

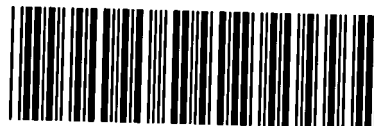
Ventilation & Environmental Supplies PLC

Annual report and financial statements

for the year ended
31 March 2017

Company number 2237595

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Ventilation & Environmental Supplies PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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Ventilation & Environmental Supplies PLC

DIRECTORS

N J Haywood

S J Haywood

SECRETARY

N J Haywood

AUDITORS

Guest Wilson Chartered Accountants

8 Wolverton Road

Snitterfield

Stratford upon Avon

Warwickshire

CV37 0HB

BANKERS

Handelsbanken

Ground Floor

2 Trinity Court

Wolverhampton

WV10 6UH

REGISTERED OFFICE

Units 10 – 13

Bagley Industrial Park

Northfield Road

Netherton

Dudley

West Midlands

DY2 9DY

Ventilation & Environmental Supplies PLC

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 2017.

RESULTS AND DIVIDENDS

The company's profit for the year after taxation amounted to £225,987 (2016 – £144,725). Interim dividends of £5,000 have been paid. The directors do not recommend any final dividend and the remaining surplus of £220,987 will be transferred to reserves.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report, the strategic report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts 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 for that period. In preparing those accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting policies have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The company's financial assets and liabilities consist of trade debtors and creditors, cash balances, bank loans and finance leases.

The directors manage the company's exposure to financial risk by researching the credit worthiness of customers and by seeking advice from the company's providers of finance and its other external financial advisers.

Currency risk is restricted to the short term settlement of trading balances with customers and suppliers.

The company does not trade speculatively in derivatives or similar instruments.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

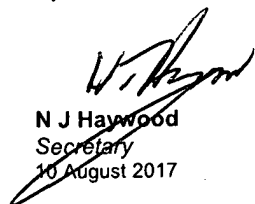
STRATEGIC REPORT

Certain matters required by regulation to be dealt with in the annual report have been dealt with in the strategic report which follows, rather than in the Directors' Report.

AUDITORS

A resolution proposing the re-appointment of Guest Wilson Ltd will be put to the Annual General Meeting.

By order of the Board


N J Haywood
Secretary
10 August 2017

Ventilation & Environmental Supplies PLC

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 March 2017.

BUSINESS REVIEW

The company's principal activity during the year continued to be the supply of ductwork and ancillary equipment for the heating and ventilation industry.

The directors regard turnover and gross margin as the key performance indicators of the business.

The level of business during the year was considered good with an increase in turnover though margins were slightly down. The directors anticipate similar margins and volumes in the coming financial year.

PRINCIPAL RISKS AND UNCERTAINTIES

The company is particularly susceptible to influences from the construction industry and also to the availability of working capital for its many customers; liquidations are notorious in the industry and as a stocking wholesaler the company suffers a number of bad debts each year. In the year under review the level of bad debts was at a normal level and did not threaten the company's viability.

By order of the Board



N J Haywood
Secretary
10 August 2017

Ventilation & Environmental Supplies PLC

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Ventilation & Environmental Supplies PLC

We have audited the financial statements of Ventilation & Environmental Supplies PLC for the year ended 31 March 2017 on pages 6 to 15, which comprise the Profit & Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 16 to the financial statements.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the company financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



NEIL WILSON (SENIOR STATUTORY AUDITOR)

FOR AND BEHALF OF GUEST WILSON LIMITED, STATUTORY AUDITOR

8 Wolverton Road, Snitterfield, Stratford upon Avon, CV37 0HB

10 August 2017

Ventilation & Environmental Supplies PLC

PROFIT AND LOSS ACCOUNT INCLUDING STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 March 2017

	Notes	2017 £	2016 £
Turnover		3,360,690	3,100,778
Cost of sales		(2,569,854)	(2,328,126)
Gross profit		790,836	772,652
Distribution costs		(480,091)	(336,495)
Administrative expenses		(35,977)	(237,956)
TOTAL OPERATING COSTS		(516,068)	(574,451)
OPERATING PROFIT		274,768	198,201
Interest receivable and similar income		-	-
Interest payable and similar charges		(5,169)	(5,651)
PROFIT BEFORE TAXATION		269,599	192,550
Tax on profit	6	(43,612)	(47,825)
PROFIT AFTER TAXATION		£ 225,987	£ 144,725

