

Registered number: 00832125

WEBTEC PRODUCTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2019



WEBTEC PRODUCTS LIMITED
REGISTERED NUMBER: 00832125

BALANCE SHEET
AS AT 31 OCTOBER 2019


	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	1,788,816	602,423
Investments	6	20,000	20,000
		<u>1,808,816</u>	<u>622,423</u>
Current assets			
Stocks		508,298	529,588
Debtors: amounts falling due within one year	7	1,728,125	1,345,425
Cash at bank and in hand	8	552,731	462,295
		<u>2,789,154</u>	<u>2,337,308</u>
Creditors: amounts falling due within one year	9	(1,158,230)	(935,889)
Net current assets		<u>1,630,924</u>	<u>1,401,419</u>
Total assets less current liabilities		<u>3,439,740</u>	<u>2,023,842</u>
Creditors: amounts falling due after more than one year	10	(774,398)	-
Provisions for liabilities			
Deferred tax		(188,310)	-
Other provisions	11	(33,224)	(27,114)
Net assets		<u>2,443,808</u>	<u>1,996,728</u>
Capital and reserves			
Called up share capital		250,000	250,000
Profit and loss account		2,193,808	1,746,728
Shareholders' funds		<u>2,443,808</u>	<u>1,996,728</u>

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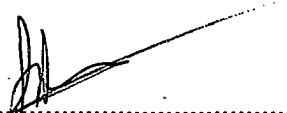
BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2019

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



.....
Mr M R Cuthbert
Director



.....
Mr S A Cuthbert
Director

Date: 29.02.2020

The notes on pages 4 to 13 form part of these financial statements.

WEBTEC PRODUCTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2019**

	Called up share capital £	Retained earnings £	Total equity £
At 1 November 2017	250,000	1,508,623	1,758,623
Profit for the year	-	538,105	538,105
Dividends: Equity capital	-	(300,000)	(300,000)
At 1 November 2018	250,000	1,746,728	1,996,728
Profit for the year	-	447,080	447,080
At 31 October 2019	250,000	2,193,808	2,443,808

WEBTEC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. General information

Webtec Products Limited ("the Company") is a private limited company incorporated in England and Wales under the Companies Act.

The registered number and address of the registered office is given in the Company information.

The functional and presentational currency of the company is pounds sterling (£) and rounded to the nearest whole pound.

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 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 the Statement of changes in equity except when deferred in other comprehensive income as qualifying cash flow hedges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

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 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.

2.4 Research and development

Research and development expenditure is written off in the year in which it is incurred.

2.5 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.

2.6 Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.7 Pensions

The Company operates a group stakeholder 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 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. Specifically, provision is made for the estimated costs of future warranty claims on the Company's products. The directors base these specific provisions on current information and historical experience of the nature, frequency and costs of warranty claims. When appropriate this provision includes consultancy, modification and testing costs.

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 Balance sheet 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 Balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.9 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 balance sheet 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 Balance sheet 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 balance sheet date.

2.10 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

WEBTEC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

2. Accounting policies (continued)**2.10 Tangible fixed assets (continued)**

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:

Leasehold property improvements	-	2% per annum on cost of buildings, and 10% per annum on building refurbishments.
Plant and machinery	-	10% and 20% per annum on cost.
Motor vehicles	-	33% per annum on cost.
Fixtures and fittings	-	20% and 33.3% per annum on cost.

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.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 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 balance sheet 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.

2.13 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.

2.14 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.

2.15 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.

WEBTEC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

2. Accounting policies (continued)**2.16 Financial instruments**

The Company only enters into basic financial instruments 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Turnover

Analysis of turnover by country of destination:

	2019	2018
	£	£
United Kingdom	1,264,414	1,120,853
Rest of Europe	1,879,285	2,325,522
Rest of the world	2,543,025	2,466,875
	<u>5,686,724</u>	<u>5,913,250</u>

WEBTEC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

4. Employees

The average monthly number of employees, including directors, during the year was 53 (2018 - 51).

5. Tangible fixed assets

	Leasehold property impr'ments £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 November 2018	36,173	2,991,171	32,880	496,736	3,556,960
Additions	138,766	1,068,788	-	113,471	1,321,025
Disposals	-	-	(12,898)	(6,892)	(19,790)
At 31 October 2019	<u>174,939</u>	<u>4,059,959</u>	<u>19,982</u>	<u>603,315</u>	<u>4,858,195</u>
Depreciation					
At 1 November 2018	-	2,480,029	27,398	447,110	2,954,537
Charge for the year on owned assets	7,289	88,708	5,482	33,153	134,632
Disposals	-	-	(12,898)	(6,892)	(19,790)
At 31 October 2019	<u>7,289</u>	<u>2,568,737</u>	<u>19,982</u>	<u>473,371</u>	<u>3,069,379</u>
Net book value					
At 31 October 2019	<u>167,650</u>	<u>1,491,222</u>	<u>-</u>	<u>129,944</u>	<u>1,788,816</u>
At 31 October 2018	<u>36,173</u>	<u>511,142</u>	<u>5,482</u>	<u>49,626</u>	<u>602,423</u>

WEBTEC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

6. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 November 2018	20,000
At 31 October 2019	<u>20,000</u>
Net book value	
At 31 October 2019	<u>20,000</u>
At 31 October 2018	<u>20,000</u>

Webtec Products Limited owns 100% of the share capital of Webtec Limited, a dormant company.

7. Debtors

	2019 £	2018 £
Trade debtors	714,107	641,843
Amounts owed by group undertakings	550,206	383,107
Other debtors	327,662	162,258
Prepayments and accrued income	136,150	158,217
	<u>1,728,125</u>	<u>1,345,425</u>

Amounts owed by group undertakings of £550,206 (2018: £383,107) are unsecured, interest free and repayable on demand.

8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	552,731	462,295
	<u>552,731</u>	<u>462,295</u>

WEBTEC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loan	193,766	113,909
Trade creditors	602,308	436,460
Amounts owed to group undertakings	20,000	20,000
Corporation tax	-	43,548
Other taxation and social security	52,475	-
Other creditors	45,509	34,751
Accruals and deferred income	244,172	287,221
	<u>1,158,230</u>	<u>935,889</u>

Amounts owed to group undertakings of £20,000 (2018: £20,000) are unsecured, interest free and repayable on demand.

Secured Loans

The bank loan of £193,766 (2018: £113,909) is secured by a fixed and floating charge over all the property and assets of the Company.

10. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	774,398	-
	<u>774,398</u>	<u>-</u>

Secured Loans

The bank loan of £774,398 (2018: £nil) is secured by a fixed and floating charge over all the property and assets of the Company.

WEBTEC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

11. Provisions

	Warranty provision £
At 1 November 2018	27,114
Charged to profit or loss	6,110
At 31 October 2019	<u>33,224</u>

Warranty provision

The provision is made for the estimated costs of future warranty claims on the company's products. The directors base the provision on current information and historical experience of the nature, frequency and costs of warranty claims.

12. Capital commitments

At 31 October 2019 the Company had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided in these financial statements	-	899,000
	<u>-</u>	<u>899,000</u>

13. Controlling party

The company's immediate and ultimate controlling party is Webtec (Holdings) Limited, a company incorporated in England & Wales, and holding all of the issued ordinary shares in this company. The registered office of Webtec (Holdings) Limited is Nuffield Road, St Ives, PE27 3LZ.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 October 2019 was unqualified.

The audit report was signed on 6/3/2020 by Ian Jacobs FCA (Senior statutory auditor) on behalf of MHA MacIntyre Hudson.