

Registered number: SC181373

**RSE CONTROL SYSTEMS LIMITED
(FORMERLY PIPEWORK SYSTEMS &
INSTALLATION LIMITED)**

**UNAUDITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**



RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

COMPANY INFORMATION

Directors

A Dallas
I R MacGregor
A C Matheson
J C Michie (resigned 2 April 2021)
M J Mathers (appointed 14 June 2021)
M Livingston (appointed 14 June 2021)
S R McLachlan (appointed 14 June 2021)
A H Rayner (appointed 21 July 2021)
G Turner (appointed 21 July 2021)
J M Smith (appointed 21 July 2021)

Registered number

SC181373

Registered office

Mansfield House
Muir Of Ord Industrial Estate
Great Northern Road
Muir of Ord
Ross-Shire
IV6 7UA

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

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RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report and the financial statements for the year ended 31 March 2021.

The company changed name to RSE Control Systems Limited on 30 April 2021.

Directors

The directors who served during the year were:

A Dallas
I R MacGregor
A C Matheson
J C Michie (resigned 2 April 2021)

Post balance sheet events

In June 2021 RSE Control Systems Limited (RSEC) acquired an 85% investment in Safronics Limited (Safronics). RSEC acquired this investment from its immediate parent company Ross-Shire Engineering Limited (RSE). RSEC also hold future options to acquire the remaining 15% from the minority shareholders.

In June 2021 RSE Control Systems Limited (RSEC) acquired an 75% investment in Technical Control Systems Limited (TCS), along with future options to acquire the remaining 25% from the minority shareholders.

In July 2021 RSE Control Systems Limited (RSEC) acquired an 100% investment in Wilford Limited (Wilford).

These investments were funded by a combination of equity and an intercompany loan from RSEC's immediate parent company, RSE.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
A C Matheson
Director

Date: 21/12/2021

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

| | 2021 £ | 2020 £000 |
|--------------------------------------|-----------|--------------|
| Turnover | 14 | 4 |
| Cost of sales | (14) | (1) |
| Gross profit | - | 3 |
| Administrative expenses | - | 16 |
| Operating profit | - | 19 |
| Tax on profit | - | (3) |
| Profit for the financial year | - | 16 |

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 6 to 9 form part of these financial statements.

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

REGISTERED NUMBER:SC181373

**BALANCE SHEET
AS AT 31 MARCH 2021**

| | Note | 2021 £000 | 2020 £000 |
|--|------|--------------|--------------|
| Current assets | | | |
| Debtors: amounts falling due within one year | 4 | 99 | 154 |
| Cash at bank and in hand | 5 | - | 1,088 |
| | | <u>99</u> | <u>1,242</u> |
| Creditors: amounts falling due within one year | 6 | - | (18) |
| Net current assets | | <u>99</u> | <u>1,224</u> |
| Total assets less current liabilities | | <u>99</u> | <u>1,224</u> |
| Net assets | | <u>99</u> | <u>1,224</u> |
| Capital and reserves | | | |
| Called up share capital | | 8 | 8 |
| Profit and loss account | | 91 | 1,216 |
| | | <u>99</u> | <u>1,224</u> |

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

REGISTERED NUMBER: SC181373

**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021**

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the 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 were approved and authorised for issue by the board and were signed on its behalf by:



.....
A C Matheson
Director

Date: 21/12/2021

The notes on pages 6 to 9 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

| | Called up share capital £000 | Profit and loss account £000 | Total equity £000 |
|--|------------------------------------|------------------------------------|----------------------|
| At 1 April 2019 | 8 | 1,200 | 1,208 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 16 | 16 |
| At 1 April 2020 | 8 | 1,216 | 1,224 |
| Dividends: Equity capital | - | (1,125) | (1,125) |
| At 31 March 2021 | 8 | 91 | 99 |

The notes on pages 6 to 9 form part of these financial statements.