STATEMENT OF INCOME AND RETAINED EARNINGS for the year ended 31 March 2017

	2017 £	2016 £
Retained earnings at 1 April 2016	1,839,442	1,782,621
Profit for the year	225,987	144,725
Transfer from revaluation reserve	7,096	7,096
Equity dividends paid	(5,000)	(95,000)
RETAINED EARNINGS AT 31 MARCH 2017	2,067,525	1,839,442

All of the company's activities were continuing activities.

Ventilation & Environmental Supplies PLC

BALANCE SHEET as at 31 March 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	7	621,690	553,244
CURRENT ASSETS			
Stocks	8	199,582	178,862
Debtors	9	926,180	882,764
Cash at bank and in hand		1,598,879	1,381,849
		2,724,641	2,443,475
CREDITORS: amounts falling due within one year	10	(997,610)	(932,704)
NET CURRENT ASSETS		1,727,031	1,510,771
TOTAL ASSETS LESS CURRENT LIABILITIES		2,348,721	2,064,015
CREDITORS: amounts falling due after more than one year			
Obligations under finance leases and hire purchase contracts	11	(80,292)	(16,573)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred tax	12	(51,550)	(51,550)
NET ASSETS		£ 2,216,879	£ 1,995,892
CAPITAL AND RESERVES			
Called up share capital	13	50,000	50,000
Revaluation reserve		99,354	106,450
Profit and loss account		2,067,525	1,839,442
EQUITY SHAREHOLDERS' FUNDS		£ 2,216,879	£ 1,995,892

The financial statements on pages 6 to 15 were approved by the board of directors on 10 August 2017 and were signed on its behalf by:


N.J. Haywood
Director

Ventilation & Environmental Supplies PLC

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2017

	Share capital £	Revaluation Reserve £	Profit and loss account £	Total equity Shareholder's funds £
At 1 April 2015	50,000	113,546	1,782,621	1,946,167
Transfer	-	(7,096)	7,096	-
Profit for the financial year	-	-	144,725	144,725
Equity dividends paid	-	-	(95,000)	(95,000)
At 31 March 2016	50,000	106,450	1,839,442	1,995,892
Transfer	-	(7,096)	7,096	-
Profit for the financial year	-	-	225,987	225,987
Equity dividends paid	-	-	(5,000)	(5,000)
At 31 March 2017	50,000	99,354	2,067,525	2,216,879

Ventilation & Environmental Supplies PLC

STATEMENT OF CASH FLOWS for the year ended 31 March 2017

Reconciliation of operating profit to net cash inflow from operating activities

	2017 £	2016 £
Operating profit	274,768	198,201
Depreciation	90,741	75,226
(Profit)/loss on disposal of fixed assets	(2,128)	1,408
(Increase)/decrease in debtors	(43,416)	(24,117)
(Increase)/decrease in stocks	(20,720)	(9,291)
Increase/(decrease) in creditors	55,991	(70,170)
Net cash inflow from continuing operating activities	355,236	171,257

CASH FLOW STATEMENT

	2017 £	2016 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	355,236	171,257
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(5,169)	(5,651)
Interest received	-	-
	(5,169)	(5,651)
TAXATION		
Corporation tax paid	(47,944)	(39,413)
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(230,867)	(19,878)
Receipts from sales of tangible fixed assets	73,808	1,200
	(157,059)	(18,678)
DIVIDENDS		
Equity dividends paid	(5,000)	(95,000)
NET CASH INFLOW BEFORE FINANCING	140,064	12,515
FINANCING		
Finance leases	80,894	(18,470)
Increase in bank loans due within one year	(3,928)	(26,368)
Repayment of bank loans due beyond one year	-	-
	76,966	(44,838)
INCREASE/(DECREASE) IN CASH	217,030	(32,323)

