

Company Registration No. 02999227

SGS EMICS LIMITED

**Annual Report and Unaudited
Financial Statements
For the year ended 31 December 2020**

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ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS 2020

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J McGurk
M Boyd

SECRETARY

C Aldag

REGISTERED OFFICE

Rossmore Business Park
Ellesmere Port
Cheshire
CH65 3EN

BANKERS

National Westminster Bank plc
5 High Street
Bracknell
Berkshire
RG12 1DH

DIRECTORS' REPORT

The directors present their report and unaudited financial statements for the year ended 31 December 2020.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small Companies exemption. As such, the company is exempt from providing a strategic report.

PRINCIPAL ACTIVITY

The Company was dormant throughout the year.

REVIEW OF BUSINESS AND FUTURE PROSPECTS

The company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the year. It is anticipated that the company will remain dormant for the foreseeable future. Key performance indicators are not considered necessary for an understanding of the development, performance or position of the business of the company. There are no risks or uncertainties facing the company including those within the context of the use of financial instruments.

Following the decision to hive up the trade and assets of the company into SGS United Kingdom Limited with effect from 4 January 2016, these financial statements have been prepared on a basis other than going concern. For further details regarding the basis of preparation please see the disclosure made in Note 1 to the financial statements.

DIVIDENDS

Dividends of £nil were paid and no dividend was proposed during the year ended 31 December 2020 (2019: £nil).

DIRECTORS

The directors who served throughout the year and thereafter are shown below:

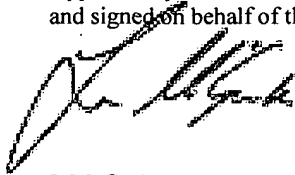
J McGurk
M Boyd

APPROVAL OF REDUCED DISCLOSURES

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12.

The Company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

Approved by the Board of Directors
and signed on behalf of the Board



J. McGurk
Director
31 March 2021

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2020

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102. 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 and then apply them consistently;
- make judgments and 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; and
- 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 proper 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 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.

SGS EMICS LIMITED

BALANCE SHEET As at 31 December 2020

	Note	2020 £000	2020 £000	2019 £000	2019 £000
CURRENT ASSETS					
Debtors	4	<u>1,051</u>		<u>1,051</u>	
NET CURRENT ASSETS			<u>1,051</u>		<u>1,051</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,051</u>		<u>1,051</u>
NET ASSETS			<u>1,051</u>		<u>1,051</u>
CAPITAL AND RESERVES					
Called-up share capital	5		93		93
Share premium account	5		2		2
Profit and loss account	5		<u>956</u>		<u>956</u>
SHAREHOLDER'S FUNDS			<u>1,051</u>		<u>1,051</u>

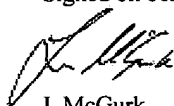
For the financial year in question, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit in accordance with section 476 of the companies Act 2006.

The directors acknowledge their responsibility for complying with the requirement of the Act with respect to accounting records and for the preparation of accounts.

These financial statements of SGS EMICS Limited, registered number 02999227, were approved by the Board of Directors on 31 March 2021.

Signed on behalf of the Board of Directors



J. McGurk
Director

STATEMENT OF CHANGES IN EQUITY
As at 31 December 2020

	Note	Called up share capital £000	Share premium £000	Profit and loss account £000	Total £000
At 1 January 2019		93	2	956	1,051
Profit and total comprehensive income for the year		-	-	-	-
At 31 December 2019		93	2	956	1,051
Profit and total comprehensive income for the year		-	-	-	-
At 31 December 2020		93	2	956	1,051

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1. ACCOUNTING POLICIES

Company information

SGS EMICS Limited is a company domiciled and registered in England and Wales, registration number 02999227. The principal place of business is Rossmore Business Park, Inward Way, Ellesmere Port, Cheshire, CH65 3EN.

Basis of preparation

SGS EMICS Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. SGS EMICS Limited is consolidated in the financial statements of its parent, SGS United Kingdom Limited, which may be obtained at Companies House, Cardiff. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, the presentation of a cash flow statement and remuneration of key management personnel.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 and in accordance with the Companies Act 2006. The principal accounting policies are summarised below.

The financial statements have been prepared in accordance with the historical cost convention and are presented in sterling (£).

