

Company Registration No. 07491587 (England and Wales)

SCI-TECH (IRELAND) LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2019**

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SCI-TECH (IRELAND) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

The directors are responsible 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 then 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.


SCI-TECH (IRELAND) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		-		46,695
Current assets					
Stocks		-		35,805	
Debtors	4	1,107,959		861,417	
Cash at bank and in hand		-		173,912	
		1,107,959		1,071,134	
Creditors: amounts falling due within one year	5	-		(185,736)	
Net current assets			1,107,959		885,398
Total assets less current liabilities			1,107,959		932,093
Provisions for liabilities	6		-		(4,245)
Net assets			1,107,959		927,848
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			1,107,859		927,748
Total equity			1,107,959		927,848

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 2 Aug 2019 and are signed on its behalf by:



R Bell
Director

SCI-TECH (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Sci-Tech (Ireland) Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Coopers Bridge, Braziers Lane, Winkfield, Berkshire, RG42 6NS.

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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Non-going concern basis of preparation

On 31 March 2019, the trade and assets of the company were transferred into the new parent undertaking, Cawood Scientific Limited. From this date the company ceased to trade and accordingly, these financial statements are prepared on the break-up basis. The directors have concluded that no adjustments are required when compared with the going concern basis of accounting. It is the intention of the directors that the company remain dormant for the foreseeable future.

Reporting period

During the prior period the company changed its accounting reference date to be in line with fellow group companies. The comparative amounts are for the 14 month period from 1 February 2017 to 31 March 2018 therefore the comparatives are not entirely comparable.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Tangible fixed assets

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

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Computer equipment	3 years straight line

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.

SCI-TECH (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making provisions for obsolete and slow moving items. Cost comprises of direct materials and, where applicable, 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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks.

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 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 trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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, including trade and other creditors and loans from fellow group companies, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

SCI-TECH (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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 leased asset are consumed.

SCI-TECH (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Employees

The average monthly number of persons employed by the company during the year was 16 (2018: 16).

3 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 April 2018	105,831
Additions	21,352
Disposals	(2,504)
Transfers	(124,679)
At 31 March 2019	-
Depreciation	
At 1 April 2018	59,136
Depreciation charged in the year	13,055
Transfers	(72,191)
At 31 March 2019	-
Carrying amount	
At 31 March 2019	-
At 31 March 2018	46,695

Transfers relate to the hive up of the company's trade and assets to Cawood Scientific Limited.

SCI-TECH (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	-	155,989
Amounts owed by group undertakings	1,107,959	677,488
Other debtors	-	27,940
	<u>1,107,959</u>	<u>861,417</u>

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	-	24,522
Corporation tax	-	81,126
Other taxation and social security	-	69,038
Other creditors	-	11,050
	<u>-</u>	<u>185,736</u>

6 Provisions for liabilities

	2019 £	2018 £
Dilapidations provision	-	2,500
Deferred tax liabilities	-	1,745
	<u>-</u>	<u>4,245</u>

7 Called up share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

SCI-TECH (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Financial commitments, guarantees and contingent liabilities

The company has a fixed and floating charge over all its assets as security against its parent entity, Meritas Group Holdings Limited, defaulting on the repayment of its loan notes with an outstanding principal and accrued interest balance at 31 March 2019 of £7,318,257 (2018: 6,367,616). Interest is accrued on these loan notes quarterly at a rate of 8% per annum.

In addition the company has given a fixed and floating charge over all its properties as security against the group's credit facility, at 31 March 2019 the outstanding amount owed was £24,000,000 (2018: 22,000,000). This facility attracts interest at a rate of LIBOR plus 6.5% per annum.

Also during the year the company was included within a VAT group with other group entities, the total liability of this VAT group at 31 March 2019 is £739,676 (2018: 665,408).

The company has given guarantees to other entities in the group in relation to certain loan notes and inter group creditors.

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	-	15,000
Between one and five years	-	60,000
In over five years	-	70,000
	<u>-</u>	<u>145,000</u>

10 Related party transactions

During the year, the company made sales to companies related by common directorship of £nil (2018: £88,631). At the year end £nil (2018: £nil) was outstanding from these companies.

Purchases from companies with common directorship of £nil (2018: £11,725).

In addition the company sold property to a company related by common shareholders for £nil (2018: £200,000) and subsequently incurred rental costs of £15,000 (2018: £5,369).

11 Parent company

The immediate parent company is Cawood Scientific Limited, registered office Coopers Bridge, Braziers Lane, Winkfield Row, Berkshire, RG42 6NS.

The smallest group for which consolidated financial statements are prepared is Cawood Scientific Limited. Publically available financial statements are available from its registered office; Coopers Bridge, Braziers Lane, Winkfield Row, Berkshire, RG42 6NS.

SCI-TECH (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Emphasis of matter - non-going concern basis of accounting

We draw attention to note 1 of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 1, the company ceased trading in the year ended 31 March 2019 and the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

The senior statutory auditor was Jonathan Da Costa FCCA.
The auditor was RSM UK Audit LLP.