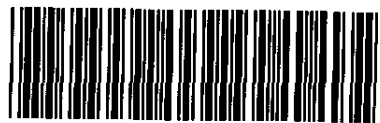


Company Registration No. 03882193 (England and Wales)

**THE ENVIRONMENTAL LABORATORY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021**

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THE ENVIRONMENTAL LABORATORY LIMITED

COMPANY INFORMATION

Directors	Mr S Parrington Mr R McPheeters Mr W Welch
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Company number	03882193
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Registered office	Coopers Bridge Braziers Lane Winkfield Berkshire RG42 6NS
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THE ENVIRONMENTAL LABORATORY LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company throughout the period was the provision of specialist analytical environmental services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows

Mr KS Sampuran	(Resigned 9 June 2021)
Mr SK Sampuran	(Resigned 9 June 2021)
Dr S Singh	(Resigned 9 June 2021)
Mr S Parrington	(Appointed 9 June 2021)
Mr M J Hanson	(Appointed 9 June 2021, resigned 31 May 2022)
Mr R McPheeters	(Appointed 12 November 2021)
Mr W Welch	(Appointed 12 November 2021)

Audit exemption

Meritas Scientific Holdings Limited have provided a Parental Guarantee audit exemption to the company for the year ended 31 December 2021 under section 479 of the Companies Act 2006.

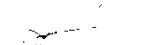
Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

6

Mr S Parrington
Director



10 February 2023

THE ENVIRONMENTAL LABORATORY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 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.

THE ENVIRONMENTAL LABORATORY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

		#	
	Note	2021	2020
		£	£
Fixed assets			
Tangible Assets	4	342,213	367,968
Current assets			
Stocks		115,610	104,400
Debtors	6	217,129	517,505
Cash at bank and in hand		184,295	28,322
Total current assets		<u>517,034</u>	<u>650,227</u>
Creditors: amounts falling due within one year	7	(472,785)	(271,573)
Net current liabilities		<u>44,249</u>	<u>378,654</u>
Total assets less current liabilities		386,461	746,622
Creditors: amounts falling due after more than one year	7	(22,961)	(152,102)
Provisions for liabilities		<u>(65,248)</u>	<u>(20,634)</u>
Net assets / (liabilities)		<u>298,252</u>	<u>573,886</u>
Capital and reserves			
Called up share capital	8	3,600	3,600
Revaluation reserve		356,301	356,301
Profit and loss reserves		<u>(61,649)</u>	<u>213,985</u>
Total equity		<u>298,252</u>	<u>573,886</u>


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

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

For the period ending 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors and authorised for issue on 10 February 2023 and are signed on its behalf by:


Mr S Parrington
Director

THE ENVIRONMENTAL LABORATORY LIMITED

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

	Share capital	Share premium	Profit and loss reserves	Total equity
	£	£	£	£
Balance at 31 December 2019	3,600	356,301	181,782	541,683
Loss and total comprehensive income	-	-	32,203	32,203
Balance at 31 December 2020	3,600	356,301	213,985	573,886
Loss and total comprehensive income for the year	-	-	(275,634)	(275,634)
Balance at 31 December 2021	3,600	356,301	(61,649)	298,252

THE ENVIRONMENTAL LABORATORY LIMITED

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

1 Accounting policies

Company information

The Environmental Laboratory 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.

Going concern

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.

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.

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

THE ENVIRONMENTAL LABORATORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 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.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any

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:

Plant and machinery	20% reducing balance
Fixtures and fittings	5 years straight line
Motor vehicles	4 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.

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.

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.

THE ENVIRONMENTAL LABORATORY LIMITED

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

1 Accounting policies (continued)

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.

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.

THE ENVIRONMENTAL LABORATORY LIMITED

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

1 Accounting policies (continued)

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.

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.

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

THE ENVIRONMENTAL LABORATORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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 period ended were:

	2021	2020
	Number	Number
Total	28	28

THE ENVIRONMENTAL LABORATORY LIMITED

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

3 Taxation

	2021	2020
	£000	£000
UK corporation tax on profits for the current period	(39,436)	(7,722)

The total tax charge for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows

	2021
	£000
(Loss) / Profit before taxation	(236,198)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (Year ended 31 March 2021: 19.00%)	(44,878) 0
Tax effect of expenses that are not deductible in determining taxable profit	74,094
Tax effect of income not taxable in determining taxable profit	
Change in unrecognised deferred tax assets	15,660
Group relief	(5,440)
Taxation charge for the period	39,436

Finance Act 2020, which was substantively enacted on 11 March 2020, maintained the corporation tax rate at 19% until 31 March 2023. Finance Act 2021, which was substantively enacted on 24 May 2021, has enacted an increase in the UK corporation tax main rate to 25% from 1 April 2023. As this rate change had been substantively enacted before the balance sheet date, the closing deferred tax assets and liabilities have been calculated at 25%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

THE ENVIRONMENTAL LABORATORY LIMITED

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

4 Tangible fixed assets

	Plant and machinery	Fixture and fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2021	852,612	849,568	81,883	1,784,063
Additions		119,971	15,611	135,582
Disposals		(83,077)	(61,824)	(144,901)
At 31 December 2021	852,612	886,462	35,670	1,774,744
Depreciation and impairment				
At 1 January 2021	803,421	533,322	79,352	1,416,095
Depreciation charged in year	9,977	99,591	2,727	112,295
Eliminated in respect of disposals		(34,331)	(61,528)	(95,859)
At 31 December 2021	813,398	598,582	20,551	1,432,531
Carrying amount				
At 31 December 2021	39,214	287,880	15,119	342,213
At 31 December 2020	49,191	316,246	2,531	367,968

THE ENVIRONMENTAL LABORATORY LIMITED

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

5 Debtors

	2021	2020
	£	£
Amounts Falling due within one year:		
Trade Debtors	183,300	211,614
Amounts owed by group undertakings	-	264,700
Other debtors	33,829	41,191
	<u>217,129</u>	<u>517,505</u>

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	94,252	87,894
Amounts owed to group undertakings	235,181	-
Corporation tax	4,199	-
Other taxation and social security	50,460	62,856
Obligations under finance leases	81,775	110,869
Other creditors	6,919	9,954
	<u>472,785</u>	<u>271,573</u>

7 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Obligations under finance leases	<u>22,961</u>	<u>152,102</u>

THE ENVIRONMENTAL LABORATORY LIMITED

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

8 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	1,401	1,401	1,401	1,401
Ordinary A shares of £1 each	2,199	2,199	2,199	2,199
	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>

9 Parent company

The company's immediate parent undertaking is Cawood Scientific Limited, a company registered in England and Wales.

The smallest group in which the results of the company are consolidated is that headed by Meritas Scientific Holdings Limited. Copies of the financial statements of Meritas Scientific Holdings Limited can be obtained from its registered office of Coopers Bridge, Braziers Lane, Winkfield Row, Bracknell, RG42 6NS, or from the Registrar of Companies, Companies House.

The largest group in which the results of the company are consolidated is that headed by Ensign-Bickford Industries Inc.

The directors consider there not to be a singular ultimate controlling entity or controlling party.