

Company registration number 01515720 (England and Wales)

LIQUID SCIENCE SOLUTIONS LIMITED

**ANNUAL REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 SEPTEMBER 2022

PAGES FOR FILING WITH REGISTRAR

LIQUID SCIENCE SOLUTIONS LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

LIQUID SCIENCE SOLUTIONS LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2022

		2022	2021
	Notes	£	£
Fixed assets			
Intangible assets	4	12,698	21,132
Tangible assets	5	1,382,854	966,328
		<u>1,395,552</u>	<u>987,460</u>
Current assets			
Stocks		1,005,518	851,285
Debtors	6	1,097,052	853,607
Cash at bank and in hand		216,170	470,106
		<u>2,318,740</u>	<u>2,174,998</u>
Creditors: amounts falling due within one year	7	<u>(1,883,445)</u>	<u>(1,655,647)</u>
Net current assets		<u>435,295</u>	<u>519,351</u>
Total assets less current liabilities		<u>1,830,847</u>	<u>1,506,811</u>
Provisions for liabilities	8	(324,782)	(162,746)
Government grants		<u>(21,739)</u>	<u>(7,811)</u>
Net assets		<u><u>1,484,326</u></u>	<u><u>1,336,254</u></u>
Capital and reserves			
Called up share capital		10,692	10,692
Profit and loss reserves		1,473,634	1,325,562
Total equity		<u><u>1,484,326</u></u>	<u><u>1,336,254</u></u>

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 28 February 2023 and are signed on its behalf by:

Mr J W Wallen
Director

Mr P W Richardson
Director

Company Registration No. 01515720

LIQUID SCIENCE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

Company information

Liquid Science Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 6, Bentley Wood Way, Network 65 Business Park, Hapton, Burnley.

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. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods 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 and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 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 is amortised on a systematic basis over its useful life or a maximum of 10 years.

1.5 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 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	5%-6.67% Straight line
Plant and equipment	6.67%-33% Straight line
Fixtures and fittings	6.67%-15% Straight line
Computers	33% Straight line
Motor vehicles	25% Straight line

LIQUID SCIENCE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

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.

1.6 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.

1.7 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.

1.8 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand.

1.9 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.

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.

LIQUID SCIENCE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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.

1.10 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.

1.11 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.

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.

1.12 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.

1.13 Retirement benefits

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

LIQUID SCIENCE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

1.14 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 leased asset are consumed.

1.15 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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

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.

3 Employees

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

	2022 Number	2021 Number
Total	35	37
	==	==

LIQUID SCIENCE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2021 and 30 September 2022	56,228
Amortisation and impairment	
At 1 October 2021	35,096
Amortisation charged for the year	8,434
At 30 September 2022	43,530
Carrying amount	
At 30 September 2022	12,698
At 30 September 2021	21,132

5 Tangible fixed assets

	Leasehold improvements £	Plant and machinery etc £	Total £
Cost			
At 1 October 2021	133,572	1,566,008	1,699,580
Additions	44,559	475,079	519,638
Disposals	(1,000)	(106,539)	(107,539)
At 30 September 2022	177,131	1,934,548	2,111,679
Depreciation and impairment			
At 1 October 2021	14,670	718,582	733,252
Depreciation charged in the year	8,260	91,574	99,834
Eliminated in respect of disposals	(144)	(104,117)	(104,261)
At 30 September 2022	22,786	706,039	728,825
Carrying amount			
At 30 September 2022	154,345	1,228,509	1,382,854
At 30 September 2021	118,902	847,426	966,328

LIQUID SCIENCE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

6 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	824,534	706,203
Amounts owed by group undertakings	70,752	-
Other debtors	201,766	147,404
	<u>1,097,052</u>	<u>853,607</u>

7 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	309,495	427,278
Amounts owed to group undertakings	1,398,634	1,040,634
Taxation and social security	22,708	69,529
Other creditors	152,608	118,206
	<u>1,883,445</u>	<u>1,655,647</u>

8 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022	Liabilities 2021
	£	£
Balances:		
Accelerated capital allowances	<u>324,782</u>	<u>162,746</u>
Movements in the year:		2022
		£
Liability at 1 October 2021		162,746
Charge to profit or loss		110,643
Effect of change in tax rate - profit or loss		51,393
Liability at 30 September 2022		<u>324,782</u>

LIQUID SCIENCE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

9 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.

The senior statutory auditor was Philip Riding and the auditor was Barlow Andrews LLP.

10 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:

2022	2021
£	£
98,319	123,044
<u>98,319</u>	<u>123,044</u>

11 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022	2021
	£	£
Acquisition of tangible fixed assets	120,569	58,950
	<u>120,569</u>	<u>58,950</u>

12 Parent company

The company's parent is Vil Holdings Limited.

The company is included in the consolidated accounts of Vil Holdings Limited. The registered office of this company is Union Road, Bolton.

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.