

NIJHUIS H2OK LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

| | Note | 2020 £ | 2019 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 5 | 106,873 | 135,006 |
| Tangible assets | 6 | 263,228 | 240,788 |
| | | <u>370,101</u> | <u>375,794</u> |
| Current assets | | | |
| Stocks | 7 | 75,364 | 122,375 |
| Debtors: amounts falling due within one year | 8 | 3,505,221 | 2,856,729 |
| Cash at bank and in hand | 9 | 412,973 | 130,849 |
| | | <u>3,993,558</u> | <u>3,109,953</u> |
| Creditors: amounts falling due within one year | 10 | (3,162,285) | (2,110,351) |
| Net current assets | | <u>831,273</u> | <u>999,602</u> |
| Total assets less current liabilities | | <u>1,201,374</u> | <u>1,375,396</u> |
| Creditors: amounts falling due after more than one year | 11 | - | (88,600) |
| Provisions for liabilities | | | |
| Deferred tax | 13 | (28,067) | (19,988) |
| | | <u>(28,067)</u> | <u>(19,988)</u> |
| Net assets | | <u>1,173,307</u> | <u>1,266,808</u> |
| Capital and reserves | | | |
| Called up share capital | 14 | 1,735 | 1,735 |
| Share premium account | | 102,932 | 102,932 |
| Capital redemption reserve | | 1,671 | 1,671 |
| Profit and loss account | | 1,066,969 | 1,160,470 |
| | | <u>1,173,307</u> | <u>1,266,808</u> |

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

I Stentiford

Director

Date: 22 December 2021

The notes on pages 3 to 12 form part of these financial statements.

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

1. GENERAL INFORMATION

Nijhuis H2OK Limited is a private limited company by share capital, incorporated in England and Wales.

The registered office is Nanjerrick Court, Allet, Truro, Cornwall, TR4 9DJ.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

Despite the COVID-19 pandemic occurring during the year the Company have delivered only a small loss, with activity picking up significantly in 2021. The Company is forecasting a return to strong profits in 2021.

The directors' anticipate that the Company will continue to operate as usual and that it can tolerate a reasonable level of unforeseen circumstances for a period of at least 12 months from the date of the financial statements. Based on this, the financial statements have been prepared on a going concern basis.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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

2. ACCOUNTING POLICIES (continued)

2.4 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 LONG-TERM CONTRACTS

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses.

Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen

2.6 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.7 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

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

2. ACCOUNTING POLICIES (continued)

2.8 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.10 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

2. ACCOUNTING POLICIES (continued)

2.12 INTANGIBLE ASSETS

GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

OTHER INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.13 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | | |
|-------------------------------|---|-----|---------------|
| Short-term leasehold property | - | 10% | straight line |
| Plant and machinery | - | 20% | straight line |
| Motor vehicles | - | 25% | straight line |
| Fixtures and fittings | - | 20% | straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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

2. ACCOUNTING POLICIES (continued)

2.15 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.17 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3.

JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgments, estimates and the assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimates. The following judgments (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue and profits on contracts are recognised by reference to the proportion of work carried out and the contract value which involves management judgment. Consideration is also given to whether any costs incurred are not recoverable.

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 38 (2019: 38).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. INTANGIBLE ASSETS

| | Goodwill £ |
|-----------------------|---------------|
| COST | |
| At 1 January 2020 | 311,281 |
| | <hr/> |
| At 31 December 2020 | 311,281 |
| | <hr/> |
| AMORTISATION | |
| At 1 January 2020 | 176,275 |
| Charge for the year | 28,133 |
| | <hr/> |
| At 31 December 2020 | 204,408 |
| | <hr/> |
| NET BOOK VALUE | |
| At 31 December 2020 | 106,873 |
| | <hr/> <hr/> |
| At 31 December 2019 | 135,006 |
| | <hr/> <hr/> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. TANGIBLE FIXED ASSETS

| | Short-term leasehold property £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|----------------------------|--|-----------------------------|---------------------|-------------------------------|------------|
| COST OR VALUATION | | | | | |
| At 1 January 2020 | 32,484 | 194,816 | 66,729 | 289,178 | 583,207 |
| Additions | - | 42,957 | 9,598 | 7,963 | 60,518 |
| At 31 December 2020 | 32,484 | 237,773 | 76,327 | 297,141 | 643,725 |
| DEPRECIATION | | | | | |
| At 1 January 2020 | 32,484 | 2,373 | 66,729 | 240,833 | 342,419 |
| Charge for the year | - | 16,385 | 1,607 | 20,086 | 38,078 |
| At 31 December 2020 | 32,484 | 18,758 | 68,336 | 260,919 | 380,497 |
| NET BOOK VALUE | | | | | |
| At 31 December 2020 | - | 219,015 | 7,991 | 36,222 | 263,228 |
| At 31 December 2019 | - | 192,443 | - | 48,345 | 240,788 |

