<b>NET CURRENT ASSETS</b>		<u>565,371</u>	<u>456,105</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		653,805	497,986
Creditors: amounts falling due after more than one year	10	(20,068)	(2,815)
<b>NET ASSETS</b>		<u>£ 633,737</u>	<u>£ 495,171</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	231	231
Profit and loss account		633,506	494,940
		<u>£ 633,737</u>	<u>£ 495,171</u>

**AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**  
**REGISTERED NUMBER:08657294**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2018**

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.

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 on 26 July 2019.

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**S Ward**

Director

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

# **AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

### **1. General information**

Automated Environmental Systems Limited is a private company limited by shares and is incorporated in England and Wales. The company number is 08657294 and the registered office of the company is Henwood House, Henwood, Ashford, Kent, TN24 8DH. The principal place of business is 20B Highbury Road, Brandon, Suffolk, IP27 0ND.

### **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:

##### **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 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.

## **AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.4 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.

Depreciation is provided on the following basis:

Motor vehicles	-	25%	reducing balance basis
Fixtures and fittings	-	25%	reducing balance basis
Office equipment	-	15%	straight line basis
Computer equipment	-	20%	straight line basis
Website	-	33%	straight line basis

##### **2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

##### **2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### **2.7 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.

##### **2.8 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.

## **AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.9 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.

##### **2.10 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

##### **2.11 Finance costs**

Finance costs are charged to the Statement of income and retained earnings 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 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 2. Accounting policies (continued)

#### 2.14 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 Statement of income and retained earnings 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.

#### 2.15 Taxation

Tax is recognised in the Statement of income and retained earnings, 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.

### 3. Employees

The average monthly number of employees, including directors, during the year was 10 (2017 - 8).

### 4. Intangible assets

	<b>Goodwill</b>
<b>Cost</b>	
At 1 January 2018	30,000
At 31 December 2018	<u>30,000</u>
<b>Amortisation</b>	
At 1 January 2018	25,500
Charge for the year	4,499
At 31 December 2018	<u>29,999</u>
<b>Net book value</b>	
At 31 December 2018	£ <u>1</u>
<b>At 31 December 2017</b>	£ <u>4,500</u>

# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 5. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
<b>Cost or valuation</b>					
At 1 January 2018	43,273	14,254	18,806	-	76,333
Additions	58,168	-	-	22,200	80,368
Disposals	(43,273)	-	-	-	(43,273)
At 31 December 2018	<u>58,168</u>	<u>14,254</u>	<u>18,806</u>	<u>22,200</u>	<u>113,428</u>
<b>Depreciation</b>					
At 1 January 2018	26,752	5,624	6,666	-	39,042
Charge for the year on owned assets	4,251	2,159	2,822	1,480	10,712
Charge for the year on financed assets	4,504	-	-	-	4,504
Disposals	(29,173)	-	-	-	(29,173)
At 31 December 2018	<u>6,334</u>	<u>7,783</u>	<u>9,488</u>	<u>1,480</u>	<u>25,085</u>
<b>Net book value</b>					
At 31 December 2018	<u>£ 51,834</u>	<u>£ 6,471</u>	<u>£ 9,318</u>	<u>£ 20,720</u>	<u>£ 88,343</u>
<b>At 31 December 2017</b>	<u>£ 16,521</u>	<u>£ 8,630</u>	<u>£ 12,140</u>	<u>£ -</u>	<u>£ 37,291</u>

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

	2018	2017
Motor vehicles	<u>37,738</u>	<u>8,537</u>
	<u>£ 37,738</u>	<u>£ 8,537</u>



# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 6. Fixed asset investments

	Investments in subsidiary companies
<b>Cost or valuation</b>	
At 1 January 2018	90
At 31 December 2018	<u>90</u>
<b>Net book value</b>	
At 31 December 2018	£ <u>90</u>
<b>At 31 December 2017</b>	£ <u>90</u>

### 7. Debtors

	2018	2017
Trade debtors	186,409	244,600
Other debtors	105,316	106,845
Prepayments and accrued income	8,607	11,579
	<u>£ 300,332</u>	<u>£ 363,024</u>

### 8. Cash and cash equivalents

	2018	2017
Cash at bank and in hand	229,684	275,944
	<u>£ 229,684</u>	<u>£ 275,944</u>

# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 9. Creditors: Amounts falling due within one year

	2018	2017
Trade creditors	132,265	237,567
Corporation tax	50,850	92,304
Other taxation and social security	31,659	41,388
Obligations under finance lease and hire purchase contracts	12,080	4,224
Other creditors	1,082	12,921
Accruals and deferred income	7,492	7,777
	<u>£ 235,428</u>	<u>£ 396,181</u>

Finance lease and hire purchase contracts are secured on the assets concerned.

### 10. Creditors: Amounts falling due after more than one year

	2018	2017
Net obligations under finance leases and hire purchase contracts	20,068	2,815
	<u>£ 20,068</u>	<u>£ 2,815</u>

Finance lease and hire purchase contracts are secured on the assets concerned.

### 11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018	2017
Within one year	16,497	4,224
Between 1-5 years	26,324	2,815
	<u>£ 42,821</u>	<u>£ 7,039</u>

### 12. Share capital

	2018	2017
<b>Allotted, called up and fully paid</b>		
15,000 (2017 - 15,000) Ordinary shares of £0.01 each	150	150
6,924 (2017 - 6,924) A Ordinary shares of £0.01 each	69	69
1,154 (2017 - 1,154) B Ordinary shares of £0.01 each	12	12
	<u>£ 231</u>	<u>£ 231</u>

# **AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

### **13. 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 cost charge represents contributions payable by the Company to the fund and amounted to £2,476 (2017: £805). Contributions totalling £883 (2017: £233) were payable to the fund at the balance sheet date and are included in creditors.

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.