Ventilation & Environmental Supplies PLC

STATEMENT OF CASH FLOWS (CONTINUED) for the year ended 31 March 2017

Reconciliation of net cash flow to movement in net debt	2017 £	2016 £
Increase/(decrease) in cash in the year	217,030	(32,323)
Cash outflow from decrease in debt	3,928	26,368
Change in net debt resulting from cash flows	220,958	(5,955)
Finance leases	(80,894)	18,470
Movement in net debt in the year	140,064	12,515
Net debt at 1 April	1,344,813	1,332,298
Net debt at 31 March	1,484,877	1,344,813

Analysis of net debt	1 April 2016 £	Cash flow £	Other Non-cash £	31 March 2017 £
Cash at bank and in hand	1,381,849	217,030	-	1,598,879
Debt due within one year	(3,928)	3,928	-	-
Finance leases	(33,108)	(80,894)	-	(114,002)
	(37,036)	(76,966)	-	(114,002)
	1,344,813	140,064	-	1,484,877

Ventilation & Environmental Supplies PLC

NOTES TO THE FINANCIAL STATEMENTS at 31 March 2017

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

General information and basis of preparation

Ventilation & Environmental Supplies PLC is a public company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given in the company information on page 2 of these financial statements. The company's principal activity is the supply of ductwork and ancillary equipment for the heating and ventilation industry. The financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

The accounts are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102. There are no material departures from that standard.

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 102 the restatement of comparative items was required. At the date of transition in applying the requirements of FRS 102 no adjustments were required.

Going concern

In carrying out their duties in respect of going concern, the directors have carried out a review of the company's financial position and cash flow forecast for a period of 12 months from the date of signing these financial statements. These have been based on a comprehensive review of revenue, expenditure and cash flows, taking into account specific business risks and the uncertainties brought about by the current economic environment. The company currently meets its day-to-day working capital requirements through its cash balance, which is sufficient to cover working capital requirements.

Having taken all of the above factors into consideration, the directors have reached a conclusion that the company is able to manage its business risks despite the uncertain economic outlook. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties wholly in the United Kingdom. All turnover, profit on ordinary activities before tax and net assets derive from or relate to the company's sole continuing activity.

Fixed assets and depreciation

All fixed assets are initially recorded at cost. Freehold land and buildings have subsequently been revalued, with the revaluation surplus above cost being taken to the revaluation reserve. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life as follows:

Freehold building	-	over 25 years
Plant and machinery	-	over 5 to 15 years
Fixtures, fittings and equipment	-	over 5 to 10 years
Motor vehicles	-	over 4 years

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition as follows:

Raw materials and goods for resale	-	purchase cost on a first-in first-out basis
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Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the accounts and their recognition for corporate tax purposes.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

Ventilation & Environmental Supplies PLC

The corresponding lease or hire purchase obligation is capitalised in the balance sheet as a liability. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Trust

The Company has created a trust whose beneficiaries will include employees of the Company and their dependents. Assets held under this trust will be controlled by trustees who will be acting independently and entirely at their own discretion. Where assets are held in the trust and these are considered by the Company to be in respect of services already provided by employees to the Company, the Company will account for these as assets of the Company until the earlier of it no longer having *de facto* control of these assets and it not obtaining future economic benefit from these assets. The value transferred will be charged in the Company's profit and loss account for the year to which it relates.

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 these 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 do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

3 OPERATING PROFIT	2017	2016
This is stated after charging/(crediting):	£	£
Depreciation and amortisation of owned fixed assets	46,493	53,727
Depreciation of assets held under finance leases and hire purchase contracts	44,248	21,499
(Profit)/loss on disposal of fixed assets	(2,128)	1,408
Auditors' remuneration	7,500	7,500

4 STAFF COSTS AND NUMBERS	2017	2016
	£	£
Wages and salaries	389,225	518,040
Social security costs	30,408	28,416
Other pension costs	110,757	32,639
	530,390	579,095

The average weekly number of employees during the year was made up as follows:	Number	Number
Administration	14	14

5 DIRECTORS' REMUNERATION	2017	2016
	£	£
Emoluments	59,008	259,158
Company contributions paid to defined contribution pension scheme	109,599	27,839

One director (2016 – 1) is a member of the company's defined contribution pension scheme. The highest paid director received remuneration of £39,004.

