

Company registration number SC361079 (Scotland)

PROTECH HEATING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

PROTECH HEATING LIMITED

CONTENTS

	Page
Company information	1
Balance sheet	2
Notes to the financial statements	3 - 10

PROTECH HEATING LIMITED

COMPANY INFORMATION

Directors	O Hall	(Appointed 22 March 2023)
	A Kirk	(Appointed 9 June 2022)
	J Rudman	(Appointed 9 June 2022)
	D Taylor	(Appointed 15 November 2022)
	I Trevor	(Appointed 9 June 2022)

Secretary	D Billing
------------------	-----------

Company number	SC361079
-----------------------	----------

Registered office	Orion House 7 Robroyston Oval Glasgow Scotland G33 1AP
--------------------------	--

Auditor	Consilium Audit Limited 169 West George Street Glasgow Scotland G2 2LB
----------------	--

PROTECH HEATING LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	4	284,047	113,552
Investments	5	1	1
		<u>284,048</u>	<u>113,553</u>
Current assets			
Stocks		120,010	188,287
Debtors	7	4,158,031	2,296,984
Cash at bank and in hand		400,921	337,432
		<u>4,678,962</u>	<u>2,822,703</u>
Creditors: amounts falling due within one year	8	<u>(2,620,183)</u>	<u>(1,751,317)</u>
Net current assets		<u>2,058,779</u>	<u>1,071,386</u>
Total assets less current liabilities		<u>2,342,827</u>	<u>1,184,939</u>
Creditors: amounts falling due after more than one year	9	(41,692)	(37,505)
Provisions for liabilities	10	-	(11,452)
Net assets		<u>2,301,135</u>	<u>1,135,982</u>
Capital and reserves			
Called up share capital	12	150	150
Profit and loss reserves		<u>2,300,985</u>	<u>1,135,832</u>
Total equity		<u>2,301,135</u>	<u>1,135,982</u>

The notes on pages 3 to 10 form part of these financial statements.

The directors of the company have elected not to include a copy of the profit and loss account 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 15 September 2023 and are signed on its behalf by:

O Hall
Director

Company Registration No. SC361079

PROTECH HEATING LIMITED

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

1 Accounting policies

Company information

Protech Heating Limited is a private company limited by shares incorporated in Scotland. The registered office is Orion House, 7 Robroyston Oval, Glasgow, Scotland, G33 1AP. The company's registration number is SC361079.

1.1 Reporting period

The current period covers the 12 months to 31 March 2023. The prior period covers the 8 months to 31 March 2022.

1.2 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. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates of amounts not invoiced, net of Value Added Tax. The value of work done in respect of long term contracts and contracts for ongoing services is determined by reference to the stage of completion.

In respect of goods and services sold during the year turnover represents sales price, less returns received, exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product have been transferred to the customer.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and has been fully amortised in prior years.

1.6 Tangible fixed assets

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

PROTECH HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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

Leasehold improvements	14% straight line
Plant and equipment	33% straight line
Fixtures and fittings	33% straight line
Computers	33% straight line
Motor vehicles	33% 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 the profit and loss account.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the profit and loss account.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.10 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 including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

PROTECH HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Equity instruments

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

1.12 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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

PROTECH HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.13 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.

