

Registration number: SC110121

Briggs Environmental Services Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2017



Morris & Young, Statutory Auditor
Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

Briggs Environmental Services Limited

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Briggs Environmental Services Limited

Company Information

Directors	P T Diamond R Briggs G Crookston R C Briggs
Registered office	Seaforth House Seaforth Place BURNTISLAND Fife KY3 9AX
Auditors	Morris & Young, Statutory Auditor Chartered Accountants 6 Atholl Crescent PERTH PH1 5JN

Briggs Environmental Services Limited

Strategic Report for the Year Ended 31 March 2017

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

Principal activity

The principal activity of the company is providing pollution control, training and consultancy services.

Fair review of the business

Turnover for the year, including share of joint ventures, has decreased by 7% from the previous year to £3.8m as a result of lower sales in Azerbaijan. Gross Profit increased to £0.99m, having been £0.58m in the previous financial year.

The group turnover, net of joint ventures, has also decreased from the previous year to £3.8m.

The operating profit before the share of joint venture results increased from that that reported in the previous year of £0.21m to £0.87m. Operating profit, including the joint venture results, has increased from the loss of £0.42m reported in the previous year to a profit of £0.87m, due to the previous year having included exceptional items relating to the disengagement with the JV's in Oman and Egypt.

Notwithstanding that this year includes no exceptional items in respect of the overseas Joint Ventures, operating profit is also higher due to improved operational performance.

Market Developments

The company continues to try and develop its business in the UK by offering a fuller scope of service to both new and existing clients, and by extending its participation in the supply chain, and we expect the results in 2017/2018 to reflect further progress. The Board retains an interest in developing overseas opportunities where appropriate.

Trading

Operating profit has increased in the year. The group remains profitable, despite the lower oil price and the consequent market adjustment, through the application of strong management and operating protocols.

The prospects for the future also remain positive, driven by continual application of management effort to maintain and improve the UK trading position, allied to a number of opportunities which are arising in new geographical markets.

The group's key financial and other performance indicators during the year were as follows:

	Unit	2017	2016
Revenue	£	3,845,657	4,113,638
Gross Profit	%	26	14
Profit/(loss) before taxation	£	872,047	(415,493)
Total Equity	£	2,232,885	1,582,480

Briggs Environmental Services Limited

Strategic Report for the Year Ended 31 March 2017

Health and Safety

Health and Safety is a key foundation upon which we build in each and every area of our business. During the past 12 months, the Board has continued to focus effort in monitoring and improving our health and safety performance. For the period April 16 to March 17 our Incident frequency Rate (IFR) was 0.00 per 100,000 man hours. (2016: 0.00 per 100,000 man hours). The target for the next 12 months is to develop and maintain this level of performance in all areas of health and safety.

Corporate and Social Responsibility

The company has developed a comprehensive Corporate and Social Responsibility policy. It is aligned to an agreed set of core values which will be the foundation of our long term principles and operating philosophy. This is a high priority within the company and is being championed by the Chairman and Managing Director. Briggs is fully aware that it not only has a responsibility for all of its employees' wellbeing, but also that of the environment and community as a whole.

The policy incorporates Health and Safety, Service Delivery, Business and Energy Efficiency, Environmental Management, Sustainability, Workplace, Training and Development, and Business Ethics. It will include reporting upon our carbon footprint and other environmental KPIs, with each area having clearly defined Standards of Performance and Key Performance Indicators set, and these will be monitored and reported to the Board on a frequent basis.

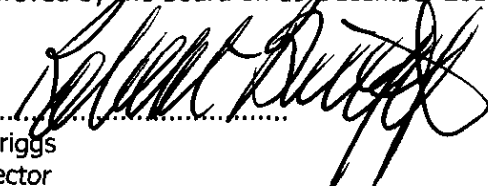
Headcount

The permanent headcount has decreased during the year, in spite of the growth in business activity reflecting the efficiencies introduced into the UK business. We continue to utilise temporary employees to cover the peak requirements in as required, which is the most cost effective way of delivering our business. The total headcount, including contract staff, as at 31 March 2017 was 77 (31 March 2016 = 78).

