

Registration number: 00715014

Davies & Co (Environmental) Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2018



Davies & Co (Environmental) Limited

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Davies & Co (Environmental) Limited

Company Information

Directors J A de Bruijn
S Telford

Company secretary J A Wood

Registered office Moor Road
Leeds
West Yorkshire
LS10 2DD

Auditors Hawsons Chartered Accountants
Pegasus House
463a Glossop Road
Sheffield
South Yorkshire
S10 2QD

Davies & Co (Environmental) Limited

Directors' Report for the Year Ended 31 December 2018

The directors present their report and the audited financial statements for the year ended 31 December 2018.

Directors of the company

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

J A de Bruijn

S Telford

Principal activity

The principal activity of the company is the testing of cremation equipment.

Directors' liabilities

The company has made qualifying third party indemnity provisions for the benefits of its directors which were made during the year and remain in force at the date of this report.

Disclosure of information to the auditors

Each director of the company who held office at the date of the approval of this Annual Report, as set out above, confirms that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Reappointment of auditors

The auditors Hawsons Chartered Accountants are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 26/03/19 and signed on its behalf by:



S Telford
Director

Davies & Co (Environmental) Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Directors' 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;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Davies & Co (Environmental) Limited

Independent Auditor's Report to the Members of Davies & Co (Environmental) Limited

Opinion

We have audited the financial statements of Davies & Co (Environmental) Limited (the 'company') for the year ended 31 December 2018, which comprise the the Statement of Income and Retained Earnings, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Davies & Co (Environmental) Limited

Independent Auditor's Report to the Members of Davies & Co (Environmental) Limited (continued)

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

Davies & Co (Environmental) Limited

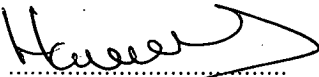
Independent Auditor's Report to the Members of Davies & Co (Environmental) Limited (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Hill (Senior Statutory Auditor)

For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Pegasus House
463a Glossop Road
Sheffield
South Yorkshire
S10 2QD

Date: 28/5/19

Davies & Co (Environmental) Limited

**Statement of Income and Retained Earnings
for the Year Ended 31 December 2018**

| | Note | 2018 £ | 2017 £ |
|--------------------------------------|------|-----------------------|-----------------------|
| Turnover | | 470,575 | 442,316 |
| Cost of sales | | <u>(217,880)</u> | <u>(218,257)</u> |
| Gross profit | | 252,695 | 224,059 |
| Administrative expenses | | <u>(47,698)</u> | <u>(72,316)</u> |
| Operating profit | | 204,997 | 151,743 |
| Interest payable and similar charges | | <u>(43)</u> | <u>-</u> |
| Profit before tax | 2 | 204,954 | 151,743 |
| Taxation | | <u>(39,436)</u> | <u>(29,322)</u> |
| Profit for the financial year | | 165,518 | 122,421 |
| Retained earnings brought forward | | 135,294 | 137,873 |
| Dividends paid | | <u>(200,000)</u> | <u>(125,000)</u> |
| Retained earnings carried forward | | <u><u>100,812</u></u> | <u><u>135,294</u></u> |

The notes on pages 9 to 12 form an integral part of these financial statements.

Davies & Co (Environmental) Limited

(Registration number: 00715014)

Balance Sheet as at 31 December 2018

| | Note | 2018 £ | 2017 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 12,680 | 8,754 |
| Current assets | | | |
| Debtors | 5 | 84,089 | 119,350 |
| Cash at bank and in hand | | <u>203,975</u> | <u>140,308</u> |
| | | 288,064 | 259,658 |
| Creditors: Amounts falling due within one year | 6 | <u>(199,832)</u> | <u>(132,954)</u> |
| Net current assets | | <u>88,232</u> | <u>126,704</u> |
| Total assets less current liabilities | | 100,912 | 135,458 |
| Provisions for liabilities | | - | (64) |
| Net assets | | <u>100,912</u> | <u>135,394</u> |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Profit and loss account | | <u>100,812</u> | <u>135,294</u> |
| Total equity | | <u>100,912</u> | <u>135,394</u> |

These financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the Board on 26/03/19 and signed on its behalf by:



S Telford
Director

Davies & Co (Environmental) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 Accounting policies

Statutory information

Davies & Co (Environmental) Limited is a private company, limited by shares, domiciled in England and Wales, company number 00715014. The registered office is at Moor Road, Leeds, LS10 2DD.

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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There has been no material departure from this standard.

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. The presentation currency is United Kingdom pounds sterling, which is the functional currency of the company. The financial statements are those of an individual entity.

Going concern

After due consideration of all relevant factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding VAT.

Rendering of services

Revenue from testing is recognised when the service is performed and the results of those endeavours are certified and passed to the buyer.

Contract revenue recognition

Profit on contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to expected costs for the contract. Full provision is made for losses in the year in which they are first foreseen.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change 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.

Davies & Co (Environmental) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

1 Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, less their estimated residual values, over their estimated useful lives, as follows:

Asset class

Plant and machinery

Depreciation method and rate
over 3 years

Defined contribution pension obligation

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the income statement.

2 Profit before tax

Arrived at after charging/(crediting)

| | 2018 | 2017 |
|----------------------|--------------|--------------|
| | £ | £ |
| Depreciation expense | <u>5,802</u> | <u>5,630</u> |

3 Staff numbers

The average number of persons employed by the company during the year was 4 (2017 - 5).

Davies & Co (Environmental) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

4 Tangible assets

| | Plant and machinery £ |
|--------------------------|-----------------------------|
| Cost or valuation | |
| At 1 January 2018 | 30,292 |
| Additions | 9,728 |
| Disposals | <u>(13,803)</u> |
| At 31 December 2018 | <u>26,217</u> |
| Depreciation | |
| At 1 January 2018 | 21,538 |
| Charge for the year | 5,802 |
| Eliminated on disposal | <u>(13,803)</u> |
| At 31 December 2018 | <u>13,537</u> |
| Carrying amount | |
| At 31 December 2018 | <u>12,680</u> |
| At 31 December 2017 | <u>8,754</u> |

5 Debtors

| | 2018 £ | 2017 £ |
|--------------------------------|---------------|----------------|
| Trade debtors | 74,511 | 95,514 |
| Prepayments and accrued income | <u>9,578</u> | <u>23,836</u> |
| | <u>84,089</u> | <u>119,350</u> |

6 Creditors

| | 2018 £ | 2017 £ |
|------------------------------------|----------------|----------------|
| Due within one year | | |
| Trade creditors | 8,698 | 1,076 |
| Amounts owed to group undertakings | 119,422 | 83,658 |
| Taxation and social security | 39,017 | 28,230 |
| Accruals and deferred income | 11,595 | 5,108 |
| Corporation tax | <u>21,100</u> | <u>14,882</u> |
| | <u>199,832</u> | <u>132,954</u> |

Davies & Co (Environmental) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

7 Parent and ultimate parent undertaking

The company's immediate parent undertaking is Facultatieve Technologies Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is Facultatieve Group B.V., a company registered in the Netherlands, which prepares publicly available group financial statements.

Copies of the group financial statements of Facultatieve Group B.V. can be obtained from The Facultatieve Group, Van Stolkweg 29a, PO Box 80532, 2508 GM, The Hague, Netherlands.