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**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**

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**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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08/09/2017

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COMPANIES HOUSE

**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**  
**REGISTERED NUMBER:03096708**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

		2016 £	2016 £	2015 £	2015 £
<b>Fixed assets</b>					
Tangible assets	6		-		248
Investments	7		3,759,537		3,389,537
			<u>3,759,537</u>		<u>3,389,785</u>
<b>Current assets</b>					
Debtors	8	1,285,648		1,502,257	
Cash at bank and in hand		19,779		442,648	
		<u>1,305,427</u>		<u>1,944,905</u>	
Creditors: amounts falling due within one year	9	(128,699)		(709,497)	
<b>Net current assets</b>			<u>1,176,728</u>		<u>1,235,408</u>
<b>Total assets less current liabilities</b>			<u>4,936,265</u>		<u>4,625,193</u>
Creditors: amounts falling due after more than one year	10		(3,329,638)		(3,023,511)
<b>Provisions for liabilities</b>					
Deferred tax	12		(93,304)		-
<b>Net assets</b>			<u><u>1,513,323</u></u>		<u><u>1,601,682</u></u>
<b>Capital and reserves</b>					
Called up share capital			100		100
Revaluation reserve			915,420		959,566
Profit and loss account			597,803		642,016
			<u><u>1,513,323</u></u>		<u><u>1,601,682</u></u>

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions

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**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**  
**REGISTERED NUMBER:03096708**

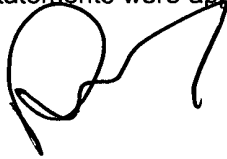
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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2016**

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applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



06/09/2017

**P L Wicks**  
Director

The notes on pages 3 to 12 form part of these financial statements.

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## AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. General information

Automotive Environmental Services Limited ("the Company") is a company limited by shares, incorporated in England and Wales. Its registered office is Leytonstone House, Leytonstone, London, E11 1GA.

The Company's principal activity is that of property investment.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company's transition date to Financial Reporting Standard 102 Section 1A was 1 January 2015. The Company's financial statements for the year ended 31 December 2015 were prepared under previous United Kingdom Generally Accepted Accounting Practice.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The Company meets its day-to-day working capital requirements through careful management of working capital positions. After making enquiries, the Directors have reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

##### 2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The Company's main source of revenue is rental income from investment properties let to third parties. Sales invoices are raised monthly in advance for services provided. Revenue is recognised in the accounting period in which the services are rendered. Sales are made with credit terms. The element of financing is deemed immaterial and disregarded in the treatment of revenue.

##### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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## AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 2. Accounting policies (continued)

##### 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	20%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

##### 2.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

##### 2.6 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

##### 2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

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## AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 2. Accounting policies (continued)

##### 2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

##### 2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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## AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 2. Accounting policies (continued)

##### 2.12 Foreign currency translation

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

##### 2.13 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

##### 2.15 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

##### 2.16 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

##### 2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

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## AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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## 2. Accounting policies (continued)

### 2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 2.19 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

## 3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### Critical judgments in applying the entity's accounting policies

No critical accounting judgments have had to be made by management in preparing these financial statements.

### Critical accounting estimates and assumptions

Investment properties are revalued. The revaluation of these fixed assets were conducted by the Directors of the Company. The Directors have used their knowledge and experience of the property market in which the Company operates, recent market transactions and current rental yields.

The Directors annually assess whether any investment property is impaired. Impairment reviews consist of assessing a number of factors including impairment due to market conditions that may only be transient or factors that indicate permanent impairment. Impairment losses are recognised in the profit and loss account.



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**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**4. Employees**

The average monthly number of employees, including directors, during the year was 6 (2015 - 6).

