

**PREPARED FOR THE REGISTRAR
NOVENCO BUILDING & INDUSTRY UK LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Novenco Building & Industry UK Ltd

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Novenco Building & Industry UK Ltd

Company Information

Directors L Knaack
 A J De Voogd Van Der Straaten
 A N Tving

Registered office 2A Halifax Road
 Bowerhill
 Wiltshire
 SN12 6YY

Auditors Hazlewoods LLP
 Staverton Court
 Staverton
 Cheltenham
 GL51 0UX

Novenco Building & Industry UK Ltd**(Registration number: 05866019)****Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	10,160	2,482
Current assets			
Stocks		47,946	27,039
Debtors	<u>5</u>	885,493	482,670
Cash at bank and in hand		558,450	875,484
		<u>1,491,889</u>	<u>1,385,193</u>
Creditors: Amounts falling due within one year	<u>6</u>	(624,758)	(750,183)
Net current assets		<u>867,131</u>	<u>635,010</u>
Total assets less current liabilities		877,291	637,492
Provisions		(10,436)	(10,436)
Deferred tax liabilities		<u>(2,540)</u>	<u>-</u>
Net assets		<u><u>864,315</u></u>	<u><u>627,056</u></u>
Capital and reserves			
Called up share capital	<u>7</u>	1	1
Profit and loss account		<u>864,314</u>	<u>627,055</u>
Total equity		<u><u>864,315</u></u>	<u><u>627,056</u></u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 29 December 2022 and signed on its behalf by:

A J De Voogd Van Der Straaten
Director

Novenco Building & Industry UK Ltd

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
2A Halifax Road
Bowerhill
Wiltshire
SN12 6YY

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting 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 amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Notes to the Financial Statements for the Year Ended 31 December 2021

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

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

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 taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Computer equipment	33% reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out method.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Notes to the Financial Statements for the Year Ended 31 December 2021

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Novenco Building & Industry UK Ltd

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 8 (2020 - 7).

4 Tangible assets

	Furniture, fittings and equipment £
Cost	
At 1 January 2021	11,328
Additions	10,838
Disposals	<u>(1,204)</u>
At 31 December 2021	<u>20,962</u>
Depreciation	
At 1 January 2021	8,846
Charge for the year	3,160
Eliminated on disposal	<u>(1,204)</u>
At 31 December 2021	<u>10,802</u>
Carrying amount	
At 31 December 2021	<u><u>10,160</u></u>
At 31 December 2020	<u><u>2,482</u></u>

Novenco Building & Industry UK Ltd

Notes to the Financial Statements for the Year Ended 31 December 2021

5 Debtors

	2021 £	2020 £
Trade debtors	331,360	195,544
Other debtors	39,259	4,714
Prepayments	514,874	282,412
	<u>885,493</u>	<u>482,670</u>

6 Creditors

	2021 £	2020 £
Due within one year		
Trade creditors	144,609	229,586
Amounts due to related parties	187,890	286,970
Social security and other taxes	19,369	52,694
Outstanding defined contribution pension costs	5,484	3,901
Accrued expenses	220,814	131,237
Corporation tax liability	46,592	45,795
	<u>624,758</u>	<u>750,183</u>

7 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary of £1 each	1	1	1	1

8 Parent and ultimate parent undertaking

The company's immediate parent undertaking is Novenco Building & Industry A/S, a company incorporated in Denmark. Novenco Building and Industry A/S is the smallest and largest undertaking that prepares consolidated financial statements that include the results of the company and copies can be publicly obtained from the registered office address of the parent company at Industrivej 22, 4700 Naestved, Denmark. The company's ultimate parent undertaking and ultimate controlling party is SCHAKO Klima Luft Ferdinand Schad KG, a company incorporated in Germany.

9 Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 29 December 2022 was Ryan Hancock, who signed for and on behalf of Hazlewoods 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.