7. STOCKS

| | 2020 £ | 2019 £ |
|-------------------------------|-----------|-----------|
| Raw materials and consumables | 75,364 | 122,375 |

8. DEBTORS

| | 2020 £ | 2019 £ |
|--|-----------|-----------|
| Trade debtors | 1,337,468 | 1,369,605 |
| Amounts owed by group undertakings | 117,424 | 39,002 |
| Prepayments and accrued income | 105,573 | 107,629 |
| Amounts recoverable on long term contracts | 1,919,173 | 1,340,493 |
| Tax recoverable | 25,583 | - |
| | 3,505,221 | 2,856,729 |

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

9. CASH AND CASH EQUIVALENTS

| | 2020 £ | 2019 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | <u>412,973</u> | <u>130,849</u> |

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 £ | 2019 £ |
|------------------------------------|------------------|------------------|
| Bank loans | 88,600 | 89,200 |
| Trade creditors | 432,196 | 1,285,329 |
| Amounts owed to group undertakings | 1,381,634 | 532,428 |
| Corporation tax | - | 416 |
| Other taxation and social security | 744,236 | 152,695 |
| Other creditors | 515,619 | 50,283 |
| | <u>3,162,285</u> | <u>2,110,351</u> |

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

| | 2020 £ | 2019 £ |
|------------|-----------|---------------|
| Bank loans | <u>-</u> | <u>88,600</u> |

12. LOANS

Analysis of the maturity of loans is given below:

| | 2020 £ | 2019 £ |
|--|---------------|----------------|
| AMOUNTS FALLING DUE WITHIN ONE YEAR | | |
| Bank loans | <u>88,600</u> | <u>89,200</u> |
| AMOUNTS FALLING DUE 1-2 YEARS | | |
| Bank loans | <u>-</u> | <u>88,600</u> |
| | <u>88,600</u> | <u>177,800</u> |

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

13. DEFERRED TAXATION

| | 2020 £ |
|---------------------------|-------------------------|
| At beginning of year | (19,988) |
| Charged to profit or loss | (8,079) |
| AT END OF YEAR | <u>(28,067)</u> |

The provision for deferred taxation is made up as follows:

| | 2020 £ | 2019 £ |
|--------------------------------|-------------------------|-------------------------|
| Accelerated capital allowances | (28,067) | (19,988) |
| | <u>(28,067)</u> | <u>(19,988)</u> |

14. SHARE CAPITAL

| | 2020 £ | 2019 £ |
|---|-------------------------|-------------------------|
| ALLOTTED, CALLED UP AND FULLY PAID | | |
| 173,504 (2019: 173,504) Ordinary shares of £0.01 each | <u>1,735</u> | <u>1,735</u> |

15. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £39,289 (2019: £37,563). Contributions totalling £9,231 (2019: £8,796) were payable to the fund at the reporting date and are included in creditors.

16. RELATED PARTY TRANSACTIONS

During the year, Nijhuis H2OK Limited invoiced Nijhuis Water Technology BV (Group Company) £77,837 (2019: £129,265) for services provided. Nijhuis Water Technology BV also invoiced Nijhuis H2OK Limited £1,022,588 (2019: £1,648,332) for services provided in return. At the year end, the net creditor balance held in Nijhuis H2OK Limited was £1,165,565 (2019: £580,662).

During the year, Saur Services Glasgow (Group Company) invoiced Nijhuis H2OK Limited £31,300 (2019: £Nil) for services provided. At the year end, the net debtor balance held in Nijhuis H2OK Limited was £37,560 (2019: £Nil).

At the year end, Nijhuis H2OK Limited owed Deba (UK) Limited (Group Company) £136,205 in respect of recharges in the year made at market rates.

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

17. CONTROLLING PARTY

The ultimate parent undertaking for the period was ENWT Beheer BV, a company registered in the Netherlands. The company's registered address is: Sarphatikade 12, 1017, VW Amsterdam, The Netherlands. To obtain consolidated statutory accounts contact Nijhuis Industries Headquarters at Innovatieweg 4, 7007 CD Doetinchem, P.O. Box 44, 7000 AA Doetinchem, The Netherlands.

Nijhuis H2OK Limited was acquired as part of the group by SAUR S.A.S on 20 July 2020. The registered address for SAUR S.A.S is: 11 Chemin De Bretagne, 92130, Issy Les Moulineaux, France.

18. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 23 December 2021 by Nathan Coughlin FCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.

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.