

Birch Utility Services Limited

Annual Report and Financial Statements Year Ended 30 September 2017

Registration number: 06996561

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Birch Utility Services Limited

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Birch Utility Services Limited

Company Information

Directors J Birch
K Ricketts

Company secretary K Ricketts

Registered office Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Auditors PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Birch Utility Services Limited

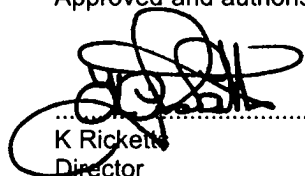
Balance Sheet

30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	1,096,788	897,485
Current assets			
Debtors	5	989,438	431,537
Cash at bank and in hand		<u>462,371</u>	<u>393,824</u>
		1,451,809	825,361
Creditors: Amounts falling due within one year	6	<u>(816,998)</u>	<u>(564,353)</u>
Net current assets		<u>634,811</u>	<u>261,008</u>
Total assets less current liabilities		1,731,599	1,158,493
Creditors: Amounts falling due after more than one year	6	(405,261)	(414,129)
Provisions for liabilities		<u>(658,695)</u>	<u>(350,251)</u>
Net assets		<u><u>667,643</u></u>	<u><u>394,113</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>667,543</u>	<u>394,013</u>
Total equity		<u><u>667,643</u></u>	<u><u>394,113</u></u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 25/6/18 and signed on its behalf by:


.....
K Ricketts
Director

Company Registration Number: 06996561

Birch Utility Services Limited

Notes to the Financial Statements

Year Ended 30 September 2017

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:

Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

The principal place of business is:

Unit A
1 Battle Road
Heathfield
Newton Abbot
Devon
TQ12 6RY

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. There are no material departures from FRS 102 Section 1A.

Change in basis of accounting

These financial statements have been prepared using the historical cost convention. The company has transferred from previously extant UK GAAP to FRS 102 as at 1 October 2015. There is no material impact on the reported financial position and financial performance as a result of this transition.

Revenue recognition

Turnover represents the fair value of the consideration receivable for the provision of services in the ordinary course of the company's activities exclusive of value added tax. Revenue is recognised upon completion of work.

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 corporation 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.

Birch Utility Services Limited

Notes to the Financial Statements

Year Ended 30 September 2017

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

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

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 the term of the lease
Plant and machinery	20% straight line
Fixtures and equipment	20% - 33% straight line
Motor vehicles	20% straight line

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Birch Utility Services Limited

Notes to the Financial Statements

Year Ended 30 September 2017

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.

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 74 (2016 - 36).

Birch Utility Services Limited

Notes to the Financial Statements

Year Ended 30 September 2017

4 Tangible assets

	Leasehold improvements £	Plant and machinery £	Fixtures and equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 October 2016	-	430,392	27,902	920,584	1,378,878
Additions	19,019	214,960	29,113	259,650	522,742
Disposals	-	(48,963)	-	(80,915)	(129,878)
At 30 September 2017	19,019	596,389	57,015	1,099,319	1,771,742
Depreciation					
At 1 October 2016	-	197,138	18,084	266,171	481,393
Charge for the year	1,902	102,137	6,725	197,432	308,196
Eliminated on disposal	-	(41,024)	-	(73,611)	(114,635)
At 30 September 2017	1,902	258,251	24,809	389,992	674,954
Carrying amount					
At 30 September 2017	17,117	338,138	32,206	709,327	1,096,788
At 30 September 2016	-	233,254	9,818	654,413	897,485

5 Debtors

	2017 £	2016 £
Trade debtors	791,297	396,004
Other debtors	60,544	7,324
Prepayments and accrued income	137,597	28,209
	<u>989,438</u>	<u>431,537</u>

Included in trade debtors as at 30 September 2017 are net debts that have been factored amounting to £788,284 (2016: £396,004).

Birch Utility Services Limited

Notes to the Financial Statements

Year Ended 30 September 2017

6 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	7	332,721	223,113
Trade creditors		103,231	52,319
Corporation tax		96,428	62,000
Social security and other taxes		207,844	129,838
Other creditors		47,139	86,014
Accrued expenses		29,635	11,069
		<u>816,998</u>	<u>564,353</u>
Due after one year			
Loans and borrowings	7	<u>405,261</u>	<u>414,129</u>

Obligations under finance lease and hire purchase contracts are secured against the assets to which they relate.

7 Loans and borrowings

	2017 £	2016 £
Loans and borrowings due after one year		
Finance lease and hire purchase contract liabilities	<u>405,261</u>	<u>414,129</u>
	2017 £	2016 £
Current loans and borrowings		
Finance lease and hire purchase contract liabilities	<u>332,721</u>	<u>223,113</u>

8 Share capital

Allotted, called up and fully paid shares

	No.	2017 £	No.	2016 £
Ordinary A Shares of £1 each	50	50	50	50
Ordinary B Shares of £1 each	50	50	50	50
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Birch Utility Services Limited

Notes to the Financial Statements

Year Ended 30 September 2017

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments, relating to property operating leases, not included in the balance sheet is £95,839 (2016: £28,631).

10 Related party transactions

Advances to directors

	At 1 October 2016 £	Advances to director £	Repayments by director £	At 30 September 2017 £
2017				
K Ricketts				
Director's current account	<u>7,868</u>	<u>(163,283)</u>	<u>164,515</u>	<u>9,100</u>
J Birch				
Director's current account	<u>6,546</u>	<u>(202,714)</u>	<u>154,852</u>	<u>(41,316)</u>
	At 1	Advances to	Repayments	At 30
	October	director	by director	September
	2015	£	£	2016
	£	£	£	£
2016				
K Ricketts				
Director's current account	<u>295</u>	<u>(88,799)</u>	<u>96,372</u>	<u>7,868</u>
J Birch				
Director's current account	<u>6,168</u>	<u>(123,192)</u>	<u>123,570</u>	<u>6,546</u>

11 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was AMY EDWARDS, who signed for and on behalf of PKF Francis Clark on 25 June 2018.