

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

FOR

WATERCO LIMITED

S P Kell Chartered Accountants
Unit 7a
Lon Parewr Business Park
Ruthin
Denbighshire
LL15 1NJ

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FOR THE YEAR ENDED 31 MARCH 2023

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WATERCO LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023

DIRECTORS:

P M Jones
Mrs R H Davies
T P W Jones

SECRETARY:

Mrs R H Davies

REGISTERED OFFICE:

Eden Court
Lon Parcwr Business Park
Ruthin
Denbighshire
LL15 1NJ

REGISTERED NUMBER:

03577754 (England and Wales)

ACCOUNTANTS:

S P Kell Chartered Accountants
Unit 7a
Lon Parcwr Business Park
Ruthin
Denbighshire
LL15 1NJ

BALANCE SHEET
31 MARCH 2023

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Tangible assets	4		140,066		210,234
Investments	5		<u>1,338</u>		<u>1,001</u>
			141,404		211,235
CURRENT ASSETS					
Debtors	6	681,286		852,886	
Investments	7	-		93,750	
Cash at bank		<u>610,359</u>		<u>820,488</u>	
		1,291,645		1,767,124	
CREDITORS					
Amounts falling due within one year	8	<u>1,294,116</u>		<u>360,809</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(2,471)</u>		<u>1,406,315</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			138,933		1,617,550
CREDITORS					
Amounts falling due after more than one year	9		(23,374)		(33,039)
PROVISIONS FOR LIABILITIES			<u>(8,439)</u>		<u>(18,464)</u>
NET ASSETS			<u>107,120</u>		<u>1,566,047</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>107,020</u>		<u>1,565,947</u>
			<u>107,120</u>		<u>1,566,047</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

WATERCO LIMITED (REGISTERED NUMBER: 03577754)

BALANCE SHEET - continued
31 MARCH 2023

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 by the Board of Directors and authorised for issue on 9 May 2023 and were signed on its behalf by:

T P W Jones - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. STATUTORY INFORMATION

Waterco 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.

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.

Contributions to employee ownership trust

The Waterco Employee Ownership Trust (EOT) was established by Waterco Limited. The Trust purchased 51% of the company's share capital from the owners and now holds these shares for the benefit of the company's employees.

Funding for the purchase of the company's share capital is derived from the company which pays contributions to the Trust. These contributions are accounted for as payments out of the company's distributable reserves.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- in accordance with the property
Plant and machinery etc	- 33% on cost, 25% on reducing balance and 15% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. **ACCOUNTING POLICIES - continued**

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 62 (2022 - 52) .

4. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2022	221,333	251,724	473,057
Additions	-	19,014	19,014
Disposals	-	(107,498)	(107,498)
At 31 March 2023	<u>221,333</u>	<u>163,240</u>	<u>384,573</u>
DEPRECIATION			
At 1 April 2022	110,925	151,898	262,823
Charge for year	14,755	34,539	49,294
Eliminated on disposal	-	(67,610)	(67,610)
At 31 March 2023	<u>125,680</u>	<u>118,827</u>	<u>244,507</u>
NET BOOK VALUE			
At 31 March 2023	<u>95,653</u>	<u>44,413</u>	<u>140,066</u>
At 31 March 2022	<u>110,408</u>	<u>99,826</u>	<u>210,234</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Other investments £	Totals £
COST			
At 1 April 2022	1,001	-	1,001
Additions	<u>-</u>	<u>337</u>	<u>337</u>
At 31 March 2023	<u>1,001</u>	<u>337</u>	<u>1,338</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,001</u>	<u>337</u>	<u>1,338</u>
At 31 March 2022	<u>1,001</u>	<u>-</u>	<u>1,001</u>

The company owns 100% of the issued share capital of Waterco Consultants India Private Limited, a company incorporated in India. The profit for the year ended 31 March 2023 was £5,764 (2022: £492) and the capital and reserves were £33,422 (2022: £25,951).

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade debtors	652,285	629,631
Other debtors	<u>29,001</u>	<u>223,255</u>
	<u>681,286</u>	<u>852,886</u>

7. CURRENT ASSET INVESTMENTS

	31.3.23 £	31.3.22 £
Other	<u>-</u>	<u>93,750</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Bank loans and overdrafts	10,648	10,648
Trade creditors	1,354	9,524
Taxation and social security	413,454	339,746
Other creditors	<u>868,660</u>	<u>891</u>
	<u>1,294,116</u>	<u>360,809</u>

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

	31.3.23 £	31.3.22 £
Bank loans	<u>23,374</u>	<u>33,039</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

10. OTHER FINANCIAL COMMITMENTS

The terms of the agreement between the Waterco Employee Ownership Trust (EOT) and the owners of the company to buy 51% of the company's shares included both a completion payment and deferred consideration of £788,000 which is payable by instalments until 30 September 2024.

In order that the Waterco EOT should have the funds to pay the deferred consideration, Waterco Limited intends to make contributions to the Trust over this same period, subject to there being distributable reserves available within the company.

11. RELATED PARTY DISCLOSURES

During the year, total dividends of £60,000 were paid to the directors .

The director's pension scheme, mentioned in note 1, owns the company's trading premises. Rent paid during the year was £27,876 (2022: £27,000).

Capital contributions to the Waterco Employee Ownership Trust are shown within the Statement of Changes in Equity.

12. ULTIMATE CONTROLLING PARTY

51% of the share capital of the company is owned by Waterco (Trustee) Limited. This is the ultimate parent company. Waterco (Trustee) Limited is a trustee of Waterco Employee Ownership Trust.

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
WATERCO LIMITED

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Waterco Limited for the year ended 31 March 2023 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Waterco Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Waterco Limited and state those matters that we have agreed to state to the Board of Directors of Waterco Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Waterco Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Waterco Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Waterco Limited. You consider that Waterco Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Waterco Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

S P Kell Chartered Accountants
Unit 7a
Lon Parcwr Business Park
Ruthin
Denbighshire
LL15 1NJ

9 May 2023

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.