

Flotech Performance Systems Limited

Unaudited

Annual report and financial statements

Registered number 07749953

30 September 2024



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Company information

Directors	H V Pedersen
	A I Boyle
Company number	07749953
Registered office	80 Station Parade
	Harrogate
	North Yorkshire
	HG1 1HQ

Strategic report

The directors present the Strategic report for the year ended 30 September 2024.

Activities and business review

The principal activity of the company is engineering and providing services for the storage, transfer and distribution of industrial liquids and gases.

There have not been any significant changes in the company's principal activities and the directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

Key performance indicators

The directors measure the performance of the company and its progress during the year using the following KPIs:

	2024 £000	2023 £000
Turnover	10,217	11,399
Gross profit	2,825	3,556
Gross profit margin	27.6%	31.2%
Average number of direct revenue earning employees	39*	34*
Revenue per direct revenue earning employee	262	335

**Number of employees*

There has been a decrease in turnover of 10.4% and a decrease in gross profit of 20.6%.

During the year the average number of direct revenue earning employees within continuing activities was 39 (2023: 34). The company measures the revenue from continuing activities per direct revenue earning employee. During the year, this figure was £262,000 (2023: £335,000).

As a private equity backed business, the directors consider the most appropriate performance measure to be EBITDA from continuing activities before exceptional items, which for the year ended 30 September 2024 was £935,000 (2023: £2,071,000).

For the purpose of this KPI, EBITDA from continuing activities before exceptional items is defined as earnings from continuing activities before interest, taxation, depreciation, amortisation and exceptional items.

The company has net current assets of £944,000 (2023: £3,966,000), and net assets of £1,094,000 (2023: £4,218,000).

Future developments

The directors expect the general level of activity to increase in the forthcoming year, particularly through innovation and technical services. Growth in these areas is driven by unpredictable environmental conditions, tighter regulatory and compliance requirements and increased demands on budgets as assets age. The directors will continue to seek ways to expand by exploiting all available opportunities in new and existing markets.

Strategic report *(continued)*

Principal risks and uncertainties

The directors consider the principal risks and uncertainties faced by the business to be the following:

Credit risk

The company's credit risk is primarily attributable to its trade debtors. Credit risk is managed by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating. The amounts presented in the statement of financial position are net of allowances for doubtful debts, estimated by the company's management based on prior experience and their assessment of the current economic environment.

Legal and Regulatory

Given the nature of our operations and the markets in which we operate within, management of environmental and health and safety risks and regulatory compliance is a key component of our activities and is given high priority. The board has limited appetite for environmental risk and no appetite for health and safety risk. Environmental and/or health and safety incidents and/or regulatory breaches could result in clean-up costs, financial penalties, create third party liabilities and/or reputational damage. Changes to the regulatory environment could also have an adverse impact on our strategy and or business model. The maintenance of a suitably qualified health and safety team that are highly experienced in our industry alongside an experienced operational team and a culture that is health and safety orientated mitigates and manages this risk.

Competition

As with most businesses, competitive pressure is an ongoing risk, which could result in the company losing sales. The company manages this risk by focusing on building strong long-term relationships with high quality customers through the provision of innovative, added value services.

Exchange rates

The company's sales and purchases are principally made in sterling and therefore there are no significant exchange rate risks.

Financial instruments

The company's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Its policy is to finance working capital through retained earnings. The company's exposure to the price risk of financial instruments is therefore minimal. The company does not make forward currency purchases as it only makes minimal sales or purchases in foreign currencies.

The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or profit.

Other matters

Other key focus areas of the directors are in relation to the health, safety and welfare of the employees of the company, and also to monitor the impact of the company on the environment, as detailed below.

Environment

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that may be caused by the company's activities.

Section 172 statement

This section serves as our section 172 statement and should be read in conjunction with this Strategic report. Section 172 of the Companies Act 2006 requires directors to take into consideration the interest of stakeholders in their decision making. The statement has been prepared to provide a clear message on the business model, future strategies and core values of the company. It describes how the directors have regarded the matters set out in section 172(1)(a) to (f) of the companies act, as listed below:

Strategic report *(continued)*

(a) The likely consequences of any decision in the long term

The directors' role is to promote the long-term success of the company through the setting of a clear purpose, vision and sustainable strategy which creates value for existing and future stakeholders. Any decision taken will be aligned to the strategy of the company and the wider Adler & Allan group.

(b) Interests of the company's workforce

The directors place considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings as well as the distribution of a company newsletter.

(c) The desirability of the company maintaining a reputation for high standards of business conduct

The directors aim to ensure that the company maintains high standards of business conduct through the support of the company's culture and the five company values which underpin decision making at a Board and management level - Service, Safety, Working Together, Wellbeing and Expertise. The company works hard to achieve and maintain all relevant accreditations and has excellent working relationships with the Environment Agency, Marine and Coastguard Agency, Defra, SEPA, the other regulatory and inspection bodies, government agencies and insurers.

(d) The need to foster the company's business relationships with suppliers, customers and others

The directors value the benefits of maintaining strong relationships with key partners, suppliers and customers. A statement on how the directors have had regard to the need to foster the company's business relationships with suppliers, customers and others is discussed in more detail in the Directors' report.

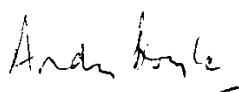
(e) The impact of the company's operations on the community and the environment

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that may be caused by the company's activities.

