

# Environment Systems Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2020

# **Environment Systems Limited**

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# **Environment Systems Limited**

## **Company Information**

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

**Environment Systems Limited**  
**(Registration number: 04628049)**  
**Balance Sheet as at 31 March 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	56,973	51,862
<b>Current assets</b>			
Debtors	<u>5</u>	806,852	621,589
Cash at bank and in hand		179	10,073
		807,031	631,662
<b>Creditors:</b> Amounts falling due within one year	<u>6</u>	(843,020)	(780,077)
<b>Net current liabilities</b>		(35,989)	(148,415)
<b>Total assets less current liabilities</b>		20,984	(96,553)
<b>Creditors:</b> Amounts falling due after more than one year	<u>6</u>	(22,464)	(66,232)
<b>Net liabilities</b>		(1,480)	(162,785)
<b>Capital and reserves</b>			
Called up share capital		120,685	685
Profit and loss account		(122,165)	(163,470)
Shareholders' deficit		(1,480)	(162,785)

**Environment Systems Limited**  
**(Registration number: 04628049)**  
**Balance Sheet as at 31 March 2020**

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 3 December 2020 and signed on its behalf by:

Mr G Summers  
Director

# **Environment Systems Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

The Exchange  
Fiveways  
Temple Street  
Llandrindod Wells  
Powys  
LD1 5HG  
UK

The principal place of business is:

9 Cefn Llan Science Park  
Aberystwyth  
Ceredigion  
SY23 3AH

These financial statements were authorised for issue by the Board on 3 December 2020.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

At the balance sheet date the company had net current liabilities of £35,989 (2019 - £148,415) and total net liabilities of £1,480 (2019 - £162,785). However creditors includes loans from directors of £139,651. On the basis of their continued support, the directors consider it appropriate to prepare the financial statements on a going concern basis.

#### **Revenue recognition**

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 revenue when:

The amount of revenue 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.

# Environment Systems Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

### Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Over 7 years
Fixtures and fittings	15% on cost
Computer equipment	25% on cost

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

# **Environment Systems Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 33 (2019 - 29).

# Environment Systems Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

### 4 Tangible assets

	Land and buildings £	Fixtures, fittings and computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2019	5,727	455,601	461,328
Additions	-	39,213	39,213
At 31 March 2020	5,727	494,814	500,541
<b>Depreciation</b>			
At 1 April 2019	2,454	407,012	409,466
Charge for the year	818	33,284	34,102
At 31 March 2020	3,272	440,296	443,568
<b>Carrying amount</b>			
At 31 March 2020	2,455	54,518	56,973
At 31 March 2019	3,273	48,589	51,862

Included within the net book value of land and buildings above is £2,455 (2019 - £3,273 in respect of short leasehold land and buildings.

### 5 Debtors

	2020 £	2019 £
Trade debtors	797,491	617,254
Prepayments	9,361	4,335
	806,852	621,589

# Environment Systems Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

### 6 Creditors

#### Creditors: amounts falling due within one year

	Note	2020 £	2019 £
<b>Due within one year</b>			
Loans and overdrafts	<u>7</u>	45,587	45,064
Trade creditors		253,931	195,149
Directors' current accounts		139,651	261,553
Taxation and social security		396,103	262,712
Accruals and deferred income		7,748	15,599
		<u>843,020</u>	<u>780,077</u>

#### Due after one year

Loans and borrowings	<u>7</u>	<u>22,464</u>	<u>66,232</u>
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#### Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
<b>Due after one year</b>			
Loans and borrowings	<u>7</u>	<u>22,464</u>	<u>66,232</u>

### 7 Loans and borrowings

	2020 £	2019 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	-	12,750
Other borrowings	<u>22,464</u>	<u>53,482</u>
	<u>22,464</u>	<u>66,232</u>

	2020 £	2019 £
<b>Current loans and borrowings</b>		
Bank borrowings	12,750	17,000
Bank overdrafts	1,818	-
Other borrowings	<u>31,019</u>	<u>28,064</u>
	<u>45,587</u>	<u>45,064</u>

## **Environment Systems Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

#### **Bank borrowings**

The HSBC loan is denominated in sterling with a nominal interest rate of 3.4% over base, and the final instalment is due on 24 December 2020. The carrying amount at year end is £12,750 (2019 - £29,750).

There is a fixed and floating charge over all assets of the company, together with a guarantee given by the directors to secure all liabilities of the company under the loan limited to £36,000.

#### **Other borrowings**

The Finance Wales loan is denominated in sterling with a nominal interest rate of 10%, and the final instalment is due on 1 March 2021. The carrying amount at year end is £53,483 (2019 - £81,546).

This loan is secured by a joint and several guarantee from the directors.

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.