
AQUATROLS EUROPE LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2023

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AQUATROLS EUROPE LIMITED
REGISTERED NUMBER: 07062733

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	3	101,145	202,294
Tangible assets	4	13,278	16,488
Investments	5	1	2
		<u>114,424</u>	<u>218,784</u>
Current assets			
Stocks		1,480,307	1,058,221
Debtors: amounts falling due within one year	6	424,094	1,037,877
Cash at bank and in hand	7	564,569	145,209
		<u>2,468,970</u>	<u>2,241,307</u>
Creditors: amounts falling due within one year	8	(1,037,984)	(162,663)
Net current assets		<u>1,430,986</u>	<u>2,078,644</u>
Total assets less current liabilities		<u>1,545,410</u>	<u>2,297,428</u>
Net assets		<u><u>1,545,410</u></u>	<u><u>2,297,428</u></u>
Capital and reserves			
Called up share capital	9	1,000	1,000
Share premium account		92,547	92,547
Profit and loss account		1,451,863	2,203,881
		<u>1,545,410</u>	<u>2,297,428</u>

AQUATROLS EUROPE LIMITED
REGISTERED NUMBER: 07062733

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2023

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 income and retained earnings 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:

David Konke

D G Konke
Director

Date: 7 April 2024

The notes on pages 3 to 9 form part of these financial statements.

AQUATROLS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The company is a private company (limited by shares), incorporated and domiciled in England and Wales.

The company's registered office is 6th Floor, 2 London Wall Place, London EC2Y 5AU.

The average number of employees, including directors, during the year was 9 (2022: 11).

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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. 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.

2.2 Exemption from preparing consolidated financial statements

The company, and the group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

The financial statements have been prepared on a going concern basis. In assessing this, the directors have prepared forecasts for the company and given due consideration to the long term financing, their working capital requirements and the profits and cash generation anticipated by the company.

The directors have received confirmation that the parent company, Aquatrols Corporation of America, will continue to support the company for the foreseeable future, and for a minimum period of 12 months from the date of approval of these financial statements. The directors have made enquiries of the parent company, and have received appropriate assurances that it is in a position to provide the necessary support for the foreseeable future.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

AQUATROLS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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.

2.5 Operating leases

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

2.6 Taxation

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.

AQUATROLS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.7 Intangible assets

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.

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.

Goodwill currently held is being amortised over a ten-year period on a straight line basis.

2.8 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:

Plant and machinery	- 20% reducing balance
Fixtures and fittings	- 10% reducing balance

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.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 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.

AQUATROLS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.12 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.

2.13 Creditors

Short term creditors are measured at transaction price.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Intangible assets

	Goodwill £
Cost	
At 1 January 2023	1,011,485
At 31 December 2023	<u>1,011,485</u>
Amortisation	
At 1 January 2023	809,191
Charge for the year on owned assets	101,149
At 31 December 2023	<u>910,340</u>
Net book value	
At 31 December 2023	<u><u>101,145</u></u>
At 31 December 2022	<u><u>202,294</u></u>

AQUATROLS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 January 2023	31,159	784	31,943
Additions	30	-	30
At 31 December 2023	<u>31,189</u>	<u>784</u>	<u>31,973</u>
Depreciation			
At 1 January 2023	15,236	219	15,455
Charge for the year on owned assets	3,240	-	3,240
At 31 December 2023	<u>18,476</u>	<u>219</u>	<u>18,695</u>
Net book value			
At 31 December 2023	<u>12,713</u>	<u>565</u>	<u>13,278</u>
At 31 December 2022	<u>15,923</u>	<u>565</u>	<u>16,488</u>

5. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2023	2
Disposals	(1)
At 31 December 2023	<u>1</u>

At 31 December 2023 the company's sole subsidiary undertaking was Aquatrols Netherlands B.V. whose registered office is 145 De Lairesestraat C, 1075HJ Amsterdam, Netherlands.

AQUATROLS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Debtors

	2023 £	2022 £
Trade debtors	191,798	853,871
Amounts owed by group undertakings	-	95,386
Other debtors	166,208	15,106
Prepayments and accrued income	66,088	73,514
	<u>424,094</u>	<u>1,037,877</u>

7. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	564,569	145,209

8. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	90,996	46,048
Amounts owed to group undertakings	915,975	-
Other taxation and social security	13,846	14,564
Accruals and deferred income	17,167	102,051
	<u>1,037,984</u>	<u>162,663</u>

9. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
1,000 (2022 - 1,000) Ordinary shares of £1 each	1,000	1,000

AQUATROLS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

10. Commitments under operating leases

At 31 December 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	39,409	47,758
Later than 1 year and not later than 5 years	25,213	13,316
	<u>64,622</u>	<u>61,074</u>

11. Related party transactions

In accordance with the exemption provided by FRS 102, the company has not disclosed transactions with fellow group undertakings.

12. Parent undertakings and controlling party

At the year end, the company was a wholly owned subsidiary of Aquatrols Holding Company Inc. ("AHI"), a company incorporated in the USA. AHI's registered office is 1273 Imperial Way, Paulsboro, NJ 08066, USA.

At the year end, the company's ultimate parent undertaking was TAO S.R.L., a company incorporated in Italy. TAO's registered office is Via Sant'Agnese, 12, Milano, 1220123, Italy.

The ultimate controlling parties are Mr Paolo Lamberti and Mr Carlo Lamberti.

No group undertakings prepare consolidated financial statements that are publicly available.

13. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2023 was unqualified.

The audit report was signed on 8 April 2024 by Ryan Ketteringham (Senior Statutory Auditor) on behalf of Crowe U.K. LLP.