

Company Registration No. 01504862 (England and Wales)

**ENVIROTEC LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**  
**PAGES FOR FILING WITH REGISTRAR**

**ENVIROTEC LIMITED**

**CONTENTS**

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|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Balance sheet                     | 1 - 2       |
| Notes to the financial statements | 3 - 9       |

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# ENVIROTEC LIMITED

## BALANCE SHEET

AS AT 28 FEBRUARY 2018

|   | Notes | 2018<br>£        | £                       | 2017<br>£        | £                       |
|---|-------|------------------|-------------------------|------------------|-------------------------|
| <b>Fixed assets</b>                                   |       |                  |                         |                  |                         |
| Tangible assets                                       | 3     |                  | 1,347,760               |                  | 1,394,436               |
| Investment properties                                 | 4     |                  | 540,000                 |                  | 540,000                 |
|   |       |                  | <u>1,887,760</u>        |                  | <u>1,934,436</u>        |
| <b>Current assets</b>                                 |       |                  |                         |                  |                         |
| Stocks  |       | 163,371          |                         | 124,823          |                         |
| Debtors   | 5     | 1,598,529        |                         | 1,790,151        |                         |
| Cash at bank and in hand                              |       | 45,564           |                         | 37,595           |                         |
|   |       | <u>1,807,464</u> |                         | <u>1,952,569</u> |                         |
| <b>Creditors: amounts falling due within one year</b> | 6     | (456,859)        |                         | (662,113)        |                         |
| <b>Net current assets</b>                             |       |                  | <u>1,350,605</u>        |                  | <u>1,290,456</u>        |
| <b>Total assets less current liabilities</b>          |       |                  | <u>3,238,365</u>        |                  | <u>3,224,892</u>        |
| <b>Provisions for liabilities</b>                     |       |                  | (58,005)                |                  | (65,583)                |
| <b>Net assets</b>                                     |       |                  | <u><u>3,180,360</u></u> |                  | <u><u>3,159,309</u></u> |
| <b>Capital and reserves</b>                           |       |                  |                         |                  |                         |
| Called up share capital                               | 8     | 10,000           |                         | 10,000           |                         |
| Revaluation reserve                                   | 9     | 298,021          |                         | 304,103          |                         |
| Investment property revaluation reserve               | 10    | 348,323          |                         | 348,323          |                         |
| Distributable profit and loss reserves                |       | 2,524,016        |                         | 2,496,883        |                         |
| <b>Total equity</b>                                   |       |                  | <u><u>3,180,360</u></u> |                  | <u><u>3,159,309</u></u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 28 February 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

## **ENVIROTEC LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 28 FEBRUARY 2018***

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The financial statements were approved by the board of directors and authorised for issue on 5 June 2018 and are signed on its behalf by:

C Lister  
**Director**

**Company Registration No. 01504862**

# ENVIROTEC LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 28 FEBRUARY 2018**

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### **1 Accounting policies**

#### **Company information**

Envirotec Limited is a private company limited by shares incorporated in England and Wales. The registered office is Desborough Park Road, High Wycombe, Buckinghamshire, United Kingdom, HP12 3BX.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Goods and services are recognised in the financial statements as they are provided.

Revenue 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 dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### **1.3 Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets, except freehold land, over their expected useful lives. The rates and periods generally applicable are:

|                                |                             |
|--------------------------------|-----------------------------|
| Freehold land and buildings    | straight line over 50 years |
| Plant and machinery            | 15% on reducing balance     |
| Fixtures, fittings & equipment | 15% on reducing balance     |
| Motor vehicles                 | 25% straight line           |

# ENVIROTEC LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2018

### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price.

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# ENVIROTEC LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2018

### 1 Accounting policies

(Continued)

#### *Basic financial liabilities*

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as account is taken of any indexation allowance arising on the gain.

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

# ENVIROTEC LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2018

### 1 Accounting policies (Continued)

#### 1.15 Grants

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 20 (2017 - 24).

