REGISTERED NUMBER: 03475558 (England and Wales)

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2019

FOR

SEICHE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

SEICHE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2019

DIRECTORS:	R Wyatt S J Cole K W Hamer M J Burnett Miss S Nichols
SECRETARY:	Mrs J K Wyatt
REGISTERED OFFICE:	The Custom House The Strand Barnstaple Devon EX31 1EU
REGISTERED NUMBER:	03475558 (England and Wales)
INDEPENDENT AUDITORS:	Baldwins Statutory Auditors The Custom House The Strand Barnstaple Devon EX31 1EU

BALANCE SHEET
31 MAY 2019

	Notes	2019 £	2019 £	2018 as restated £	2018 as restated £
FIXED ASSETS					
Intangible assets	4		**70,000**		87,500
Tangible assets	5		**632,225**		721,683
Investment property	6		**250,000**		400,000
			952,225		1,209,183
CURRENT ASSETS					
Stocks		**215,499**		169,781	
Debtors	7	**2,341,391**		1,782,464	
Cash at bank and in hand		**245,226**		28,754	
		2,802,116		1,980,999	
CREDITORS					
Amounts falling due within one year	8	**532,060**		282,932	
NET CURRENT ASSETS			**2,270,056**		1,698,067
TOTAL ASSETS LESS CURRENT LIABILITIES			**3,222,281**		2,907,250
CREDITORS					
Amounts falling due after more than one year	9		**138,564**		159,511
NET ASSETS			**3,083,717**		2,747,739
CAPITAL AND RESERVES					
Called up share capital	12		**2**		2
Retained earnings	13		**3,083,715**		2,747,737
SHAREHOLDERS' FUNDS			**3,083,717**		2,747,739

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved and authorised for issue by the Board of Directors on 29 October 2019 and were signed on its behalf by:

S J Cole - Director

M J Burnett - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

1. **STATUTORY INFORMATION**

Seiche Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements cover this company as an individual entity. Rounding is to the nearest Pound (£).

The company's place of business is Bradworthy Industrial Estate, Langdon Road, Bradworthy, Holsworthy, Devon EX22 7SF.

Seiche Limited is a 100% owned subsidiary of Seiche Water Technology Group Ltd (SWTG). SWTG's registered office is The Custom House, The Strand, Barnstaple, Devon EX31 1EU.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with companies within the group.

continued...

2. **ACCOUNTING POLICIES - continued**

Turnover and revenue recognition
Turnover is derived from the sales of goods and services, excluding VAT, and is derived from the ordinary activities of the company. Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods
Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of the goods when the amount of turnover can be measured reliably.It is probable then that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services
Turnover from the supply of equipment to costs is recognised based on an assessment of the usage period in which the equipment is used by customers and that the usage period can be measured reliably.

Interest income
Income is recognised as interest accrues using the effective interest method.

Rental income
Income from rentals is recognised based on the level of rental income due, plus any adjustments for the likely consideration received.

Patents and licences
Royalties acquired have finite useful lives and are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated using the straight-line method to allocate the cost of royalties over their estimated useful lives of 10 years.

Impairment of non-financial assets

The company assesses at each reporting date whether the asset maybe impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs. The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in the profit and loss.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Improvements to property	- 20% on cost
Plant and machinery	- 25% on cost and 20% on cost
Office equipment	- 20% on cost
Motor vehicles	- 25% on cost

Capitalised self-built assets which are available to lease to customers are depreciated over their estimated useful lives at a rate of 20-25% per annum.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

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2. ACCOUNTING POLICIES - continued

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all costs incurred in bringing each product to its present location and condition as follows:

Raw materials, consumables and goods held for resale	- Purchase cost on a first-in, first out basis
Work in progress and finished goods	- Cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Financial instruments
Financial instruments are defined as a contract which gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Basic financial instruments are classified under section 11 of FRS102 and are held at amortised cost. These include bank and cash in hand, all debtors and all creditors, bank loans and other non-complicated loans.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development
Expenditure on research and development is written off into the profit and loss account in the year in which it is incurred.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

continued...

2. ACCOUNTING POLICIES - continued

Investment in subsidiaries
Investment in subsidiary companies are held at amortised cost less accumulated impairment losses.

Interest bearing loans and borrowings
All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest method less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 36 (2018 - 33) .

4. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 June 2018	
and 31 May 2019	**175,000**
AMORTISATION	
At 1 June 2018	**87,500**
Amortisation for year	**17,500**
At 31 May 2019	**105,000**
NET BOOK VALUE	
At 31 May 2019	**70,000**
At 31 May 2018	87,500

continued...

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Office equipment £	Motor vehicles £	Totals £
COST					
At 1 June 2018	76,541	3,015,922	116,020	20,000	3,228,483
Additions	-	310,735	3,417	23,337	337,489
Disposals	-	(116,097)	-	(20,000)	(136,097)
At 31 May 2019	76,541	3,210,560	119,437	23,337	3,429,875
DEPRECIATION					
At 1 June 2018	76,541	2,323,074	87,185	20,000	2,506,800
Charge for year	-	407,826	15,232	3,889	426,947
Eliminated on disposal	-	(116,097)	-	(20,000)	(136,097)
At 31 May 2019	76,541	2,614,803	102,417	3,889	2,797,650
NET BOOK VALUE					
At 31 May 2019	-	595,757	17,020	19,448	632,225
At 31 May 2018	-	692,848	28,835	-	721,683

Included in plant and machinery above are capitalised self built assets which are available for hire to customers included at cost £2,846,120 (2018 - £2,681,061) less accumulated depreciation of £2,319,349 (2018 - £2,075,071), net book value £526,771 (2018 £605,990).

