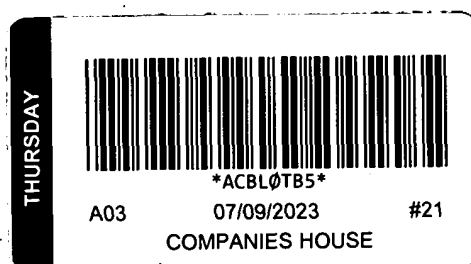


ENVAC UK LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



ENVAC UK LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2022**

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ENVAC UK LIMITED
COMPANY INFORMATION
for the Year Ended 31 December 2022

DIRECTORS:	D P Haraldsson D A Buckley
REGISTERED OFFICE:	The Wilds Ecology Centre Northgate Road Barking Essex IG11 0AN
REGISTERED NUMBER:	05851663
SENIOR STATUTORY AUDITOR:	Steven R Mugglestone
AUDITORS:	Michael Harwood & Co Chartered Accountants and Statutory Auditors Greville House 10 Jury Street Warwick Warwickshire CV34 4EW

ENVAC UK LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of environmentally sustainable waste handling.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

D P Haraldsson
D A Buckley

GOING CONCERN

The financial statements have been prepared on a going concern basis, which the Directors believe to be appropriate. The company has received confirmation from its parent company, Envac AB, that for at least 12 months from the date of approval of these financial statements, it will make available the necessary financial support to enable the company to meet its liabilities as they fall due. Amounts owed to the Group are disclosed within the Creditors Note to the Financial Statements (Note 7).

Envac AB has also confirmed that the amounts owed to Group undertakings which would significantly affect the company's trading position, will not be repayable for the foreseeable future.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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.

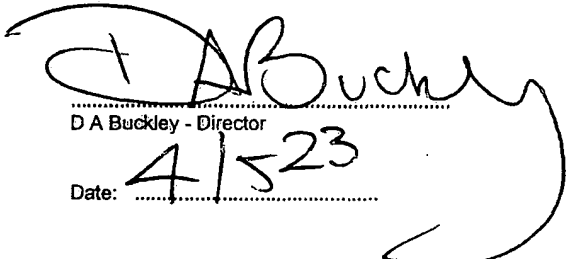
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


D A Buckley - Director

Date: 4/5/23

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ENVAC UK LIMITED

Opinion

We have audited the financial statements of Envac UK Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ENVAC UK LIMITED

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our audit procedures, we evaluate the high-risk areas of the assignment that could potentially result in a material misstatement within the accounts. Such risky areas include revenue recognition, management override, recoverability of current assets and understatement of liabilities. We mitigate these risks by a combination of:

- obtaining independent third-party evidence
- performing analytical procedures to ensure the accounts appear reasonable
- maintaining an air of professional scepticism throughout the audit process
- challenging management regarding the basis of accounting policies and estimates in the accounts.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven R Mugglestone (Senior Statutory Auditor)
for and on behalf of Michael Harwood & Co
Chartered Accountants and Statutory Auditors
Greville House
10 Jury Street
Warwick
Warwickshire
CV34 4EW

12 May 2023

ENVAC UK LIMITED

INCOME STATEMENT
for the Year Ended 31 December 2022

	31.12.22 £	31.12.21 £
TURNOVER	1,086,563	1,163,628
Cost of sales	<u>1,107,263</u>	<u>1,352,983</u>
GROSS LOSS	(20,700)	(189,355)
Administrative expenses	<u>701,558</u>	<u>587,134</u>
	(722,258)	(776,489)
Other operating income	<u>25,335</u>	<u>387,446</u>
OPERATING LOSS	(696,923)	(389,043)
Interest receivable and similar income	<u>543</u>	<u>4</u>
	(696,380)	(389,039)
Interest payable and similar expenses	<u>327</u>	<u>1,142</u>
LOSS BEFORE TAXATION	(696,707)	(390,181)
Tax on loss	<u>(133,156)</u>	<u>(74,166)</u>
LOSS FOR THE FINANCIAL YEAR	<u>(563,551)</u>	<u>(316,015)</u>

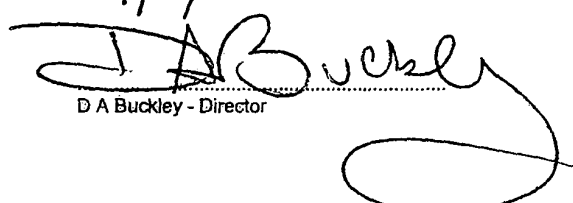
ENVAC UK LIMITED (REGISTERED NUMBER: 05851663)