Principal risks and uncertainties

With regard to our Environmental Services activities in the UK, utilisation of the workforce is the key to profitability in this area. A significant part of the revenue generated in this area is on a call out basis and is subject to fluctuations driven by customer requirements. We are progressively offering an extended supply chain and a fuller scope of service to clients, which we expect will make the company a more attractive solution to a client, and also reduces the risk of lower utilisation rates.

Approved by the Board on 19 December 2017 and signed on its behalf by:

.....

R Briggs
Director

Briggs Environmental Services Limited

Directors' Report for the Year Ended 31 March 2017

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

Directors of the group

The directors who held office during the year were as follows:

P T Diamond

R Briggs

G Crookston

R C Briggs

Financial instruments

Objectives and policies

In terms of the financial risk in the present economic climate, the group continues where appropriate to finance any expansion of its activities through long term bank funding where the funding term is matched to the life of the asset or to the contract which the asset is being purchased to service.

Price risk, credit risk, liquidity risk and cash flow risk

The group does not trade in financial instruments. The board reviews the internal credit limits of all major customers and reviews the credit risk regularly. The aging profile of trade receivables shows that payments from customers are close to terms.

At the time of writing, the group's operational bank account remains within its facility and current forecasts indicate that this will continue to be the case in the medium term.

The group does not have to roll over any loans in the next twelve months.

Equality and Diversity Statement

The group has an inclusive environment that is based on the selection and retention of its employees on the basis of individual ability and achievement, where all employees can develop their full potential. This positive approach to promoting diversity is a key element of its strategy for success as an inclusive employer.

The group understands the importance of its most valuable assets - its employees, customers and stakeholders and continues to work towards ensuring that equality of opportunity is embedded within policies, practices and procedures. It endeavours to ensure that no employees, customers, contractors and/or visitors suffer any discrimination, nor are they disadvantaged because of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation or any other Statutory Legislation.

Briggs Environmental Services Limited

Directors' Report for the Year Ended 31 March 2017

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present.

Disclosure of information to the auditor

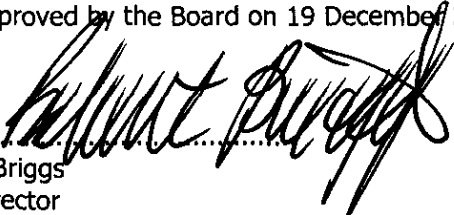
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

The auditors Morris & Young, Statutory Auditor are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 19 December 2017 and signed on its behalf by:

.....
R Briggs
Director



Briggs Environmental Services Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- *select suitable accounting policies and apply them consistently;*
- *make judgements and accounting estimates that are reasonable and prudent;*
- *state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and*
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.*

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements 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.

Briggs Environmental Services Limited

Independent Auditor's Report to the Members of Briggs Environmental Services Limited

We have audited the financial statements of Briggs Environmental Services Limited for the year ended 31 March 2017, set out on pages 9 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the group and parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and parent 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 group and the parent 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 auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), the 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 and express an opinion on 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 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

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

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

Briggs Environmental Services Limited

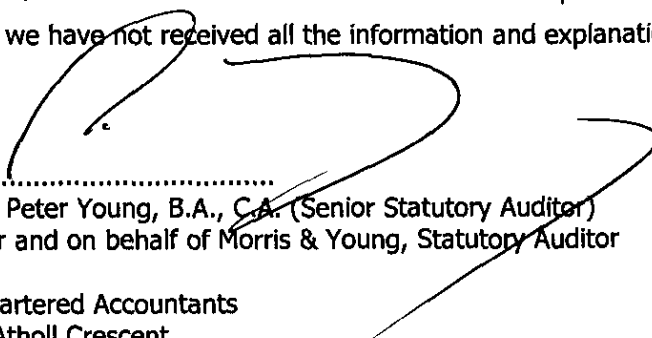
Independent Auditor's Report to the Members of Briggs Environmental Services Limited

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; 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.



