

GSE PLANT LIMITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2020



GSE PLANT LIMITED
REGISTERED NUMBER: 03482174

BALANCE SHEET
AS AT 31 DECEMBER 2020

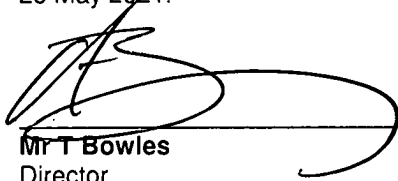
	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	4	2,015,472	2,403,665
CURRENT ASSETS			
Stocks		23,208	23,591
Debtors: amounts falling due within one year	5	971,764	2,569,431
Cash at bank and in hand	6	-	42,064
		<u>994,972</u>	<u>2,635,086</u>
Creditors: amounts falling due within one year	7	(1,055,218)	(1,204,155)
NET CURRENT (LIABILITIES)/ASSETS		<u>(60,246)</u>	<u>1,430,931</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,955,226</u>	<u>3,834,596</u>
Creditors: amounts falling due after more than one year	8	(216,344)	(760,468)
PROVISIONS FOR LIABILITIES			
Deferred tax	11	(296,030)	(329,413)
NET ASSETS		<u>£ 1,442,852</u>	<u>£ 2,744,715</u>
CAPITAL AND RESERVES			
Called up share capital		1	1
Profit and loss account		1,442,851	2,744,714
		<u>£ 1,442,852</u>	<u>£ 2,744,715</u>

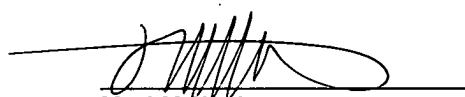
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 income and retained earnings 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 25 May 2021.


Mr T Bowles
Director


Mr J M Healey
Director

The notes on pages 2 to 12 form part of these financial statements.

GSE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

GSE Plant Limited is a private company, limited by shares, incorporated in England and Wales.

The registered company number is 03482174.

The registered office address is Henwood House, Henwood, Ashford, Kent, TN24 8DH.

The principal place of business address is GSE House, Paper Lane, Willesborough, Ashford, Kent, TN24 0TS.

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 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.

The financial statements are presented in UK Sterling pounds (£) and rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. While the impact of the COVID-19 pandemic has been assessed by the directors, so far as reasonably possible, due to its unprecedented impact of the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the company's trade, its customers and suppliers. However, taking into consideration the UK Government's response and the Company's planning, the directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future.

GSE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

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 following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.5 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

GSE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 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.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Company contributes to its employees defined contribution plans. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 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.

2.11 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.

GSE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Plant and machinery	- 20% reducing balance / 33.33% straight line
Motor vehicles	- 20% reducing balance

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.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.13 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.

2.14 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.

2.15 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.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

GSE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

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 profit or loss 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.

2.18 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.

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 income and retained earnings.

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.

2.19 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. Employees

The average monthly number of employees, including directors, during the year was 22 (2019 -20).

GSE PLANT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 January 2020	4,222,302	342,089	4,564,391
Additions	9,238	159,250	168,488
Disposals	(252,870)	(144,956)	(397,826)
At 31 December 2020	<u>3,978,670</u>	<u>356,383</u>	<u>4,335,053</u>
Depreciation			
At 1 January 2020	1,989,171	171,555	2,160,726
Charge for the year on owned assets	114,221	497	114,718
Charge for the year on financed assets	325,555	49,051	374,606
Disposals	(206,913)	(123,556)	(330,469)
At 31 December 2020	<u>2,222,034</u>	<u>97,547</u>	<u>2,319,581</u>
Net book value			
At 31 December 2020	<u>£ 1,756,636</u>	<u>£ 258,836</u>	<u>£ 2,015,472</u>
At 31 December 2019	<u>£ 2,233,131</u>	<u>£ 170,534</u>	<u>£ 2,403,665</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Plant and machinery	1,302,222	1,917,526
Motor vehicles	256,829	145,198
	<u>£ 1,559,051</u>	<u>£ 2,062,724</u>

GSE PLANT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Debtors

	2020 £	2019 £
Trade debtors	202,024	132,896
Amounts owed by group undertakings	307,537	2,343,842
Other debtors	402,048	22,024
Prepayments and accrued income	60,155	70,669
	<u>£ 971,764</u>	<u>£ 2,569,431</u>

