

REGISTERED NUMBER: 02347190 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

FOR

AZTEC CHEMICALS LIMITED

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FOR THE YEAR ENDED 31 JULY 2020**

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STATEMENT OF FINANCIAL POSITION
31 JULY 2020

	Notes	31.7.20 £	31.7.19 £
FIXED ASSETS			
Tangible assets	5	31,709	35,770
CURRENT ASSETS			
Stocks		294,000	249,914
Debtors	6	268,258	1,676,057
Cash at bank and in hand		3,326	-
		<u>565,584</u>	<u>1,925,971</u>
CREDITORS			
Amounts falling due within one year	7	<u>(215,906)</u>	<u>(1,258,791)</u>
NET CURRENT ASSETS		<u>349,678</u>	<u>667,180</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		381,387	702,950
CREDITORS			
Amounts falling due after more than one year	8	(50,000)	-
PROVISIONS FOR LIABILITIES		<u>(3,123)</u>	<u>(3,123)</u>
NET ASSETS		<u>328,264</u>	<u>699,827</u>
CAPITAL AND RESERVES			
Called up share capital		100,000	100,000
Retained earnings		<u>228,264</u>	<u>599,827</u>
		<u>328,264</u>	<u>699,827</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

STATEMENT OF FINANCIAL POSITION - continued
31 JULY 2020

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 Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the director and authorised for issue on 29 April 2021 and were signed by:

J P Collins - Director

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

1. STATUTORY INFORMATION

AZTEC CHEMICALS LIMITED is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number:	02347190
Registered office:	Unit 16 Orion Way Orion Park Crewe Cheshire CW1 6NG

2. STATEMENT OF COMPLIANCE

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

As described in the accounting policies of the financial statements, depreciation of intangible and tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take in to account actual asset lives and residual values as evidenced by disposals during current and prior accounting periods.

Revenue recognition

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Fixtures & Fittings - 10% - 33.33% straight line

Motor Vehicles - 25% - 33.33% straight line

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Stocks

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

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Corporation taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

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

3. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cashgenerating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 21 (2019 - 27) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020
5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 August 2019	231,017	6,851	237,868
Additions	5,729	-	5,729
Disposals	(44,360)	-	(44,360)
At 31 July 2020	<u>192,386</u>	<u>6,851</u>	<u>199,237</u>
DEPRECIATION			
At 1 August 2019	195,247	6,851	202,098
Charge for year	9,790	-	9,790
Eliminated on disposal	(44,360)	-	(44,360)
At 31 July 2020	<u>160,677</u>	<u>6,851</u>	<u>167,528</u>
NET BOOK VALUE			
At 31 July 2020	<u>31,709</u>	<u>-</u>	<u>31,709</u>
At 31 July 2019	<u>35,770</u>	<u>-</u>	<u>35,770</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.20 £	31.7.19 £
Trade debtors	253,042	349,263
Amounts owed by group undertakings	-	1,301,588
Prepayments	15,216	25,206
	<u>268,258</u>	<u>1,676,057</u>

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.20 £	31.7.19 £
Bank loans and overdrafts	-	6,874
Payments on account	10,826	226,033
Trade creditors	144,198	201,020
Amounts owed to group undertakings	-	729,921
Tax	-	11,516
Social security and other taxes	14,455	14,175
VAT	26,718	28,948
Accruals and deferred income	19,709	40,304
	<u>215,906</u>	<u>1,258,791</u>

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

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

The aggregate amounts of other creditors within one year that are secured is £10,826 (2019: £226,033. This creditor is secured on the charge detailed below.

A charge in favour of RBS Invoice Finance Ltd in respect of the invoice discounting facility dated 11 January 2019, incorporates a fixed and floating charge over all current and future assets of the company.

The company is party to a composite guarantee in favour NatWest Bank Plc dated 9 March 2007 with the following companies - Hopecrest Investments Limited, Hopecrest Holdings Limited, Aztec Chemicals Limited, Aztec Fleet Management Limited and Leeson Holdings Limited.

A mortgage debenture in favour of Natwest Bank Plc exists dated 16 March 2007 incorporating a fixed and floating charge over all current and future assets of the company.

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

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

	31.7.20	31.7.19
	£	£
Other creditors	<u>50,000</u>	<u>-</u>

9. CAPITAL COMMITMENTS

There were none, either contracted, or authorised but not contracted.

10. RELATED PARTY DISCLOSURES

Transactions between fellow group companies have been concluded under normal market conditions and have not been disclosed in line with paragraphs 1AC.34-36 of FRS102.

11. POST BALANCE SHEET EVENTS

On 18 December 2020, the group of companies of which Hopecrest Investments Limited was the parent company, completed a restructuring. As a result of this the group's investment and trading activities are now in separately controlled and managed groups.

The parent company and the ultimate parent company at the year end and after the restructuring are detailed in the note below.

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

12. ULTIMATE CONTROLLING PARTY

At the year end, the parent undertaking is Hopecrest Holdings Limited, a company registered in England and Wales.

After restructuring, the parent undertaking is Hopecrest Investments Limited, a company registered in England and Wales.

At the year end, the ultimate parent undertaking is Hopecrest Investments Limited, a company registered in England and Wales.

After restructuring, the ultimate parent undertaking is J&J Holdings (Crewe) Limited, a company registered in England and Wales.

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.