
AUTOMOTIVE ENVIRONMENTAL SERVICES LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2023

AUTOMOTIVE ENVIRONMENTAL SERVICES LTD
REGISTERED NUMBER: 03096708

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	544	725
Investments	6	4,563,541	3,022,954
		<u>4,564,085</u>	<u>3,023,679</u>
Current assets			
Debtors	7	3,294	4,265,105
Current asset investments		2,152,384	-
Cash at bank and in hand	9	26,173	391,738
		<u>2,181,851</u>	<u>4,656,843</u>
Creditors: amounts falling due within one year	10	(63,360)	(691,440)
Net current assets		<u>2,118,491</u>	<u>3,965,403</u>
Total assets less current liabilities		<u>6,682,576</u>	<u>6,989,082</u>
Creditors: amounts falling due after more than one year	11	(2,480,000)	(2,480,000)
Provisions for liabilities			
Deferred tax	12	(282,596)	(236,700)
Net assets		<u><u>3,919,980</u></u>	<u><u>4,272,382</u></u>
Capital and reserves			
Called up share capital	13	100	100
Revaluation reserve	14	1,402,027	1,264,342
Profit and loss account	14	2,517,853	3,007,940
		<u><u>3,919,980</u></u>	<u><u>4,272,382</u></u>

AUTOMOTIVE ENVIRONMENTAL SERVICES LTD
REGISTERED NUMBER: 03096708

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

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 the 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 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 28 July 2024.

P L Wicks
Director

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. General information

Automotive Environmental Services Ltd ("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 unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. 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 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

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 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

2.7 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.

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 profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.8 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 other 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.

2.9 Investment property

Investment property is carried at fair value determined annually 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 profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at fair value through profit or loss.

2.11 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.

2.12 Current asset investments

Current asset investments are short-term deposits held with financial institutions with a maturity date of greater than three months from inception, and are initially measured at cost. Subsequently, the amounts will be measured at amortised cost using the effective interest method, less any impairment.

2.13 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.

2.14 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.15 Financial instruments

The Company only enters into basic financial instrument 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 ordinary shares.

2.16 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.

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 revaluations 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.

4. Employees

The average monthly number of employees, including directors, during the year was 5 (2022 - 5).

AUTOMOTIVE ENVIRONMENTAL SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 January 2023	430,579
At 31 December 2023	430,579
Depreciation	
At 1 January 2023	429,854
Charge for the year on owned assets	181
At 31 December 2023	430,035
Net book value	
At 31 December 2023	544
At 31 December 2022	725

AUTOMOTIVE ENVIRONMENTAL SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Fixed asset investments

	Investment in Subsidiaries	Investment Properties	Total
	£	£	£
Cost or valuation			
At 1 January 2023	1,222,954	1,800,000	3,022,954
Additions	-	1,357,006	1,357,006
Revaluations	40,587	142,994	183,581
	<u>1,263,541</u>	<u>3,300,000</u>	<u>4,563,541</u>
At 31 December 2023			

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 £142,994 (2022 - £Nil) during the year.

The Company has aggregate rentals receivable in relation to operating leases of £201,580 (2022 - £211,532) on the above investment properties.

The historic cost of investment properties is £2,488,555 (2022 - £1,131,549).

Investments in subsidiaries

Investments include an investment in JAE Property Limited. This constitutes 73.60% of the share capital of JAE Property Limited.

7. Debtors

	2023 £	2022 £
Due after more than one year		
Amounts owed by joint ventures and associated undertakings	-	63,450
	<u>-</u>	<u>63,450</u>
Due within one year		
Trade debtors	1,655	4,201,655
Other debtors	1,639	-
	<u>3,294</u>	<u>4,265,105</u>

AUTOMOTIVE ENVIRONMENTAL SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Current asset investments

	2023	2022
	£	£
Unlisted investments	<u>2,152,384</u>	<u>-</u>

9. Cash and cash equivalents

	2023	2022
	£	£
Cash at bank and in hand	<u>26,173</u>	<u>391,738</u>

10. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	5,700	-
Corporation tax	47,519	676,675
Other taxation and social security	-	4,624
Other creditors	2,526	2,526
Accruals and deferred income	7,615	7,615
	<u>63,360</u>	<u>691,440</u>

11. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Other creditors	<u>2,480,000</u>	<u>2,480,000</u>

AUTOMOTIVE ENVIRONMENTAL SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. Deferred taxation

	2023	<i>2022</i>
	£	<i>£</i>
At beginning of year	(236,700)	<i>(850,354)</i>
Charged to profit or loss	(45,896)	<i>613,654</i>
At end of year	<u>(282,596)</u>	<i><u>(236,700)</u></i>

The provision for deferred taxation is made up as follows:

	2023	<i>2022</i>
	£	<i>£</i>
On revalued investments	<u>(282,596)</u>	<i><u>(236,700)</u></i>

13. Share capital

	2023	<i>2022</i>
	£	<i>£</i>
Allotted, called up and fully paid		
80 (2022 - 80) Ordinary A shares of £1.00 each	80	<i>80</i>
20 (2022 - 20) Ordinary B shares of £1.00 each	20	<i>20</i>
	<u>100</u>	<i><u>100</u></i>

14. Reserves

Revaluation reserve

The revaluation reserve arose on the revaluation of investments, less the associated deferred tax adjustment in accordance with FRS102.

Profit and loss account

The profit and loss account represents cumulative distributable profits and losses net of dividends and other adjustments.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Related party transactions

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 £2,480,000 (2022 - £2,480,000).

In the prior year the Company made a loan to a subsidiary. At the year end, the amounts owed by this associated undertakings was £Nil (2022 - £63,450).

All loans are unsecured and interest free.

The Company paid dividends to certain directors of £168,000 (2022 - £168,000).

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.