

**AUTOMATED ENVIRONMENTAL  
SYSTEMS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2017**

**MAGEE GAMMON**

Chartered Accountants

Henwood House

Henwood

Ashford

Kent

TN24 8DH

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

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Note	2017	2016
<b>FIXED ASSETS</b>			
Intangible assets	4	4,500	10,500
Tangible assets	5	37,291	33,808
Investments	6	90	-
		<u>41,881</u>	<u>44,308</u>
<b>CURRENT ASSETS</b>			
Stocks	7	213,318	167,207
Debtors: amounts falling due within one year	8	363,021	40,084
Cash at bank and in hand	9	275,944	105,315
		<u>852,283</u>	<u>312,606</u>
Creditors: amounts falling due within one year	10	(396,178)	(137,397)
		<u>456,105</u>	<u>175,209</u>
<b>NET CURRENT ASSETS</b>		<u>456,105</u>	<u>175,209</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>497,986</u>	<u>219,517</u>
Creditors: amounts falling due after more than one year	11	(2,815)	(7,039)
		<u>£ 495,171</u>	<u>£ 212,478</u>
<b>NET ASSETS</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	231	200
Profit and loss account		494,940	212,278
		<u>£ 495,171</u>	<u>£ 212,478</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.

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.

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

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2017**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 September 2018.

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**S Ward**  
Director

The notes on pages 3 to 11 form part of these financial statements.

# **AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

### **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 2017**

#### **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
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 2017**

#### **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 2016 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 2017

### 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 8 (2016 - 5).

### 4. Intangible assets

	<b>Goodwill</b>
<b>Cost</b>	
At 1 January 2017	30,000
At 31 December 2017	<u>30,000</u>
<b>Amortisation</b>	
At 1 January 2017	19,500
Charge for the year	6,000
At 31 December 2017	<u>25,500</u>
<b>Net book value</b>	
At 31 December 2017	£ <u>4,500</u>
<b>At 31 December 2016</b>	£ <u>10,500</u>

# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 5. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Office equipment	Total
<b>Cost or valuation</b>				
At 1 January 2017	43,273	8,240	11,619	63,132
Additions	-	6,014	7,187	13,201
At 31 December 2017	<u>43,273</u>	<u>14,254</u>	<u>18,806</u>	<u>76,333</u>
<b>Depreciation</b>				
At 1 January 2017	21,245	3,555	4,524	29,324
Charge for the year on owned assets	2,661	2,069	2,142	6,872
Charge for the year on financed assets	2,846	-	-	2,846
At 31 December 2017	<u>26,752</u>	<u>5,624</u>	<u>6,666</u>	<u>39,042</u>
<b>Net book value</b>				
At 31 December 2017	£ <u>16,521</u>	£ <u>8,630</u>	£ <u>12,140</u>	£ <u>37,291</u>
<b>At 31 December 2016</b>	£ <u>22,028</u>	£ <u>4,685</u>	£ <u>7,095</u>	£ <u>33,808</u>

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

	2017	2016
Motor vehicles	8,537	11,383
	£ <u>8,537</u>	£ <u>11,383</u>



# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 6. Fixed asset investments

	<b>Investments in subsidiary companies</b>
<b>Cost or valuation</b>	
Additions	13,345
At 31 December 2017	<u>13,345</u>
<b>Impairment</b>	
Charge for the period	13,255
At 31 December 2017	<u>13,255</u>
<b>Net book value</b>	
At 31 December 2017	£ <u>90</u>
<b>At 31 December 2016</b>	£ <u>-</u>

### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Automated Environmental Systems (South) Limited	Ordinary	100 %	Manufacture of pumps

# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 6. Fixed asset investments (continued)

The aggregate of the share capital and reserves as at 30 June 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	<b>Aggregate of share capital and reserves</b>	<b>Profit/(loss)</b>
Automated Environmental Systems (South) Limited	90	4,536
	<u>£ 90</u>	<u>£ 4,536</u>

### 7. Stocks

	<b>2017</b>	<b>2016</b>
Raw materials and consumables	213,318	167,207
	<u>£ 213,318</u>	<u>£ 167,207</u>

### 8. Debtors

	<b>2017</b>	<b>2016</b>
Trade debtors	244,600	30,524
Other debtors	106,844	300
Prepayments and accrued income	11,577	9,260
	<u>£ 363,021</u>	<u>£ 40,084</u>

### 9. Cash and cash equivalents

	<b>2017</b>	<b>2016</b>
Cash at bank and in hand	275,944	105,315
	<u>£ 275,944</u>	<u>£ 105,315</u>

# AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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

	2017	2016
Trade creditors	237,567	35,971
Corporation tax	92,304	59,671
Other taxation and social security	41,388	23,062
Obligations under finance lease and hire purchase contracts	4,224	4,224
Other creditors	12,918	11,969
Accruals and deferred income	7,777	2,500
	<u>£ 396,178</u>	<u>£ 137,397</u>

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

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

	2017	2016
Net obligations under finance leases and hire purchase contracts	2,815	7,039
	<u>£ 2,815</u>	<u>£ 7,039</u>

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

### 12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017	2016
Within one year	4,224	4,224
Between 1-2 years	2,815	7,039
	<u>£ 7,039</u>	<u>£ 11,263</u>

## **AUTOMATED ENVIRONMENTAL SYSTEMS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **13. Share capital**

	<b>2017</b>	<b>2016</b>
<b>Allotted, called up and fully paid</b>		
150 Ordinary shares of £1 each	-	150
50 A Ordinary shares of £1 each	-	50
15,000 Ordinary shares of £0.01 each	150	-
6,924 A Ordinary shares of £0.01 each	69	-
1,154 B Ordinary shares of £0.01 each	12	-
	<hr/>	<hr/>
	<b>£ 231</b>	<b>£ 200</b>

During the year 150 £1 ordinary shares and 50 £1 A ordinary shares we re-designated as 15,000 £0.01 ordinary shares and 5,000 £0.01 A ordinary shares.

During the year the company issued 1,924 £0.01 A ordinary shares and 1,154 £0.01 B ordinary shares.

#### **14. 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 £805 (2016: £Nil). Contributions totalling £233 (2016: £Nil) 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.