

Company registration number 01504862 (England and Wales)

ENVIROTEC LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023
PAGES FOR FILING WITH REGISTRAR

ENVIROTEC LIMITED

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ENVIROTEC LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	4	1,804,794	1,817,600
Investment property	5	610,000	610,000
		<u>2,414,794</u>	<u>2,427,600</u>
Current assets			
Stocks		163,003	109,207
Debtors	6	2,012,602	1,583,622
Cash at bank and in hand		399,708	190,274
		<u>2,575,313</u>	<u>1,883,103</u>
Creditors: amounts falling due within one year	7	<u>(324,518)</u>	<u>(321,838)</u>
Net current assets		<u>2,250,795</u>	<u>1,561,265</u>
Total assets less current liabilities		<u>4,665,589</u>	<u>3,988,865</u>
Creditors: amounts falling due after more than one year	8	(713,119)	-
Provisions for liabilities	9	<u>(166,508)</u>	<u>(121,223)</u>
Net assets		<u><u>3,785,962</u></u>	<u><u>3,867,642</u></u>
Capital and reserves			
Called up share capital	10	10,000	10,000
Revaluation reserve	11	726,331	781,565
Investment property revaluation reserve	12	396,393	412,935
Distributable profit and less reserves		<u>2,653,238</u>	<u>2,663,142</u>
Total equity		<u><u>3,785,962</u></u>	<u><u>3,867,642</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 2023 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 2023

The financial statements were approved by the board of directors and authorised for issue on 23 May 2023 and are signed on its behalf by:

C Lister

Director

Company registration number 01504862 (England and Wales)

ENVIROTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023

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, 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 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% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% reducing balance

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.

1.4 Investment property

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. Changes in fair value are recognised in profit or loss.

ENVIROTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

(Continued)

1.5 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.

1.6 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.

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

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.

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.

1.9 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.

1.10 Taxation

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

ENVIROTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

(Continued)

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.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

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

1.14 Government grants

Government 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ENVIROTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	18	17

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 March 2022	1,375,000	454,520	1,829,520
Additions	-	58,109	58,109
At 28 February 2023	1,375,000	512,629	1,887,629
Depreciation and impairment			
At 1 March 2022	-	11,920	11,920
Depreciation charged in the year	21,290	49,625	70,915
At 28 February 2023	21,290	61,545	82,835
Carrying amount			
At 28 February 2023	1,353,710	451,084	1,804,794
At 28 February 2022	1,375,000	442,600	1,817,600

The value of the freehold property has been arrived at on the basis of a valuation carried out in January 2022 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 directors consider this to be the open market value as at 28 February 2023.

The carrying value of the freehold property would have been £857,387 under the historical cost model.

The company's plant and equipment was revalued as at 28 February 2022 by the directors. The valuation was made by reference to the open market value based on the age and condition of each item. The directors consider this to be an appropriate valuation as at 28 February 2023.

The carrying value of these assets would have been £144,406 under the historic cost model.

5 Investment property

	2023 £
Fair value	
At 1 March 2022 and 28 February 2023	610,000

ENVIROTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

5 Investment property (Continued)

The fair value of the investment properties has been arrived at on the basis of a valuation carried out in January 2022 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.

6 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	220,622	517,964
Amounts owed by group undertakings	1,663,994	966,534
Other debtors	127,986	99,124
	<u>2,012,602</u>	<u>1,583,622</u>

7 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	46,709	-
Trade creditors	159,886	199,612
Taxation and social security	47,087	61,696
Other creditors	70,836	60,530
	<u>324,518</u>	<u>321,838</u>

Security has been provided for the bank loan.

8 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	713,119	-
	<u>713,119</u>	<u>-</u>

Security has been provided for the bank loan.

9 Provisions for liabilities

	2023	2022
	£	£
Deferred tax liabilities	166,508	121,223
	<u>166,508</u>	<u>121,223</u>

ENVIROTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

10 Called up share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

11 Revaluation reserve

	2023	2022
	£	£
At the beginning of the year	781,565	461,282
Deferred tax on revaluation of tangible assets	(11,686)	(64,983)
Other movements	(43,548)	385,266
At the end of the year	726,331	781,565

The revaluation reserve relates to the company's freehold property, plant and machinery and other assets used within the business.

12 Investment property revaluation reserve

	2023	2022
	£	£
At the beginning of the year	412,935	412,935
Non distributable profits in the year	(16,542)	-
At the end of the year	396,393	412,935

13 Financial commitments, guarantees and contingent liabilities

National Westminster Bank PLC holds a fixed and floating charge over the assets of the company.

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

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

During the year, the company was charged a management charge of £37,000 (2022: £100,000) in respect of services provided by Crossco (820) Limited, its parent company. At 28 February 2023, the amount owed by Crossco (820) Limited was £1,663,994 (2022: £966,534).

A. Watson is a director of both Envirotec Limited and Alex Watson & Associates Limited. During the year, the company paid £25,440 (2022: £6,360) to Alex Watson & Associates Limited for professional services.

ENVIROTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

15 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.