Assets which are held under finance leases at the balance sheet date are included at cost of £23,337 (2018 - £nil) less accumulated depreciation of £3,889 (2018 - £nil), net book value £19,448 (2018 - £nil).

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 June 2018	400,000
Impairments	(150,000)
At 31 May 2019	250,000
NET BOOK VALUE	
At 31 May 2019	250,000
At 31 May 2018	400,000

Fair value at 31 May 2019 is represented by:

	£
Valuation in 2014	63,465
Valuation in 2019	(150,000)
Cost	336,535
	250,000

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6. INVESTMENT PROPERTY - continued

If investment property had not been revalued it would have been included at the following historical cost:

	2019	2018 as restated
	£	£
Cost	336,535	336,535

Investment property was valued on an open market basis on 31 May 2019 by the Directors .

The investment property has been valued by the directors based on their assumptions of the fair value of investment property at the balance sheet date. To make their assumptions the directors have estimated the fair value of the investment property, based on a professional valuation carried out by Kivells on 14 June 2019. The directors do not consider the fair value of the investment property to be materially misstated.

7. DEBTORS

	2019	2018 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	578,349	312,861
Amounts owed by group undertakings	1,581,502	826,154
Other debtors	-	126,495
Tax	3,226	24,558
Accrued income	18,433	350,950
Prepayments	61,560	27,884
	2,243,070	1,668,902
Amounts falling due after more than one year:		
Deferred tax asset	98,321	113,562
Aggregate amounts	2,341,391	1,782,464

Amounts owed by group undertakings falling due within one year are repayable on demand and interest is charged at 4% over bank base rate per annum in accordance with inter-group loan agreements. Interest receivable derived from group undertakings for the year was £68,370 (2018 - £39,284).

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018 as restated
	£	£
Bank loans and overdrafts	18,430	18,018
Hire purchase contracts (see note 10)	4,240	-
Trade creditors	95,973	122,709
Amounts owed to group undertakings	-	27,028
Social security and other taxes	213,703	36,556
Other creditors	17,500	17,500
Directors' current accounts	-	8,000
Accruals and deferred income	182,214	53,121
	532,060	282,932

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8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Amounts owed to group undertakings falling due within one year are repayable on demand and interest is charged at 4% over bank base rate per annum in accordance with inter-group loan agreements. Interest payable on loans from group undertakings for the year was £nil (2018 - £8,120).

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018 as restated
	£	£
Bank loans - 1-2 years	18,430	18,018
Bank loans - 2-5 years	52,091	54,055
Bank loans more 5 yr by instal	-	17,291
Other loans - 1-2 years	17,115	17,115
Other loans - 2-5 years	37,110	49,118
Other loans more 5yrs instal	-	3,914
Hire purchase contracts (see note 10)	13,818	-
	138,564	159,511

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	-	17,291
Other loans more 5yrs instal	-	3,914
	-	21,205

10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018 as restated
	£	£
Net obligations repayable:		
Within one year	4,240	-
Between one and five years	13,818	-
	18,058	-

	Non-cancellable operating leases	
	2019	2018 as restated
	£	£
Within one year	44,666	48,386
Between one and five years	86,626	89,168
In more than five years	31,825	53,825
	163,117	191,379

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11. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018 as restated
	£	£
Bank loans	**88,951**	107,382

The bank loan is secured by a first legal charge over the company's freehold investment property together with a limited guarantee provided by the director, Mr R Wyatt.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018 as restated
			£	£
2	Ordinary	£1	**2**	2

13. RESERVES

	Retained earnings
	£
At 1 June 2018	**2,751,555**
Prior year adjustment	**(3,818)**
	2,747,737
Profit for the year	**545,978**
Dividends	**(60,000)**
Investment property	**(150,000)**
At 31 May 2019	**3,083,715**

14. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Christopher Birch BSc FCA (Senior Statutory Auditor)
for and on behalf of Baldwins

15. PENSION COMMITMENTS

During the year the company operated two defined contribution pension schemes. The assets of these schemes are held separately from those of the company in separately administered funds. The amount paid to these schemes in the year ended 31 May 2019 was £51,027 (2018 - £46,453). At the balance sheet date £11,382 was due for payment to the scheme (2018 - £2,753).

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16. RELATED PARTY DISCLOSURES

Other Related Parties

During the year a family member of one of the company's directors occupied 11 Stevenstone Court, Stevenstone, Torrington, Devon, EX38 7HY, the Company's investment property, at a below market value rent of £4,200 (2018 - £4,200).

Autonaut Limited

Autonaut Limited is a 75% (2018 - 51%) owned subsidiary of Seiche Water Technology Group Ltd, the holding company of Seiche Limited. . During the year the company provided management services to Autonaut Limited totalling £94,839 (2018 - £83,110). During the year the company also received management services from Autonaut Limited totalling £792,987 (2018 - £58,750). At the balance sheet date Autonaut Limited owed Seiche Limited £214,873 (2018 - £117,179). Interest of £7,637 (2018 - £3,692) was charged on this loan by the company to Autonaut Limited at a rate of 4% over bank base rate in accordance with the company's unsecured loan agreement. All services supplied and received by the two respective companies have been dealt with on an arms-length commercial basis.

17. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

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

18. POST BALANCE SHEET EVENTS

In September 2019 a bank was was secured by a second legal charge over the company's freehold investment property.

19. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are Mr R Wyatt, a director of this company, and Mrs J K Wyatt, who hold in equal number the whole of the issued share capital of Seiche Water Technology Group Ltd, being this company's parent company.

20. ULTIMATE PARENT COMPANY

The ultimate parent company is Seiche Water Technology Group Ltd (SWTG) owning 100% of the share capital of this company. SWTG's registered office is The Custom House, The Strand, Barnstaple, Devon EX31 1EU from which copies of the accounts can be obtained.