.....
Mr Peter Young, B.A., C.A. (Senior Statutory Auditor)
For and on behalf of Morris & Young, Statutory Auditor

Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

22 December 2017

Briggs Environmental Services Limited

Consolidated Income Statement for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Revenue	3	3,845,657	4,113,638
Cost of sales		<u>(2,858,628)</u>	<u>(3,528,869)</u>
Gross profit		987,029	584,769
Administrative expenses		(320,355)	(378,060)
Other operating income	4	<u>205,373</u>	<u>-</u>
Operating profit	6	<u>872,047</u>	<u>206,709</u>
Other interest receivable and similar income	7	-	121
Exceptional bad debts	8	-	(392,593)
Exceptional write off investments	8	<u>-</u>	<u>(231,624)</u>
		-	(624,096)
Share of profit of equity accounted investees		<u>-</u>	<u>1,894</u>
Profit/(loss) before tax		872,047	(415,493)
Taxation	11	<u>(131,326)</u>	<u>(42,223)</u>
Profit/(loss) for the financial year		<u>740,721</u>	<u>(457,716)</u>
Profit/(loss) attributable to:			
Owners of the company		<u>740,721</u>	<u>(457,716)</u>

The group has no recognised gains or losses for the year other than the results above.

The notes on pages 16 to 38 form an integral part of these financial statements.

Briggs Environmental Services Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Profit/(loss) for the year		740,721	(457,716)
Foreign currency translation gains/(losses)		<u>-</u>	<u>(30,706)</u>
Total comprehensive income for the year		<u>740,721</u>	<u>(488,422)</u>
Total comprehensive income attributable to:			
Owners of the company		<u>740,721</u>	<u>(488,422)</u>

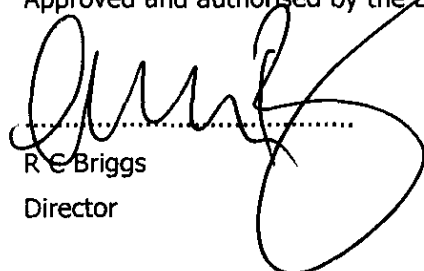
Briggs Environmental Services Limited

(Registration number: SC110121)

Consolidated Statement of Financial Position as at 31 March 2017

	Note	2017 £	2016 £
Property, plant and equipment	12	570,933	643,619
Investments	13	40,000	72,905
Other financial assets	14	3,800	3,800
		<u>614,733</u>	<u>720,324</u>
Current assets			
Inventories	15	234,632	334,126
Receivables	16	677,555	938,767
Cash at bank and in hand		<u>1,812,893</u>	<u>1,397,933</u>
		2,725,080	2,670,826
Payables: Amounts falling due within one year	18	<u>(990,320)</u>	<u>(1,780,605)</u>
Net current assets		<u>1,734,760</u>	<u>890,221</u>
Total assets less current liabilities		2,349,493	1,610,545
Provisions for liabilities	19	<u>(26,294)</u>	<u>(28,067)</u>
Net assets		<u>2,323,199</u>	<u>1,582,478</u>
Equity			
Called up share capital		1,000	1,000
Profit and loss account	22	<u>2,322,199</u>	<u>1,581,478</u>
Equity attributable to owners of the company		<u>2,323,199</u>	<u>1,582,478</u>
Total equity		<u>2,323,199</u>	<u>1,582,478</u>

Approved and authorised by the Board on 19 December 2017 and signed on its behalf by:



 R E Briggs
 Director

The notes on pages 16 to 38 form an integral part of these financial statements.

Briggs Environmental Services Limited

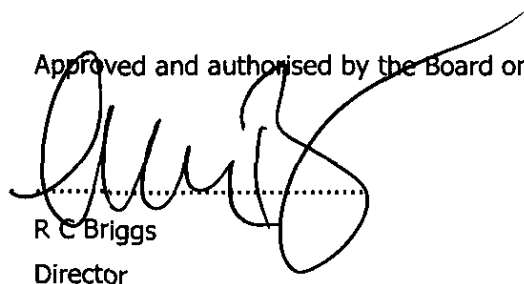
(Registration number: SC110121)

