

Company Registration No. 02589078 (England and Wales)

ENITIAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR



ENITIAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

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.

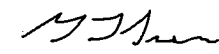
ENITIAL LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4	313,175		634,403	
Investments	5	2		2	
		<u>313,177</u>		<u>634,405</u>	
Current assets					
Stocks		113,266		105,318	
Debtors	6	2,837,466		1,911,041	
Cash at bank and in hand		182,298		274,593	
		<u>3,133,030</u>		<u>2,290,952</u>	
Creditors: amounts falling due within one year	7	<u>(3,464,408)</u>		<u>(2,391,829)</u>	
Net current liabilities			<u>(331,378)</u>		<u>(100,877)</u>
Total assets less current liabilities			<u>(18,201)</u>		<u>533,528</u>
Provisions for liabilities			<u>(31,598)</u>		<u>-</u>
Net (liabilities)/assets			<u><u>(49,799)</u></u>		<u><u>533,528</u></u>
Capital and reserves					
Called up share capital	8	5,008		5,008	
Revaluation reserve		-		66,117	
Profit and loss reserves		<u>(54,807)</u>		<u>462,403</u>	
Total equity			<u><u>(49,799)</u></u>		<u><u>533,528</u></u>

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 06/09/21 and are signed on its behalf by:



Mr M J Hanson
Director

ENITIAL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2019	5,008	67,189	1,149,608	1,221,805
Period ended 31 March 2020:				
Loss and total comprehensive income for the period	-	-	(688,277)	(688,277)
Transfers	-	(1,072)	1,072	-
Balance at 31 March 2020	5,008	66,117	462,403	533,528
Year ended 31 March 2021:				
Loss and total comprehensive income for the year	-	-	(583,327)	(583,327)
Transfers	-	(66,117)	66,117	-
Balance at 31 March 2021	5,008	-	(54,807)	(49,799)

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Enitial 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.

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.

Going concern

Notwithstanding the net liabilities and loss in the period the directors have prepared accounts on a going concern basis. This is supported by the group forecasts for the twelve month period from the date of approval of the financial statements, taking into account the benefit of current government schemes utilising loan interest payments deferrals, loan notes interest that has no cash outflow until term end and reduction of non essential capital spend.

The company meets its day to day working capital requirements through support from other entities within the group. Meritas Scientific Holding Limited has indicated that it will continue to provide ongoing financial support to the company as well as providing intercompany financing.

The directors have prepared forecasts for the group for a period of 12 months from the date of approval of these financial statements. These forecasts take account of reasonable possible changes in trading performance in all areas of the business and cashflow actions required should they be needed.

These forecasts and projections show that the group is expected to be able to operate within the level of its current facilities and in the view of the directors there is headroom under the committed facility to enable the group to trade.

The directors have given consideration to the unprecedented impact of COVID-19 on the company with an ongoing review of trade and plans of the business. The directors will continue to review the company position and react accordingly to ensure there is sufficient cash headroom within the current facilities.

Therefore based on the above, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

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:

Freehold land and buildings	2% - 10% straight line
Plant and equipment	10% - 50% straight line
Fixtures and fittings	15-33% 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 profit or loss.

Fixed asset investments

Interests in subsidiaries 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 profit or loss.

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.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making provisions for obsolete and slow moving items. Stocks include spare parts, standby equipment and servicing equipment not expected to be used in more than one period.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount 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 and deposits held at call with banks.

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

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, amounts due from group undertakings 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 amounts due to group undertakings, 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 transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

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.

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

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 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 leases asset are consumed.

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

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.

The company received a discretionary cash grant of £53,176 from the government as part of the Coronavirus Job Retention Scheme (CJRS) which compensates employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). The grant is conditional upon the employees being employed and on the company PAYE payroll and the employee cannot do any work for their employer that makes money or provides services for their employer or any organisation linked or associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant.

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 (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	131	128

3 Directors' remuneration

	2021 £	2020 £
Remuneration paid to directors	37,401	64,750

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2020	541,555	1,616,934	-	2,158,489
Additions	5,304	143,713	24,803	173,820
Disposals	(420,591)	-	-	(420,591)
Transfers	(126,268)	-	126,268	-
At 31 March 2021	-	1,760,647	151,071	1,911,718
Depreciation and impairment				
At 1 April 2020	95,735	1,428,351	-	1,524,086
Depreciation charged in the year	12,164	111,107	-	123,271
Eliminated in respect of disposals	(48,814)	-	-	(48,814)
Transfers	(59,085)	-	59,085	-
At 31 March 2021	-	1,539,458	59,085	1,598,543
Carrying amount				
At 31 March 2021	-	221,189	91,986	313,175
At 31 March 2020	445,820	188,583	-	634,403

Some of the company's freehold land and buildings were revalued in 2013 on the basis of open market value.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2021 £	2020 £
Cost	-	463,421
Accumulated depreciation	-	(66,478)
Carrying value	-	396,943

There was a disposal of land and buildings during the year therefore the remainder of the balance has been reclassified to fixtures and fittings.

5 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	2	2

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2020 & 31 March 2021	2
Carrying amount	
At 31 March 2021	2
At 31 March 2020	2

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,484,285	1,371,457
Corporation tax recoverable	5,980	-
Amounts owed by group undertakings	700,000	79,249
Other debtors	505,797	324,567
	2,696,062	1,775,273
Deferred tax asset	141,404	135,768
	2,837,466	1,911,041

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	626,665	482,223
Amounts owed to group undertakings	1,762,026	1,278,448
Corporation tax	-	45,885
Other taxation and social security	760,531	351,502
Other creditors	315,186	233,771
	3,464,408	2,391,829

8 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	5,008	5,008	5,008	5,008

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Financial commitments, guarantees and contingent liabilities

The company has given a fixed and floating charge over all its properties as security against its parent defaulting on the repayment of their loan notes with an outstanding principal and accrued interest balance at 31 March 2021 of £45,391,445 (2020: £41,046,755). Interest is accrued on these loan notes quarterly at a rate of 10% per annum.

In addition the company have given a fixed and floating charge over all its properties and assets as security against the group's credit facility, at 31 March 2021 the outstanding amount owed was £32,500,000 (2020: £32,500,000). Of the facility £31,500,000 (2020: £31,500,000) attracts interest at a rate of LIBOR plus 6.5% per annum and £1,000,000 (2020: £1,000,000) attracts interest at LIBOR plus 3% 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 2021 is £1,544,654 (2020: £706,078).

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, which fall due as follows:

	2021 £	2020 £
Within one year	58,506	13,011
Between one and five years	208,000	6,506
In over five years	479,682	-
	<u>746,188</u>	<u>19,517</u>

11 Related party transactions

Transactions with related parties

During the year, the company entered into transactions with related parties by virtue of similar shareholders for the sale of land and buildings of £700,000 (2020: £nil) and rent paid of £43,333 (2020: £nil).

12 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.

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.

ENITIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Audit report information (Continued)

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