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

RSE Control Systems Limited, formerly Pipework Systems & Installation Limited is a limited liability Company incorporated in Scotland. The registered office is Mansefield House, Muir of Ord Industrial Estate, Great North Road, Muir of Ord, Ross Shire, IV6 7UA. During the financial year the principal activity of the Company is the Design, Installation & Commissioning of Chemical Dosing Plant & Equipment. Post year end the principal activity has changed to that predominantly of a holding company.

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.

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Ross-shire Engineering Limited as at 31 March 2021 and these financial statements may be obtained from Companies House.

2.3 Going concern

The directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 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.

2.5 Finance costs

Finance costs are charged to profit or loss 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.

2.6 Taxation

Tax is recognised in profit or loss 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.

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.

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.

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.10 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 ordinary shares.

2.11 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.

3. Employees

The average monthly number of employees, including directors, during the year was 0 (2020 - 0).

4. Debtors

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Trade debtors | - | 50 |
| Other debtors | 99 | 99 |
| Amounts recoverable on long term contracts | - | 5 |
| | <u>99</u> | <u>154</u> |

5. Cash and cash equivalents

| | 2021 £000 | 2020 £000 |
|--------------------------|--------------|--------------|
| Cash at bank and in hand | - | 1,088 |
| | <u>-</u> | <u>1,088</u> |

6. Creditors: Amounts falling due within one year

| | 2021 £000 | 2020 £000 |
|------------------------------------|--------------|--------------|
| Corporation tax | - | 3 |
| Other taxation and social security | - | 9 |
| Accruals and deferred income | - | 6 |
| | <u>-</u> | <u>18</u> |

RSE CONTROL SYSTEMS LIMITED (FORMERLY PIPEWORK SYSTEMS & INSTALLATION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. Contingent liabilities

The company is party to a cross corporate guarantee with its ultimate parent undertaking Envoy & Partners and other companies within the Envoy & Partners group. The potential liability of the group under this guarantee at the balance sheet date totals £13,475k (2020 - £7,659k).

8. Related party transactions

During the year the Company entered into transactions, in the normal course of business, with other related parties.

The Company has taken advantage of the exemption in FRS102 Section 1AC.35 from the requirement to disclose transactions with 100% owned subsidiaries.

9. Post balance sheet events

In June 2021 RSE Control Systems Limited (RSEC) acquired an 85% investment in Safronics Limited (Safronics). RSEC acquired this investment from its immediate parent company Ross-Shire Engineering Limited (RSE). RSEC also hold future options to acquire the remaining 15% from the minority shareholders.

In June 2021 RSE Control Systems Limited (RSEC) acquired an 75% investment in Technical Control Systems Limited (TCS), along with future options to acquire the remaining 25% from the minority shareholders.

In July 2021 RSE Control Systems Limited (RSEC) acquired an 100% investment in Wilford Limited (Wilford).

These investments were funded by a combination of equity and an intercompany loan from RSEC's immediate parent company, RSE.

10. Controlling party

The company's immediate controlling party is Ross-Shire Engineering Limited, a company registered in the United Kingdom. The ultimate parent undertaking is Envoy & Partners Limited, a company registered in the United Kingdom. The controlling party of Envoy & Partners Limited is IR MacGregor.

Ross-Shire Engineering Limited, a company registered in the United Kingdom, is the parent undertaking of the smallest group of which RSE Control Systems Limited (formerly Pipework Systems & Installation Limited) is a member and for which consolidated Group financial statements are drawn up.

Envoy & Partners Limited is the ultimate parent undertaking and the largest group of which Pipework Systems & Installation Limited is a member and for which consolidated Group financial statements are drawn up. RSE Control Systems Limited (formerly Pipework Systems & Installation Limited) is also a member of the group headed by Modutec Holdings Limited, a company registered in the United Kingdom, for which consolidated Group financial statements are drawn up.

The consolidated Group financial statements of Ross-Shire Engineering Limited, Modutec Holdings Limited and Envoy & Partners Limited can be obtained from First Floor, Aurora House, 8 Inverness Campus, Inverness, IV2 5NA.