Statement of Financial Position as at 31 March 2017

	Note	2017 £	2016 £
Non current assets			
Property, plant and equipment	12	570,933	643,619
Investments	13	2	2
Other financial assets	14	<u>3,800</u>	<u>3,800</u>
		<u>574,735</u>	<u>647,421</u>
Current assets			
Inventories	15	234,632	334,126
Receivables	16	677,555	1,175,376
Cash at bank and in hand		<u>1,812,893</u>	<u>1,397,933</u>
		2,725,080	2,907,435
Payables: Amounts falling due within one year	18	<u>(990,320)</u>	<u>(1,575,232)</u>
Net current assets		<u>1,734,760</u>	<u>1,332,203</u>
Total assets less current liabilities		2,309,495	1,979,624
Provisions for liabilities	19	<u>(26,294)</u>	<u>(28,067)</u>
Net assets		<u>2,283,201</u>	<u>1,951,557</u>
Equity			
Called up share capital		1,000	1,000
Profit and loss account		<u>2,282,201</u>	<u>1,950,557</u>
Total equity		<u>2,283,201</u>	<u>1,951,557</u>

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. The company made a profit after tax for the financial year of £331,644 (2016 - profit of £84,607).

Approved and authorised by the Board on 19 December 2017 and signed on its behalf by:


 R C Briggs
 Director

The notes on pages 16 to 38 form an integral part of these financial statements.

Briggs Environmental Services Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2017
Equity attributable to the parent company

	Share capital £	Profit and loss account £	Total £	Total equity £
At 1 April 2016	1,000	1,581,478	1,582,478	1,582,478
Profit for the year	-	740,721	740,721	740,721
Total comprehensive income	-	740,721	740,721	740,721
At 31 March 2017	1,000	2,322,199	2,323,199	2,323,199
	Share capital £	Profit and loss account £	Total £	Total equity £
At 1 April 2015	1,000	2,137,305	2,070,900	2,070,900
Loss for the year	-	(457,716)	(457,716)	(457,716)
Other comprehensive income	-	(30,706)	(30,706)	(30,706)
Total comprehensive income	-	(30,706)	(30,706)	(30,706)
Transfers	-	98,111	(98,111)	-
At 31 March 2016	1,000	1,581,478	1,582,478	1,582,478

The notes on pages 16 to 38 form an integral part of these financial statements.
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Briggs Environmental Services Limited

Statement of Changes in Equity for the Year Ended 31 March 2017

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	1,000	1,950,557	1,951,557
Profit for the year	-	331,644	331,644
Total comprehensive income	-	331,644	331,644
At 31 March 2017	1,000	2,282,201	2,283,201
	Share capital £	Profit and loss account £	Total £
At 1 April 2015	1,000	1,865,950	1,866,950
Profit for the year	-	84,607	84,607
Total comprehensive income	-	84,607	84,607
At 31 March 2016	1,000	1,950,557	1,951,557

Briggs Environmental Services Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit/(loss) for the year		740,721	(457,716)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	89,886	89,790
Profit on disposal of property, plant and equipment	5	-	(15,075)
Loss from disposals of investments		1,338	231,624
Finance income	7	-	(121)
Share of (profit)/loss of equity accounted investees		-	(1,894)
Income tax expense	11	<u>131,326</u>	<u>42,223</u>
		963,271	(111,169)
Working capital adjustments			
Decrease/(increase) in inventories	15	99,494	(39,273)
Decrease in receivables	16	177,787	323,278
Decrease in payables	18	<u>(891,673)</u>	<u>(21,094)</u>
Cash generated from operations		348,879	151,742
Income taxes received/(paid)	11	<u>51,714</u>	<u>(130,557)</u>
Net cash flow from operating activities		<u>400,593</u>	<u>21,185</u>
Cash flows from investing activities			
Interest received		-	121
Acquisitions of property, plant and equipment		(17,200)	(21,179)
Proceeds from sale of property, plant and equipment		-	14,805
Proceeds from disposal of investments in joint ventures and associates		31,567	-
(Profit)/loss on disposal of property, plant and equipment		<u>-</u>	<u>15,075</u>
Net cash flows from investing activities		<u>14,367</u>	<u>8,822</u>
Net increase in cash and cash equivalents		414,960	30,007
Cash and cash equivalents at 1 April		<u>1,397,933</u>	<u>1,367,926</u>
Cash and cash equivalents at 31 March		<u><u>1,812,893</u></u>	<u><u>1,397,933</u></u>

The notes on pages 16 to 38 form an integral part of these financial statements.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital incorporated in Scotland.