Ventilation & Environmental Supplies PLC

6 TAX ON PROFIT ON ORDINARY ACTIVITIES	2017	2016
	£	£
Based on profit for the year: corporation tax at 20% (2016 - 20%)	43,612	47,825
Corporation tax overprovided in previous years	-	-
Deferred taxation charge	-	-
	43,612	47,825

Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of UK corporation tax. The differences are explained below:

	2017	2016
	£	£
Profit on ordinary activities before taxation	269,599	192,550
Profit on ordinary activities multiplied by the normal companies' rate of UK corporation tax (20%, 2016: 20%)	53,920	38,510
Effects of:		
Capital allowances for period (above)/below depreciation	(10,308)	9,315
Marginal relief	-	-
Current tax charge for year	43,612	47,825

7 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Fixtures, fittings and equipment £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation:					
At 1 April 2016	690,000	61,219	197,264	238,963	1,187,446
Additions	-	-	47,750	183,117	230,867
Disposals	-	-	-	(143,775)	(143,775)
At 31 March 2017	690,000	61,219	245,014	278,305	1,274,538
Depreciation:					
At 1 April 2016	276,000	55,023	184,180	118,999	634,202
Provided during the year	27,600	929	4,361	57,851	90,741
Disposals	-	-	-	(72,095)	(72,095)
At 31 March 2017	303,600	55,952	188,541	104,755	652,848
Net book value					
At 31 March 2017	386,400	5,267	56,473	173,550	621,690
At 1 April 2016	414,000	6,196	13,084	119,964	553,244

The freehold property was revalued on an open market, vacant possession basis in May 2006 by Burley Brown, Chartered Surveyors. The company has taken advantage of the transitional provisions available on the introduction of FRS 102 to carry those assets at that value less depreciation in subsequent years. The surplus arising on revaluation has been transferred to the revaluation reserve. The historical cost of the freehold property included at valuation is as follows:

	2017	2016
	£	£
Cost	532,164	532,164
Less: accumulated depreciation	298,007	276,720
NET BOOK VALUE	234,157	255,444

8 STOCKS	2017	2016
	£	£
Finished goods and goods for resale	199,582	178,862

The directors consider that the replacement value of stock is not materially different from the value stated above.

Ventilation & Environmental Supplies PLC

9 DEBTORS	2017	2016
	£	£
Amounts falling due within one year		
Trade debtors	878,939	799,843
Other debtors	37,251	37,251
Prepayments and accrued income	9,990	45,670
	926,180	882,764

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2017	2016
	£	£
Current instalment due on bank loan	-	3,928
Obligations under finance leases and hire purchase contracts (note 11)	33,710	16,535
Trade creditors	656,660	520,340
Corporation tax	38,674	43,006
Other taxes and social security costs	86,677	66,286
Other creditors	173,905	274,625
Accruals	7,984	7,984
	997,610	932,704

11 OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

The maturity of these amounts is as follows:	2017	2016
	£	£
<i>Net amounts repayable; secured by the assets to which the agreements relate</i>		
Within one year	33,710	16,535
In one to two years	29,500	13,760
In two to five years	50,792	2,813
	114,002	33,108

Finance leases and hire purchase contracts are analysed as follows:

Current obligations	33,710	16,535
Non-current obligations	80,292	16,573
	114,002	33,108

12 DEFERRED TAXATION

The amounts provided are as follows:	2017	2016
	£	£
Accelerated capital allowances	10,724	10,724
Capital gains	40,826	40,826
	51,550	51,550

At beginning of year	£	51,550
Charge for the year in the profit and loss account	-	-
At end of year		51,550

13 SHARE CAPITAL

Allotted, called-up and fully paid

	2017	2016
	£	£
Ordinary shares of £1 each	50,000	50,000

Ventilation & Environmental Supplies PLC

14 AUDITOR

In common with many other businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

15 RELATED PARTIES AND CONTROL

The company is controlled by N J Haywood, the chairman and Managing Director.

At the year-end there was a loan outstanding from the directors of £173,905 (included within "Other creditors" in note 10). The maximum amount outstanding during the year was £274,625. The loan is unsecured, does not attract interest and is repayable on demand.