**5. Exceptional items**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Profit on sale of investment properties	-	(174,100)
	<u>          </u>	<u>          </u>

**6. Tangible fixed assets**

	<b>Plant and machinery £</b>
<b>Cost or valuation</b>	
At 1 January 2016	<b>429,105</b>
At 31 December 2016	<u><b>429,105</b></u>
<b>Depreciation</b>	
At 1 January 2016	<b>428,857</b>
Charge for the period on owned assets	<b>248</b>
At 31 December 2016	<u><b>429,105</b></u>
<b>Net book value</b>	
At 31 December 2016	<u><u>-</u></u>
At 31 December 2015	<u><u>248</u></u>

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**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**7. Fixed asset investments**

	Unlisted Investments £	Other Fixed Asset Investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2016	317,342	3,072,195	3,389,537
Additions	-	320,842	320,842
Revaluations	-	49,158	49,158
At 31 December 2016	<u>317,342</u>	<u>3,442,195</u>	<u>3,759,537</u>
<b>Net book value</b>			
At 31 December 2016	<u>317,342</u>	<u>3,442,195</u>	<u>3,759,537</u>
<i>At 31 December 2015</i>	<u>317,342</u>	<u>3,072,195</u>	<u>3,389,537</u>

**Investment properties**

These are restated annually to their open market value by the Directors of the Company, based on their experience of the property market and comparable evidence. Investment properties were revalued upwards by £49,158 (2015 - £142,680) during the year.

The Company has aggregate rentals receivable in relation to operating leases of £204,222 (2015 - £184,196) on the above investment properties.

The historic cost of investment properties is £2,719,360 (2015 - £2,398,518).

**Unlisted investments**

Investments include an investment in JAE Property Limited. This constitutes 50% of the share capital of JAE Property Limited. As at 31 December 2016 JAE Property Limited has aggregate share capital and reserves of £646,849 and profits for the year of £26,302.

**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**8. Debtors**

	2016 £	2015 £
<b>Due after more than one year</b>		
Other debtors	1,145,245	1,173,033
<b>Due within one year</b>		
Trade debtors	82,335	71,193
Amounts owed by joint ventures and associated undertakings	13,759	177,075
Other debtors	44,309	80,956
	<u>1,285,648</u>	<u>1,502,257</u>

**9. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Bank loans	31,043	47,124
Trade creditors	16	16,594
Corporation tax	31,395	66,745
Other taxation and social security	3,678	-
Other creditors	55,717	572,184
Accruals and deferred income	6,850	6,850
	<u>128,699</u>	<u>709,497</u>

**10. Creditors: Amounts falling due after more than one year**

	2016 £	2015 £
Bank loans	497,638	191,511
Other creditors	2,832,000	2,832,000
	<u>3,329,638</u>	<u>3,023,511</u>

**Secured loans**

Included within creditors is a bank loan amounting to £528,681 (2015 - £238,635). The loan is secured on certain of the Company's investment properties.

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**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**11. Loans**

Analysis of the maturity of loans is given below:

	<b>2016 £</b>	<b>2015 £</b>
<b>Amounts falling due within one year</b>		
Bank loans	<b>31,043</b>	47,124
<b>Amounts falling due 1-2 years</b>		
Bank loans	<b>32,631</b>	47,124
<b>Amounts falling due 2-5 years</b>		
Bank loans	<b>465,007</b>	144,387
	<u><b>528,681</b></u>	<u>238,635</u>

**12. Deferred taxation**

	<b>2016 £</b>
Charged to revaluation reserve	<b>(93,304)</b>
<b>At end of year</b>	<u><b>(93,304)</b></u>

The deferred taxation balance is made up as follows:

	<b>2016 £</b>
On revalued investments	<b>(93,304)</b>
	<u><b>(93,304)</b></u>

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**AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**13. Related party transactions**

At the year end the Company owed some of the directors and shareholders £55,717 (2015 - £572,184).

The Company has received loans from trusts in which some of the directors are trustees. At the year end, the amounts outstanding to those trusts was £2,832,000 (2015 - £2,832,000).

The Company is owed £13,759 (2015 - £177,075) from a company in which has common directors and shareholders.

All loans are unsecured and interest free.

The Company paid dividends to certain directors of £174,000 (2015 - £174,000).

**14. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.