The address of its registered office is:

Seaforth House

Seaforth Place

BURNTISLAND

Fife

KY3 9AX

These financial statements were authorised for issue by the Board on 19 December 2017.

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2017.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Entities in which the group holds an interest on a long-term basis and are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the net equity method.

Going concern

Briggs Environmental Services Limited is a wholly owned subsidiary of Briggs Commercial Limited. The group is a borrower and also a guarantor under the group's borrowing facilities as set out in the contingent liability note. These accounts have been prepared having regard to the group's trading forecasts for the next twelve months. These forecasts include detailed cashflow projections.

Notwithstanding the above, given the current economic environment, there remains a risk that the external trading environment may be worse than currently envisaged, and as a result, the directors of Briggs Commercial Limited have also reviewed forecasts which include sensitivities that make allowance for that risk. Should such a scenario arise, the directors of Briggs Commercial Limited have confidence that they have adequate liquidity and covenant headroom to ensure that the group can meet its liabilities as they fall due for the foreseeable future. After taking this in to account the directors of Briggs Environmental Services Limited consider that it is appropriate to prepare these accounts on a going concern basis.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts.

The Group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Group's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income 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 group operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred income 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

Property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

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

Land and buildings freehold

Depreciation method and rate

None

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Land and buildings leasehold	Straight line over the term of the lease
Fixtures, fittings & equipment	10 - 15% reducing balance & 33 - 100% straight line
Motor vehicles	25% reducing balance

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Receivables

Receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Receivables are recognised initially at the transaction price. A provision for the impairment of receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the latest cost price.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Payables are recognised initially at the transaction price.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group 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.

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2017 £	2016 £
Sale of goods	147,680	78,122
Rendering of services	3,697,977	4,035,516
	<u>3,845,657</u>	<u>4,113,638</u>

The analysis of the group's revenue for the year by class of business is as follows:

	2017 £	2016 £
Marine & Environmental Services	<u>3,845,657</u>	<u>4,113,638</u>

The analysis of the group's revenue for the year by market is as follows:

	2017 £	2016 £
UK	2,275,971	1,672,324
Rest of world	1,569,686	2,441,314
	<u>3,845,657</u>	<u>4,113,638</u>

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2017 £	2016 £
Miscellaneous other operating income	<u>205,373</u>	<u>-</u>

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2017 £	2016 £
Gain (loss) on disposal of property, plant and equipment	-	15,075
Gain (loss) from disposals of investments	(1,338)	(231,624)
	<u>(1,338)</u>	<u>(216,549)</u>

6 Operating profit

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	89,886	89,790
Foreign exchange (gains)/losses	(35,560)	150,185
Operating lease expense - property	249,212	244,289
Profit on disposal of property, plant and equipment	<u>-</u>	<u>(15,075)</u>

7 Other interest receivable and similar income

	2017 £	2016 £
Other finance income	<u>-</u>	<u>121</u>

8 Exceptional items

The exceptional bad debts related to receivables that were due from the Joint Venture Companies that are no longer expected to be recovered.

The exceptional write off of investments represents the difference between the carrying value of the Joint Venture investments and the amount that is expected to be realised.

9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

	2017	2016
	£	£
Wages and salaries	1,033,340	1,148,777
Social security costs	69,707	75,472
Pension costs, defined contribution scheme	20,520	25,873
Other employee expense	291	2,794
	<u>1,123,858</u>	<u>1,252,916</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2017	2016
	No.	No.
Administration and support	10	8
Other departments	67	62
	<u>77</u>	<u>70</u>

10 Auditors' remuneration

	2017	2016
	£	£
Audit of these financial statements	<u>9,010</u>	<u>8,750</u>

11 Taxation

Tax charged/(credited) in the income statement

	2017	2016
	£	£
Current taxation		
UK corporation tax	132,991	30,435
UK corporation tax adjustment to prior periods	108	2,926
	<u>133,099</u>	<u>33,361</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(1,773)	8,862
Tax expense in the income statement	<u>131,326</u>	<u>42,223</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2016 - the same as the standard rate of corporation tax in the UK) of 20% (2016 - 20%).

