

ECO WORKSPACE LIMITED

UNAUDITED
FINANCIAL STATEMENTS

31 JULY 2020

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

ECO WORKSPACE LIMITED
REGISTERED NUMBER: SC607696

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	2,591	1,046
		<u>2,591</u>	<u>1,046</u>
Current assets			
Stocks		351	-
Debtors: amounts falling due within one year	5	186,774	311,425
Cash at bank and in hand		141,231	100
		<u>328,356</u>	<u>311,525</u>
Creditors: amounts falling due within one year	6	(240,482)	(349,178)
Net current assets/(liabilities)		<u>87,874</u>	<u>(37,653)</u>
Total assets less current liabilities		<u>90,465</u>	<u>(36,607)</u>
Creditors: amounts falling due after more than one year		(50,000)	-
Net assets/(liabilities)		<u><u>40,465</u></u>	<u><u>(36,607)</u></u>

ECO WORKSPACE LIMITED
REGISTERED NUMBER: SC607696

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2020

	Note	2020 £	2019 £
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		40,365	(36,707)
		<u>40,465</u>	<u>(36,607)</u>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr E J Black
Director

Date: 12 April 2021

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

1. General information

Eco Workspace Limited is a private company limited by shares incorporated in Scotland, the company registration number is SC607696. The company registered office address is 6 Annan Business Park Way, Annan, Dumfriesshire, Scotland, DG12 6TZ.

These financial statements have been presented in Pounds Sterling as this is the currency of the primary economic environment in which the company operates.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Going concern

On 11 March 2020, the World Health Organisation declared the COVID-19 virus a pandemic, following which a series of new measures were implemented by the Government in the United Kingdom, together with other countries in the world.

In light of COVID-19, management have reviewed the current business status and have no intentions of ceasing the company or liquidating, nor do they believe that there are any material uncertainties that cast significant doubt on the company's ability to trade post year end. As such, they have deemed the going concern basis of preparation of the financial statements to be appropriate.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. Accounting policies (continued)

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	10%
Office equipment	-	20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

2. Accounting policies (continued)**2.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

3. Employees

The average monthly number of employees, including directors, during the year was 9 (2019 - 9).

4. Tangible fixed assets

	Plant and machinery £	Office equipment £	Total £
Cost or valuation			
At 1 August 2019	757	307	1,064
Additions	1,466	292	1,758
	<hr/>	<hr/>	<hr/>
At 31 July 2020	2,223	599	2,822
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 August 2019	18	-	18
Charge for the year on owned assets	98	115	213
	<hr/>	<hr/>	<hr/>
At 31 July 2020	116	115	231
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 July 2020	<u>2,107</u>	<u>484</u>	<u>2,591</u>
At 31 July 2019	<u>739</u>	<u>307</u>	<u>1,046</u>

ECO WORKSPACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

5. Debtors

	2020 £	2019 £
Trade debtors	42,021	166,063
Amounts owed by group undertakings	92,776	47,780
Other debtors	51,977	4,196
Prepayments and accrued income	-	85,454
Deferred taxation	-	7,932
	<u>186,774</u>	<u>311,425</u>

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdraft	-	43,954
Trade creditors	34,918	162,445
Amounts owed to group undertakings	99,014	274
Corporation tax	25,245	-
Other taxation and social security	66,742	7,177
Other creditors	3,519	70,581
Accruals and deferred income	11,044	64,747
	<u>240,482</u>	<u>349,178</u>

The bank overdraft is secured by way of a floating charge over the assets of the company.

7. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	50,000	-
	<u>50,000</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

8. Deferred taxation

	2020 £
At beginning of year	7,932
Charged to profit or loss	-
Utilised in year	(7,932)
At end of year	-
	2020 £
Accelerated capital allowances	-
	2019 £
	7,932

9. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
501 (2019 - 501) A Ordinary shares of £0.10 each	50.10	50.10
133 (2019 - 100) B Ordinary shares of £0.10 each	13.30	10.00
133 (2019 - 133) C Ordinary shares of £0.10 each	13.30	13.30
133 (2019 - 133) D Ordinary shares of £0.10 each	13.30	13.30
100 (2019 - 133) E Ordinary shares of £0.10 each	10.00	13.30
	100.00	100.00

10. Contingent liabilities

The company is party to a 'Additional Guarantee' for a connected company Eco Process Solutions Limited and shall provide credit support to the lender in line with the agreement.

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,341 (2019 - £2,427). Contributions totalling £3,121 (2019 - £3,332) were payable to the fund at the reporting date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

12. Related party transactions

At the reporting date £78,233 (2019 £47,780) was owed to the company by Eco Communications Limited. Eco Communications Limited is a company in which Eco-Genics (Holdings) Ltd, the parent company, owns 50% of the issued share capital and Mr E J Black, director, is also a director. This amount is included within debtors and is unsecured, interest free and repayable on demand.

At the reporting date £99,014 (2019 £Nil) was owed by the company to Eco Genics Limited in respect of a loan. Eco Genics Limited is a company in which Eco-Genics (Holdings) Ltd, the parent company, owns 100% of the issued share capital and Mr E J Black, director, is also a director. This amount is included within creditors and is unsecured, interest free and repayable on demand.

13. Controlling party

The company was under the control of the parent company Eco-Genics (Holdings) Limited throughout the current period. This company is registered in Scotland and owns 50% of the issued share capital.

The company is exempt from producing consolidated accounts as it qualifies as part of a small group.

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.