

Company Registration No. 07006868 (England and Wales)

**ENGINEERING SAFETY
CONSULTANTS LIMITED**

**ANNUAL REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR**

**TWP Accounting LLP
Chartered Accountants
The Old Rectory
Church Street
Weybridge
Surrey
KT13 8DE**

ENGINEERING SAFETY CONSULTANTS LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Balance sheet | 1 - 2 |
| Notes to the financial statements | 3 - 7 |

ENGINEERING SAFETY CONSULTANTS LIMITED

Company Registration No. 07006868

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 3 | | 34,281 | | 33,441 |
| Current assets | | | | | |
| Stocks | | 87,840 | | - | |
| Debtors | 4 | 761,973 | | 645,046 | |
| Cash at bank and in hand | | 1,045,612 | | 810,006 | |
| | | <u>1,895,425</u> | | <u>1,455,052</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(361,970)</u> | | <u>(291,355)</u> | |
| Net current assets | | | 1,533,455 | | 1,163,697 |
| Total assets less current liabilities | | | 1,567,736 | | 1,197,138 |
| Provisions for liabilities | | | (5,733) | | (5,485) |
| Net assets | | | <u>1,562,003</u> | | <u>1,191,653</u> |
| Capital and reserves | | | | | |
| Called up share capital | 6 | | 1,450 | | 1,285 |
| Share premium account | | | 142,215 | | 142,215 |
| Profit and loss reserves | | | 1,418,338 | | 1,048,153 |
| Total equity | | | <u>1,562,003</u> | | <u>1,191,653</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

ENGINEERING SAFETY CONSULTANTS LIMITED

Company Registration No. 07006868

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 26 February 2021 and are signed on its behalf by:

K G Simpson
Director

ENGINEERING SAFETY CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Engineering Safety Consultants Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, Exchequer Court, 33 St. Mary Axe, London, England, EC3A 8AA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The current COVID-19 pandemic has created uncertainty over the future financial implications to the worldwide economy. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for consulting services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|----------------------|
| Fixtures and fittings | 20% straight line |
| Office equipment | 25% straight line |
| Other fixed assets | 25% reducing balance |

ENGINEERING SAFETY CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ENGINEERING SAFETY CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

ENGINEERING SAFETY CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2020 Number | 2019 Number |
|-------|----------------|----------------|
| Total | 21 | 21 |

3 Tangible fixed assets

| | Plant and machinery etc | Other fixed assets | Total |
|------------------------------------|----------------------------|-----------------------|---------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2020 | 83,717 | 80,724 | 164,441 |
| Additions | 5,580 | 7,494 | 13,074 |
| Disposals | - | (4,192) | (4,192) |
| At 31 December 2020 | 89,297 | 84,026 | 173,323 |
| Depreciation and impairment | | | |
| At 1 January 2020 | 80,930 | 50,070 | 131,000 |
| Depreciation charged in the year | 2,645 | 7,986 | 10,631 |
| Eliminated in respect of disposals | - | (2,589) | (2,589) |
| At 31 December 2020 | 83,575 | 55,467 | 139,042 |
| Carrying amount | | | |
| At 31 December 2020 | 5,722 | 28,559 | 34,281 |
| At 31 December 2019 | 2,787 | 30,654 | 33,441 |

4 Debtors

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 739,134 | 562,679 |
| Other debtors | 22,839 | 82,367 |
| | 761,973 | 645,046 |

ENGINEERING SAFETY CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Trade creditors | 48,868 | 47,681 |
| Taxation and social security | 256,609 | 186,093 |
| Other creditors | 56,493 | 57,581 |
| | <u>361,970</u> | <u>291,355</u> |
| | <u><u>361,970</u></u> | <u><u>291,355</u></u> |

6 Called up share capital

| | 2020 | 2019 | 2020 | 2019 |
|---|----------------------|---------------------|---------------------|---------------------|
| | Number | Number | £ | £ |
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of 10p each | 9,500 | 8,850 | 950 | 885 |
| Ordinary B shares of £1 each | 500 | 400 | 500 | 400 |
| | <u>10,000</u> | <u>9,250</u> | <u>1,450</u> | <u>1,285</u> |
| | <u><u>10,000</u></u> | <u><u>9,250</u></u> | <u><u>1,450</u></u> | <u><u>1,285</u></u> |

7 Related party transactions

At the balance sheet date the company owed £1,978 to the director, S Burwood. This loan is interest free.

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.