1.14 Retirement benefits

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

2 Employees

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

	2023	2022
Total	40	36

3 Intangible fixed assets

Goodwill
£

Cost

At 1 April 2022 and 31 March 2023

150,000

Amortisation and impairment

At 1 April 2022 and 31 March 2023

150,000

Carrying amount

At 31 March 2023

-

At 31 March 2022

-

PROTECH HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 April 2022	-	18,004	13,035	16,010	248,286	295,335
Additions	119,733	19,469	28,050	29,734	82,527	279,513
	<u>119,733</u>	<u>37,473</u>	<u>41,085</u>	<u>45,744</u>	<u>330,813</u>	<u>574,848</u>
At 31 March 2023	119,733	37,473	41,085	45,744	330,813	574,848
Depreciation and impairment						
At 1 April 2022	-	10,290	13,035	10,287	148,171	181,783
Depreciation charged in the year	5,110	8,904	1,632	3,922	89,450	109,018
	<u>5,110</u>	<u>19,194</u>	<u>14,667</u>	<u>14,209</u>	<u>237,621</u>	<u>290,801</u>
At 31 March 2023	5,110	19,194	14,667	14,209	237,621	290,801
Carrying amount						
At 31 March 2023	<u>114,623</u>	<u>18,279</u>	<u>26,418</u>	<u>31,535</u>	<u>93,192</u>	<u>284,047</u>
At 31 March 2022	<u>-</u>	<u>7,714</u>	<u>-</u>	<u>5,723</u>	<u>100,115</u>	<u>113,552</u>

Included within the net book value of £284,087 is £91,268 (2022: £98,039) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £89,299 (£45,462).

5 Fixed asset investments

	2023 £	2022 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

6 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Protech Water Services Limited	Orion House, 7 Robroyston Oval, Glasgow, Scotland, G33 1AP	Water management and maintenance services	Ordinary	100.00

PROTECH HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

7 Debtors		2023	2022
		£	£
Amounts falling due within one year:			
Trade debtors		2,624,334	795,600
Amounts owed by group undertakings		992,182	1,346,583
Other debtors and prepayments		537,967	154,801
		<u>4,154,483</u>	<u>2,296,984</u>
Deferred tax asset		3,548	-
		<u>4,158,031</u>	<u>2,296,984</u>
		<u><u>4,158,031</u></u>	<u><u>2,296,984</u></u>
8 Creditors: amounts falling due within one year		2023	2022
		£	£
Obligations under hire purchase		62,348	70,869
Trade creditors		855,125	909,825
Corporation tax		302,755	153,414
Other taxation and social security		288,356	179,067
Other creditors		74,867	62,508
Accruals and deferred income		1,036,732	375,634
		<u>2,620,183</u>	<u>1,751,317</u>
		<u><u>2,620,183</u></u>	<u><u>1,751,317</u></u>
Assets under hire purchase are secured by the asset to which they relate.			
9 Creditors: amounts falling due after more than one year		2023	2022
	Notes	£	£
Obligations under hire purchase		41,692	37,505
		<u>41,692</u>	<u>37,505</u>
Assets under hire purchase are secured by the asset to which they relate.			
10 Provisions for liabilities		2023	2022
		£	£
Deferred tax liabilities	11	-	11,452
		<u>-</u>	<u>11,452</u>
		<u><u>-</u></u>	<u><u>11,452</u></u>

PROTECH HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Deferred taxation

The following are the major deferred tax liabilities recognised by the company and movements thereon:

	2023	2022	Assets 2023	Assets 2022
	£	£	£	£
Balances:				
Accelerated capital allowances	-	11,452	3,548	-
Movements in the year:				2023 £
Liability at 1 April 2022				11,452
Credit to profit or loss				(15,000)
Asset at 31 March 2023				(3,548)

12 Called up share capital

	2023	2022
	£	£
Ordinary share capital Issued and fully paid		
150 Ordinary shares of £1	150	150

13 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.

Senior Statutory Auditor:	David Holt
Statutory Auditor:	Consilium Audit Limited

14 Operating lease commitments

Lessee

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

2023	2022
£	£
231,840	-

PROTECH HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
Amounts due from related parties		
Other related parties	-	1,346,383
	<u> </u>	<u> </u>

These loans are unsecured, interest free with no fixed date for repayment.

Other information

No further transactions with related parties were undertaken such as are required to be disclosed under the provisions of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

16 Ultimate controlling party

The immediate parent company is Protech Heating Group Limited.

Following the acquisition of the shares in the immediate parent company on 9 June 2022, the directors regard DCC plc, a company registered in the Republic of Ireland, as the ultimate parent company. The smallest and largest group of undertakings which the company is consolidated for which group financial statements are prepared is DCC plc. Copies of the consolidated financial statements may be obtained from The Secretary, DCC plc, DCC House, Leopardstown Road, Foxrock, Co Dublin, Ireland.

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.