The differences are reconciled below:

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

	2017 £	2016 £
Profit/(loss) before tax	<u>872,047</u>	<u>(415,493)</u>
Corporation tax at standard rate	174,409	(83,477)
Effect of revenues exempt from taxation	(41,075)	-
Effect of expense not deductible in determining taxable profit (tax loss)	670	121,064
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	108	2,926
Tax increase (decrease) from effect of capital allowances and depreciation	(1,013)	(7,152)
Tax increase (decrease) from other short-term timing differences	<u>(1,773)</u>	<u>8,862</u>
Total tax charge	<u>131,326</u>	<u>42,223</u>

Deferred tax

Group

Deferred tax assets and liabilities

2017

Accelerated capital allowances

Liability
£

26,294

2016

Accelerated capital allowances

Liability
£

28,067

Company

Deferred tax assets and liabilities

2017

Accelerated capital allowances

Liability
£

26,294

2016

Accelerated capital allowances

Liability
£

28,067

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

12 Property, plant and equipment

Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2016	27,335	1,750,702	148,058	1,926,095
Additions	-	17,200	-	17,200
	<u>27,335</u>	<u>1,767,902</u>	<u>148,058</u>	<u>1,943,295</u>
At 31 March 2017	<u>27,335</u>	<u>1,767,902</u>	<u>148,058</u>	<u>1,943,295</u>
Depreciation				
At 1 April 2016	27,335	1,145,087	110,054	1,282,476
Charge for the year	-	80,385	9,501	89,886
	<u>27,335</u>	<u>1,225,472</u>	<u>119,555</u>	<u>1,372,362</u>
At 31 March 2017	<u>27,335</u>	<u>1,225,472</u>	<u>119,555</u>	<u>1,372,362</u>
Carrying amount				
At 31 March 2017	<u>-</u>	<u>542,430</u>	<u>28,503</u>	<u>570,933</u>
At 31 March 2016	<u>-</u>	<u>605,615</u>	<u>38,004</u>	<u>643,619</u>

Included within the net book value of land and buildings above is £Nil (2016 - £Nil) in respect of freehold land and buildings and £Nil (2016 - £Nil) in respect of short leasehold land and buildings.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Company

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2016	27,335	1,750,702	148,058	1,926,095
Additions	-	17,200	-	17,200
At 31 March 2017	<u>27,335</u>	<u>1,767,902</u>	<u>148,058</u>	<u>1,943,295</u>
Depreciation				
At 1 April 2016	27,335	1,145,087	110,054	1,282,476
Charge for the year	-	80,385	9,501	89,886
At 31 March 2017	<u>27,335</u>	<u>1,225,472</u>	<u>119,555</u>	<u>1,372,362</u>
Carrying amount				
At 31 March 2017	<u>-</u>	<u>542,430</u>	<u>28,503</u>	<u>570,933</u>
At 31 March 2016	<u>-</u>	<u>605,615</u>	<u>38,004</u>	<u>643,619</u>

Included within the net book value of land and buildings above is £Nil (2016 - £Nil) in respect of freehold land and buildings and £Nil (2016 - £Nil) in respect of short leasehold land and buildings.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

13 Investments

Group

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Briggs Limited	(Overseas) Scotland	Ordinary	100%	100%
Joint ventures				
Alpha Mediterranean Limited	Briggs Malta	Ordinary	50%	50%
Briggs Egypt Marine Environmental Services	Egypt	Ordinary	50%	50%
Oman Environmental Company	Petro Services Oman	Ordinary	0%	40%

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Subsidiary undertakings

The principal activity of Briggs (Overseas) Limited is dormant.

Joint venture undertakings

	2017 £	2016 £
Investments in joint ventures	<u>40,000</u>	<u>72,905</u>

Joint Ventures

Net Equity	£
At 1 April 2016	72,905
Disposals	(32,905)
At 31 March 2017	<u>40,000</u>

Aggregate financial information of joint ventures

	2017 £	2016 £
Total assets	371,018	537,841
Total liabilities	(131,478)	(233,312)
Net assets	<u>239,540</u>	<u>304,529</u>
Revenues	-	353
Profit or (loss)	-	1,894
Impairment	-	231,624
Net Investment	<u>40,000</u>	<u>72,905</u>

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

The group are in dispute with their partners in their joint venture Alpha Briggs Mediterranean Limited. The investment in this joint venture has not been consolidated. The company has been unable to obtain accounts with the Joint Venture with Briggs Egypt Marine Environmental Services for the year ended 31 December 2016 and therefore the Balance Sheet as at 31 December 2015 has been used. The company has disposed of their investment in Oman Petro Environmental Services Co during the year.