Going concern

The directors hived up the trade and assets of the company into its parent company, SGS United Kingdom Limited, with effect from 4 January 2016. The company did not trade after the hive up and is now a dormant entity as defined in section 1169 of the Companies Act 2006.

Therefore, in accordance with FRS 102, the financial statements have been prepared on a basis other than that of a going concern.

No adjustments arose as a result of ceasing to apply the going concern basis.

Cash flow statement

As permitted by section 7, paragraphs 1.11 and 1.12 of FRS 102 'Statements of Cash Flows', the company's cash flow statement has not been included in these financial statements. The company is a wholly owned subsidiary of SGS SA, the ultimate parent company, which produces a consolidated cash flow statement.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments that are classified as payable or receivable within one year and which meet the following conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment:

1. Returns to the holder are (i) a fixed amount or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that throughout the life of the instrument is equal to a single referenced quoted or observable interest rate, or (iv) some combination of such fixed and variable rates, providing that both rates are positive.
2. There is no contractual provision that could by its terms, result in the holder losing the principle amount or any interest that is attributable to the current period or prior periods.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

3. Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
4. There are no conditional returns or repayment provisions except for the variable rate return described in 1. and prepayments provisions described in 3.

Other debt instruments not meeting these criteria are measured at fair value through profit or loss.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rate of exchange prevailing at that date. Exchange gains or losses are included in the profit on ordinary activities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 the 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The directors have considered this and do not deem there are any Critical judgements in applying the Company's accounting policies.

Key source of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Recoverability of group debtors

The group debtors balance of £1,051,000 (2019: £1,051,000) is recognised net of an estimated allowance for bad debts. These allowances for potential uncollectible amounts are estimated based primarily on the company's ageing policy guidelines, individual client analysis and an analysis of the underlying risk profile of each revenue stream by business and geography. Whilst a range of outcomes is reasonably possible the maximum potential reduction in group debtors is £1,051,000 (2019: £1,051,000).

3. DIRECTORS' EMOLUMENTS

The directors are executives of the main trading entity in the UK group SGS United Kingdom Limited. They are also directors of its subsidiaries SGS Baseefa Limited, SGS MIS Environmental Limited, SGS MIS Testing Limited, SGS M-Scan Limited and SGS Vitrology Limited. In addition, they are directors of the holding company SGS Holding UK Limited, and SGS United Kingdoms' sister company SGS Ashby Limited. [The directors received total remuneration of £222,000 (2019: £210,000) from SGS United Kingdom Limited during the year, however it is not practicable to allocate this between their services as executives of all of the group companies. none of the directors is accruing benefits under the SGS United Kingdom Limited group pension scheme (2009: one), which is a defined benefit scheme in respect of their services to all of the group companies.

4. DEBTORS

	2020 £000	2019 £000
Amounts due from group undertakings	1,051	1,051
	<u>1,051</u>	<u>1,051</u>

All amounts are due within one year

5. CALLED-UP SHARE CAPITAL AND RESERVES

	2020 £000	2019 £000
Authorised, allotted, called-up and fully paid		
92,825 ordinary shares of £1 each	93	93
	<u>93</u>	<u>93</u>

Called-up share capital – represents the nominal value of shares that have been issued.

Share premium account - includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account – includes all current and prior period retained profits and losses.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2020**6. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemptions provided by FRS 102 section 33 'Related Party Disclosures' and has not disclosed details of transactions with members of the SGS SA group of companies, as all transactions are with members of the group who are 100% owned subsidiaries of SGS Societe Generale de Surveillance SA.

7. ULTIMATE AND IMMEDIATE PARENT COMPANY

The ultimate parent company and controlling party of SGS EMICS Limited is SGS Societe Generale de Surveillance SA, a company incorporated in Switzerland. The parent undertaking of the smallest group which includes the company for which group accounts are prepared is SGS United Kingdom Limited, whose financial statements can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The parent undertaking of the largest group which includes the company for which group accounts are prepared is SGS Societe Generale de Surveillance SA. Copies of the financial statements of SGS Societe Generale de Surveillance SA are available from 1 Place des Alpes, B.P.2152, CH-1211 Genève 1, Switzerland, this is the registered office of SGS Societe Generale de Surveillance SA.