

---

**COVENCO365 LIMITED**

---

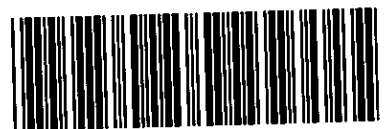
**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

THURSDAY



\*ACVFZOM2\*

A4

25/01/2024

#84

COMPANIES HOUSE

**COVENCO365 LIMITED**  
**REGISTERED NUMBER: 03059168**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible assets	4		191,113		59,509
<b>Current assets</b>					
Stocks	5	-		133,269	
Debtors: amounts falling due within one year	6	1,149,242		1,102,135	
Cash at bank and in hand	7	716,141		506,386	
			<u>1,865,383</u>	<u>1,741,790</u>	
Creditors: amounts falling due within one year	8	(1,666,806)		(1,585,973)	
<b>Net current assets</b>			<b>198,577</b>		<b>155,817</b>
<b>Provisions for liabilities</b>					
Deferred tax	9		(9,001)		(9,001)
<b>Net assets</b>			<b>380,689</b>		<b>206,325</b>
<b>Capital and reserves</b>					
Called up share capital	10		82		82
Capital redemption reserve			18		18
Profit and loss account			380,589		206,225
			<u>380,689</u>		<u>206,325</u>

---

**COVENCO365 LIMITED**  
**REGISTERED NUMBER: 03059168**

---

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

---

The directors considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479a of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

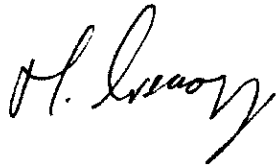
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 on

23.01.2024



**M H Creasey**  
Director

The notes on pages 3 to 10 form part of these financial statements.

---

## COVENCO365 LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1. General information

Covenco365 Limited is a company limited by shares, incorporated in England and Wales. The address of the registered office is 3 Brook Business Centre, Cowley Mill Road, Uxbridge, Middlesex, United Kingdom, UB8 2FX.

The company specialises in provision of disaster recovery services in respect of computer installations.

#### 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 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 year 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 year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income 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 the Statement of comprehensive income within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**2. Accounting policies (continued)**

**2.3 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 year 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 reporting date can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight-line basis over the lease term.

**2.5 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 the Statement of comprehensive income 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**2. Accounting policies (continued)**

**2.6 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income 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.

**2.7 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.

Depreciation is provided on the following basis:

Short term leasehold property improvements	- Straight line over the life of the lease
Plant & machinery	-
Fixtures, fittings and equipments	- 33% reducing balance basis

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 the Statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**2. Accounting policies (continued)**

**2.8 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 the Statement of comprehensive income.

**2.9 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.10 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.

**2.11 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.12 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 the Statement of comprehensive income 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.

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to the Statement of comprehensive income.

---

**COVENCO365 LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**2. Accounting policies (continued)**

**2.13 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. Employees**

The average monthly number of employees, including directors, during the year was 12 (2021 - 20).

**4. Tangible fixed assets**

	Short term leasehold property improvements £	Plant & machinery £	Fixtures, fittings and equipments £	Total £
<b>Cost</b>				
At 1 January 2022	261,041	-	401,004	662,045
Additions	-	27,969	230,021	257,990
At 31 December 2022	<u>261,041</u>	<u>27,969</u>	<u>631,025</u>	<u>920,035</u>
<b>Depreciation</b>				
At 1 January 2022	241,728	-	360,808	602,536
Charge for the year	12,876	1,135	112,375	126,386
At 31 December 2022	<u>254,604</u>	<u>1,135</u>	<u>473,183</u>	<u>728,922</u>
<b>Net book value</b>				
At 31 December 2022	<u>6,437</u>	<u>26,834</u>	<u>157,842</u>	<u>191,113</u>
At 31 December 2021	<u>19,313</u>	<u>-</u>	<u>40,196</u>	<u>59,509</u>



---

COVENCO365 LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

---

5. Stocks

	2022 £	2021 £
Finished goods and goods for resale	-	133,269
	<u>-</u>	<u>133,269</u>

6. Debtors

	2022 £	2021 £
Trade debtors	696,039	971,014
Amounts owed by group undertakings	268,003	-
Other debtors	7,669	-
Prepayments and accrued income	177,531	131,121
	<u>1,149,242</u>	<u>1,102,135</u>

7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	716,141	506,386
	<u>716,141</u>	<u>506,386</u>

---

**COVENCO365 LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**8. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>247,066</b>	274,075
Corporation tax	<b>7,980</b>	46,500
Other taxation and social security	<b>17,034</b>	149,626
Other creditors	<b>17,376</b>	25,686
Accruals and deferred income	<b>1,377,350</b>	1,090,086
	<b><u>1,666,806</u></b>	<b><u>1,585,973</u></b>

The company has given a debenture and cross guarantee, dated 7th May 2013, to Barclays Bank plc. The cross guarantee and debenture covers all amounts owed by Covenco365 Limited and Covenco Ltd and is mirrored by matching guarantees given by Covenco Ltd.

**9. Deferred taxation**

	<b>2022</b>
	<b>£</b>
At beginning of year	<b>9,001</b>
At end of year	<b><u>9,001</u></b>

The provision for deferred taxation is made up as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<b>9,001</b>	9,001
	<b><u>9,001</u></b>	<b><u>9,001</u></b>

**10. Share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
8,150 Ordinary shares of £0.01 each	<b><u>82</u></b>	<b><u>82</u></b>

---

## COVENCO365 LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 11. 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 £16,572 (2021 - £18,794). Contributions totalling £162 (2021 - £4,086 payable) were repayable to the fund at the reporting date and are included in creditors.

#### 12. Related party transactions

Included within creditors is an amount of £Nil (2021 - £8,245) owed to G Sohal, a director of the company.

Covenco365 Limited is associated with Covenco Ltd by virtue of common control. Transactions with Covenco Ltd, all of which were at market value, were as follows:-

	2022 £	2021 £
Management and administration services	118,281	76,648
Purchases from Covenco Ltd	615,793	280,905
Sales to Covenco Ltd	98,011	18,870
Dividend paid	70,184	-
Due (by)/to Covenco Ltd at the year end	(268,003)	90,451

#### 13. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is Covenco Ltd, a company incorporated in England and Wales with registered office 3 Brook Business Centre, Cowley Mill Road, Uxbridge, Middlesex, United Kingdom, UB8 2FX.

The results of the company are consolidated in the financial statements of Covenco Ltd, and can be obtained from Companies House.

In the opinion of the directors, there is no one ultimate controlling party.