### 3 Tangible fixed assets

|                                      | Land and<br>buildings | Plant and<br>machinery etc | Total     |
|--------------------------------------|-----------------------|----------------------------|-----------|
|                                      | £                     | £                          | £         |
| <b>Cost</b>                          |                       |                            |           |
| At 1 March 2017 and 28 February 2018 | 1,240,000             | 1,072,662                  | 2,312,662 |
| <b>Depreciation and impairment</b>   |                       |                            |           |
| At 1 March 2017                      | -                     | 918,226                    | 918,226   |
| Depreciation charged in the year     | 19,167                | 27,509                     | 46,676    |
| At 28 February 2018                  | 19,167                | 945,735                    | 964,902   |
| <b>Carrying amount</b>               |                       |                            |           |
| At 28 February 2018                  | 1,220,833             | 126,927                    | 1,347,760 |
| At 28 February 2017                  | 1,240,000             | 154,436                    | 1,394,436 |

The value of the freehold property has been arrived at on the basis of a valuation carried out in October 2016 by Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

### 4 Investment property

|                                      | 2018<br>£ |
|--------------------------------------|-----------|
| <b>Fair value</b>                    |           |
| At 1 March 2017 and 28 February 2018 | 540,000   |



# ENVIROTEC LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2018

### 4 Investment property

(Continued)

The fair value of the investment properties has been arrived at on the basis of a valuation carried out in October 2016 by Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The historical cost of the properties was £144,677.

### 5 Debtors

|                                      | 2018             | 2017             |
|--------------------------------------|------------------|------------------|
|                                      | £                | £                |
| Amounts falling due within one year: |                  |                  |
| Trade debtors                        | 269,704          | 516,409          |
| Amounts owed by group undertakings   | 1,243,230        | 1,201,749        |
| Other debtors                        | 85,595           | 71,993           |
|                                      | <u>1,598,529</u> | <u>1,790,151</u> |

### 6 Creditors: amounts falling due within one year

|                                    | 2018           | 2017           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Trade creditors                    | 320,400        | 276,858        |
| Other taxation and social security | 71,580         | 64,177         |
| Other creditors                    | 64,879         | 321,078        |
|                                    | <u>456,859</u> | <u>662,113</u> |

### 7 Provisions for liabilities

|                          | 2018          | 2017          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Deferred tax liabilities | 58,005        | 65,583        |
|                          | <u>58,005</u> | <u>65,583</u> |

### 8 Called up share capital

|                                   | 2018          | 2017          |
|-----------------------------------|---------------|---------------|
|                                   | £             | £             |
| Ordinary share capital            |               |               |
| Issued and fully paid             |               |               |
| 10,000 Ordinary shares of £1 each | 10,000        | 10,000        |
|                                   | <u>10,000</u> | <u>10,000</u> |

## ENVIROTEC LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2018

#### 9 Revaluation reserve

|  | 2018<br>£ | 2017<br>£ |
|--|-----------|-----------|
| At beginning of year   | 304,103   | -         |
| Revaluation surplus arising in the year                            | -         | 304,103   |
| Depreciation on revaluation transferred to profit and loss account | (6,082)   | -         |
| At end of year   | 298,021   | 304,103   |

The revaluation reserve relates to the company's freehold property used within the business.

#### 10 Investment property revaluation reserve

|   | 2018<br>£ | 2017<br>£ |
|---|-----------|-----------|
| At the beginning of the year                                    | 348,323   | -         |
| Non distributable profits in the year                           | -         | 143,000   |
| Transfer of non-distributable profits relating to prior periods | -         | 205,323   |
| At the end of the year  | 348,323   | 348,323   |

#### 11 Financial commitments, guarantees and contingent liabilities

Barclays Bank Plc holds a fixed and floating charge, dated 7 November 2016, 14 December 2016 and 21 December 2016, over the assets of the company. Barclays Bank Plc has a first legal charge over all the company's freehold properties.

The company is party to cross guarantees given by group companies to Barclays Bank Plc. In particular, this cross-guarantee covers bank loans of £997,004 as at 28 February 2018 provided by Barclays Bank Plc to Crossco (820) Limited, the parent company.

The Company, together with Crossco (820) Limited, is a member of a VAT group under which both members are jointly and severally liable.

## **ENVIROTEC LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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#### **12 Related party transactions**

##### **Transactions with related parties**

During the year, the company was charged a management charge of £235,000 (2017: £218,000) in respect of services provided by Crossco (820) Limited, its parent company. At 28 February 2018, the amount owed by Crossco (820) Limited was £1,243,230 (2017: £1,201,749).

#### **13 Parent company**

The parent company is Crossco (820) Limited, a company registered in England and Wales.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.