BALANCE SHEET
31 December 2022

	Notes	31.12.22 £	£	31.12.21 £	£
FIXED ASSETS					
Tangible assets	5		16,575		22,424
CURRENT ASSETS					
Debtors	6	1,079,578		991,086	
Cash at bank		-		116,817	
		<u>1,079,578</u>		<u>1,107,903</u>	
CREDITORS					
Amounts falling due within one year	7	<u>1,721,980</u>		<u>1,191,447</u>	
NET CURRENT LIABILITIES			<u>(642,402)</u>		<u>(83,544)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(625,827)</u>		<u>(61,120)</u>
PROVISIONS FOR LIABILITIES			<u>3,104</u>		<u>4,260</u>
NET LIABILITIES			<u><u>(628,931)</u></u>		<u><u>(65,380)</u></u>
CAPITAL AND RESERVES					
Called up share capital	8		75,000		75,000
Retained earnings	9		<u>(703,931)</u>		<u>(140,380)</u>
SHAREHOLDERS' FUNDS			<u><u>(628,931)</u></u>		<u><u>(65,380)</u></u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 4/3/23 and were signed on its behalf by:


D A Buckley - Director

The notes form part of these financial statements

ENVAC UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2022

1. STATUTORY INFORMATION

Envac UK Limited is a private company, limited by shares, registered in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Contract turnover included the value of work completed during the financial year after reference to the total sales value and stage completion of the project.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant, fittings and equipment	- 50% on cost
Computer equipment	- 50% on cost

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

The financial statements have been prepared on a going concern basis, which the Directors believe to be appropriate because the company has received confirmation from its parent company, Envac AB, that for at least 12 months from the date of approval of these financial statements, it will make available the necessary financial support to enable the company to meet its liabilities as they fall due. Amounts owed to the Group are disclosed within the Creditors Note to the Financial Statements (Note 7).

Envac AB has also confirmed that the amounts owed to Group undertakings which would significantly affect the company's trading position, will not be repayable for the foreseeable future.

The disappointing results for the year reflected the slower than expected return to normal activity levels caused by the effects of the COVID pandemic over the previous two financial years. However management are confident that 2023 should see a return to profitability by the company.

In addition the company is part of the Envac / Stena group of companies, which has ensured a degree of financial stability during these past two financial years.

ENVAC UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

3. ACCOUNTING POLICIES - continued

Amounts recoverable on contracts

Amounts recoverable on contracts are contract balances that are valued at costs incurred on specific contracts, net of amounts transferred to cost of sales in respect of work recorded as turnover, less foreseeable losses and payments on account. If the ultimate profitability of a contract can be assessed with reasonable certainty after having made prudent allowance for future risks and uncertainties, then profit is recognised in proportion to the contract work completed, immediate provision being made for all foreseeable losses.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2021 - 6).

5. TANGIBLE FIXED ASSETS

	Plant, fittings and equipment £	Computer equipment £	Totals £
COST			
At 1 January 2022			
and 31 December 2022	24,572	9,141	33,713
DEPRECIATION			
At 1 January 2022	2,149	9,140	11,289
Charge for year	5,849	-	5,849
At 31 December 2022	7,998	9,140	17,138
NET BOOK VALUE			
At 31 December 2022	16,574	1	16,575
At 31 December 2021	22,423	1	22,424

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade debtors	888,735	915,707
Amounts owed by group undertakings	185,811	52,084
Other debtors	1,482	1,999
Prepayments	3,550	21,296
	<u>1,079,578</u>	<u>991,086</u>

Included within trade debtors above are amounts recoverable on contracts that total £584,862 (2021: £554,500).

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Bank loans and overdrafts	43,875	-
Trade creditors	83,170	17,861
Amounts owed to group undertakings	1,447,330	1,051,715
Social security and other taxes	22,278	37,532
Other creditors	3,042	3,025
Accruals and deferred income	122,285	81,314
	<u>1,721,980</u>	<u>1,191,447</u>

ENVAC UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 December 2022

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Included within accruals and deferred income above is a deferred income creditor amounting to £82,668 (2021 £55,264).

The Parent company, Envac AB has also confirmed that the amounts owed to Group undertakings which would significantly affect the company's trading position, will not be repayable for the foreseeable future.

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31.12.22	31.12.21
Number:	Class:		£	£
75,000	Ordinary	£1	<u>75,000</u>	<u>75,000</u>

9. RESERVES

	Retained earnings £
At 1 January 2022	(140,380)
Deficit for the year	<u>(563,551)</u>
At 31 December 2022	<u>(703,931)</u>

10. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £16,128 (2021 £16,836).

11. CONTINGENT LIABILITIES

All the company's contracts are subject to a two year warranty period and therefore the company is contingently liable for losses arising in this period.

12. OTHER FINANCIAL COMMITMENTS

At 31st December 2022 the company had total commitments under non-cancellable operating leases over the remaining life of those leases of £238,333 (2021: £303,333).

13. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year the company purchased materials and direct support services from a fellow subsidiary company, Envac Scandinavia AB amounting to £575,052 (2021: £390,083). At the year end the company owed £1,423,743 (2021: £1,016,523) to Envac Scandinavia AB

The company also purchased materials from another fellow subsidiary, Envac Far East Limited amounting to £53,242 (2021: £53,242). At the year end the company owed £23,587 (2021: £32,713) to Envac Far East Limited.

14. ULTIMATE CONTROLLING PARTY

The ultimate controlling party for the current financial year was Stena AB, a company incorporated in Sweden, by virtue of its control over this company's parent undertaking, Envac AB, a company also incorporated in Sweden.

Stena AB is the largest and smallest group to consolidate these financial statements.