Impairment of joint ventures

The amount of impairment loss included in profit or loss is £nil (2016 - £231,624). The impairment loss is included in exceptional items. The loss represents the difference between the carry value of the joint venture investment and the amount that is expected to be realised.

Aggregate financial information of joint ventures

	2017	2016
	£	£
Group's share of profit or loss in joint ventures	-	1,894

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Company

	2017 £	2016 £
Investments in subsidiaries	<u>2</u>	<u>2</u>

Subsidiaries

Cost or valuation

At 1 April 2016	<u>2</u>
At 31 March 2017	<u>2</u>

Carrying amount

At 31 March 2017	<u>2</u>
At 31 March 2016	<u>2</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Briggs Limited	(Overseas) Scotland	Ordinary	100%	100%

The principal activity of Briggs (Overseas) Limited is dormant.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

14 Other financial assets

Group

	Financial assets at amortised cost £	Total £
Non-current financial assets		
Cost or valuation		
At 1 April 2016	<u>3,800</u>	<u>3,800</u>
At 31 March 2017	<u>3,800</u>	<u>3,800</u>
Impairment		
Carrying amount		
At 31 March 2017	<u>3,800</u>	<u>3,800</u>

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Company

	Financial assets at amortised cost £	Total £
Non-current financial assets		
Cost or valuation		
At 1 April 2016	<u>3,800</u>	<u>3,800</u>
At 31 March 2017	<u>3,800</u>	<u>3,800</u>
Impairment		
Carrying amount		
At 31 March 2017	<u>3,800</u>	<u>3,800</u>

15 Inventories

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Work in progress	66,883	167,191	66,883	167,191
Other inventories	<u>167,749</u>	<u>166,935</u>	<u>167,749</u>	<u>166,935</u>
	<u>234,632</u>	<u>334,126</u>	<u>234,632</u>	<u>334,126</u>

Group

The cost of inventories recognised as an expense in the year amounted to £7,485 (2016 - £2,023).

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Company

The cost of inventories recognised as an expense in the year amounted to £7,485 (2016 - £2,023).

16 Receivables

	Note	Group		Company	
		2017 £	2016 £	2017 £	2016 £
Receivables		466,491	547,791	466,491	547,791
Amounts owed by related parties	25	29,500	141,287	29,500	377,896
Other receivables		81,287	46,729	81,287	46,729
Prepayments		100,277	119,535	100,277	119,535
Income tax asset	11	-	83,425	-	83,425
Total current trade and other receivables		<u>677,555</u>	<u>938,767</u>	<u>677,555</u>	<u>1,175,376</u>

17 Cash and cash equivalents

	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Cash on hand	9,195	9,301	9,195	9,301
Cash at bank	<u>1,803,698</u>	<u>1,388,632</u>	<u>1,803,698</u>	<u>1,388,632</u>
	<u>1,812,893</u>	<u>1,397,933</u>	<u>1,812,893</u>	<u>1,397,933</u>

18 Payables

		Group		Company	
	Note	2017 £	2016 £	2017 £	2016 £
Due within one year					
Trade payables		45,206	68,044	45,206	68,044
Amounts due to related parties	25	540,057	1,277,142	540,057	1,071,769
Social security and other taxes		41,088	62,177	41,088	62,177
Other payables		82,915	76,156	82,915	76,156
Accrued expenses		148,062	265,482	148,062	265,482
Income tax liability	11	132,992	31,604	132,992	31,604
		990,320	1,780,605	990,320	1,575,232

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

19 Deferred tax and other provisions

Group

	Deferred tax £	Total £
At 1 April 2016	28,067	28,067
Increase (decrease) in existing provisions	<u>(1,773)</u>	<u>(1,773)</u>
At 31 March 2017	<u>26,294</u>	<u>26,294</u>

Company

	Deferred tax £	Total £
At 1 April 2016	28,067	28,067
Increase (decrease) in existing provisions	<u>(1,773)</u>	<u>(1,773)</u>
At 31 March 2017	<u>26,294</u>	<u>26,294</u>

20 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £20,520 (2016 - £25,873).