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	-	42,064
Less: bank overdrafts	(64,266)	-
	<u>£ (64,266)</u>	<u>£ 42,064</u>

GSE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	64,266	-
Other loans	238,722	388,521
Trade creditors	54,184	107,515
Corporation tax	36,627	-
Other taxation and social security	6,945	-
Obligations under finance lease and hire purchase contracts	618,396	680,444
Other creditors	11,878	9,541
Accruals and deferred income	24,200	18,134
	<u>£ 1,055,218</u>	<u>£ 1,204,155</u>

The Company is subject to a first fixed charge in favour of Santander UK Plc, in respect of the overdraft facility.

Other loans are unsecured. Interest is payable on these loans at 5% per annum.

Finance lease and hire purchase contracts are secured on the assets concerned and are supported by a cross guarantee from GSE Building & Civil Engineering Limited to £618,271 (2019 - £1,079,185). On 11 February 2021, GSE Construction (Group) Limited and GSE Holdings (Kent) Limited were released from the liabilities under the Corporate Guarantee and Indemnity.

On 30 April 2020, the fixed and floating charge over all of the assets of the Company secured by Nucleus Commerical Finance Limited were satisfied and released.

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

	2020 £	2019 £
Other loans	-	227,951
Net obligations under finance leases and hire purchase contracts	216,344	532,517
	<u>£ 216,344</u>	<u>£ 760,468</u>

Other loans are unsecured. Interest is payable on these loans at 5% per annum.

Finance lease and hire purchase contracts are secured on the assets concerned and are supported by a cross guarantee from GSE Building & Civil Engineering Limited to £618,271 (2019 - £1,079,185). On 11 February 2021, GSE Construction (Group) Limited and GSE Holdings (Kent) Limited were released from the liabilities under the Corporate Guarantee and Indemnity.

GSE PLANT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Other loans	238,722	388,521
Amounts falling due 1-2 years		
Other loans	-	227,951
	<u>£ 238,722</u>	<u>£ 616,472</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	618,396	680,444
Between 1-5 years	216,344	532,517
	<u>£ 834,740</u>	<u>£ 1,212,961</u>

11. Deferred taxation

	2020 £	2019 £
At beginning of year	329,413	280,472
Charged to the profit or loss	(33,383)	48,941
At end of year	<u>£ 296,030</u>	<u>£ 329,413</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	296,030	329,413
	<u>£ 296,030</u>	<u>£ 329,413</u>

GSE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Contingent liabilities

At the balance sheet date, the Company has, due to its group VAT registration, a contingent liability of £207,781.

At the balance sheet date, the Company has, entered into guarantees in favour of operating leases to another company in its group of £118,410.

13. Capital commitments

At 31 December 2020 the company had capital commitments as follows:

	2020 £	2019 £
Contracted for but not provided in these financial statements	-	159,250
	<u>£ -</u>	<u>£ 159,250</u>

14. Pension commitments

The Company contributes to defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The pension cost charge represents contributions payable by the Company and amounts to £15,353 (2019 - £15,285). Contributions totalling £923 (2019 - £538) were payable at the balance sheet date and are included in creditors.

15. Related party transactions

In accordance with FRS102 Section 1A, the Company is exempt from disclosing related party transactions with other companies in its group.

At the balance sheet date, £401,328 (2019 - £2,215) was due from Companies under control of a close family member of Mr J M Healey, a director of the Company. The balances are interest free and repayable on demand.

16. Ultimate parent undertaking and controlling party

Up until 4 April 2020, the immediate parent undertaking was GSE Holding (Kent) Limited. On this date, the Company was acquired by GSE C & H Holdings Limited.

At the balance sheet date, the parent undertaking is GSE C & H Holdings Limited, a Company incorporated in England and Wales. The registered office address of the Company is Henwood House, Henwood, Ashford, Kent, TN24 8DH.

GSE C & H Holdings Limited holds the entire issued share capital of GSE Plant Limited. There is no single controlling party of the parent undertaking.

GSE PLANT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 25 May 2021 by Andrew John Childs F.C.A. (Senior statutory auditor) on behalf of Magee Gammon Corporate Limited.