21 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

22 Reserves

Group

Called up share capital

Represents the nominal value of shares that have been issued.

Profit and loss account

Includes current and prior periods retained profits and losses.

Other reserves

Includes the exchange differences when restating the opening reserves for the foreign joint ventures.

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	Foreign currency translation £	Total £
Foreign currency translation gains/(losses)	<u>(30,706)</u>	<u>(30,706)</u>

Company

Called up share capital

Represents the nominal value of shares that have been issued.

Other reserves

Includes the exchange differences when restating the opening reserves for the foreign joint ventures.

Profit and loss account

Includes current and prior period retained profits and losses.

23 Obligations under leases and hire purchase contracts

Group

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	96,000	96,000
Later than one year and not later than five years	74,447	43,539
Later than five years	<u>204,167</u>	<u>-</u>
	<u>374,614</u>	<u>139,539</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £273,941 (2016 - £255,405).

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Company

Operating leases

The total of future minimum lease payments is as follows:

	2017	2016
	£	£
Not later than one year	96,000	96,000
Later than one year and not later than five years	74,447	43,539
Later than five years	<u>204,167</u>	<u>-</u>
	<u>374,614</u>	<u>139,539</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £273,941 (2016 - £255,405).

24 Contingent liabilities

Group

The company's bankers hold a floating charge over the assets of the company which serves to guarantee the borrowings of the company and also those of the parent company Briggs Commercial Limited. There is also a cross guarantee from Briggs Environmental Services Limited on behalf of each of the other group companies.

Company

The company's bankers hold a floating charge over the assets of the company which serves to guarantee the borrowings of the company and also those of the parent company Briggs Commercial Limited. There is also a cross guarantee from Briggs Environmental Services Limited on behalf of each of the other group companies.

25 Related party transactions

Group

Summary of transactions with parent

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

Summary of transactions with subsidiaries

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

Summary of transactions with joint ventures

Joint venture

No transactions in year.

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Summary of transactions with other related parties

Family directors pension scheme
Rent of building

Income and receivables from related parties

2017

Amounts receivable from related party
Provision for doubtful debts

Joint ventures

£

174,377

635,859

Joint ventures

£

174,377

635,859

2016

Amounts receivable from related party
Provision for doubtful debts

Expenditure with and payables to related parties

2017

Leases

Other related parties

£

96,000

Other related parties

£

96,000

2016

Leases

Loans to related parties

2017

Provision for doubtful debts

Joint ventures

£

372,593

Joint ventures

£

372,593

(372,593)

2016

At start of period
Impairment

At end of period

Provision for doubtful debts

-

372,593

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Company

Summary of transactions with parent

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

Summary of transactions with subsidiaries

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

Summary of transactions with joint ventures

Joint ventures

There were no transactions this year or last year

Summary of transactions with other related parties

Family directors pension scheme

Rent of building

Income and receivables from related parties

2017

Amounts receivable from related party

Provision for doubtful debts

Joint ventures

£

174,377

323,266

Joint ventures

£

174,377

323,266

2016

Amounts receivable from related party

Provision for doubtful debts

Expenditure with and payables to related parties

2017

Leases

Other related parties

£

96,000

Other related parties

£

96,000

2016

Leases

Briggs Environmental Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Loans to related parties

	Joint ventures £
2017	
Provision for doubtful debts	<u>60,000</u>
	Joint ventures £
2016	
At start of period	60,000
Impairment	<u>(60,000)</u>
At end of period	<u>-</u>
Provision for doubtful debts	<u>60,000</u>

26 Parent and ultimate parent undertaking

The company's immediate parent is Briggs Commercial Limited, incorporated in Scotland.

These financial statements are available upon request from Companies House, 139 Fountainbridge, Edinburgh, EH3 9FF

The ultimate controlling party is Robert Briggs.