(f) The need to act fairly as between members of the company

The directors recognise the responsibility to act fairly as between members of the company and engage with shareholders where appropriate, on principal decisions taken by the company during the year. The Board recognises its legal and regulatory duties and does not take any decisions or actions that would provide any shareholder with any unfair advantage or position compared to the shareholders as a whole.

On behalf of the board



A I Boyle

Director

19 May 2025

Directors' report

The directors present their annual report and financial statements for the year ended 30 September 2024.

Principal activities

The principal activity of the company is engineering and providing services for the storage, transfer and distribution of industrial liquids and gases.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R L Contreras (resigned 31 August 2024)

H V Pedersen

A I Boyle

Results and dividends

The results for the year are set out on page 7.

Dividends paid in the year were £3,944,755, at £7,890 per share (2023: £Nil).

The directors do not recommend payment of a final dividend.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff developing a disability, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings as well as the distribution of a company newsletter.

Audit exemption

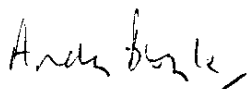
Tet Midco Limited issued a guarantee under section 479C of the Companies Act 2006 against all outstanding liabilities to which the company is subject as at 30 September 2024. The guarantee is enforceable against Tet Midco Limited by any person to whom the company is liable in respect of those liabilities.

The company's results are consolidated in Tet Midco Limited and has taken advantage of the exemption from audit of its individual accounts for the year ended 30 September 2024 by virtue of the section 479A of the Companies Act 2006.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's Strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' report, such as financial instrument objectives and risks and future developments.

By order of the board



A I Boyle
Director

19 May 2025

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Strategic report, Directors' report 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 year. 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.

Profit and Loss Account
for the year ended 30 September 2024

	<i>Note</i>	2024	2023
		£000	£000
Turnover	<i>3</i>	10,217	11,399
Cost of sales		(7,392)	(7,843)
Gross profit		2,825	3,556
Administrative expenses		(2,035)	(1,638)
Operating profit	<i>4, 5</i>	790	1,918
Interest payable and similar expenses	<i>7</i>	(1)	(3)
Profit before taxation		789	1,915
Tax credit	<i>8</i>	32	19
Profit for the financial year		821	1,934

There is no Other Comprehensive Income in the current or prior year, accordingly no Statement of Other Comprehensive Income has been presented.

All results were derived from continuing operations.

Balance Sheet
at 30 September 2024

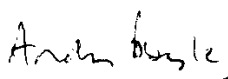
	<i>Note</i>	2024	2023
		£000	£000
Fixed assets			
Investments	9	-	65
Tangible assets	10	174	251
		174	316
Current assets			
Stocks	11	372	187
Debtors	12	4,449	6,441
Cash at bank and in hand		37	78
		4,858	6,706
Creditors: amounts falling due within one year	13	(3,914)	(2,740)
Net current assets		944	3,966
Total assets less current liabilities		1,118	4,282
Creditors: amounts falling due after more than one year	14	-	(8)
Provisions for liabilities			
Deferred tax	15	(24)	(56)
Net assets		1,094	4,218
Capital and reserves			
Called up share capital	17	1	1
Share premium		1	1
Profit and loss account		1,092	4,216
Shareholders' funds		1,094	4,218

For the financial year ended 30 September 2024 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements were approved by the board of directors on 19 May 2025 and were signed on its behalf by:


A I Boyle
Director

Company registered number: 07749953

Statement of Changes in Equity

	Called up Share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
Balance at 1 October 2022	1	1	2,282	2,284
Total comprehensive income for the year				
Profit for the year	-	-	1,934	1,934
Balance at 30 September 2023	1	1	4,216	4,218

	Called up Share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
Balance at 1 October 2023	1	1	4,216	4,218
Total comprehensive income for the year				
Profit for the year	-	-	821	821
Transactions with equity holders				
Dividends	-	-	(3,945)	(3,945)
Balance at 30 September 2024	1	1	1,092	1,094

Notes

(forming part of the financial statements)

1 Accounting policies

Company information

Flotech Performance Systems Limited (the 'company') is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 80 Station Parade, Harrogate, North Yorkshire, HG1 1HQ.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosure framework

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Flotech Performance Systems Limited is a wholly owned subsidiary of Adler & Allan Limited and the results of Adler & Allan Limited are included in the consolidated financial statements of Tet Midco Limited.

Going concern

The directors currently believe that they have the adequate liquidity and business plans to continue to operate the business for the next 12 months from the date of this report. Accordingly, they have adopted the going concern basis in preparing the financial statements.

Notes (continued)

1 Accounting policies (continued)

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Leasehold land and buildings	20% straight line
Plant & equipment	10% straight line
Fixtures & fittings	20% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Notes (continued)

1 Accounting policies (continued)

Stocks

Stocks of consumables are stated at cost, using the first in first out method, less any provisions made for value being less than cost.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Notes (continued)

1 Accounting policies (continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously. Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risk of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of change on the net obligation outstanding in each period.

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Notes (continued)

2 Judgements and key sources of material uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Revenue recognition

In making its judgement, management considered the detailed criteria for the rendering of services set out in FRS 102 Section 23 Revenue and whether the company had performed the service at the end of the reporting period. Following the detailed quantification of the company's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work, the directors are satisfied that the significant risks and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with recognition of an appropriate provision for the rectification costs.

Impairment of debtors

The directors make an assessment at the end of each financial year of whether there is objective evidence that a trade, intercompany or other debtors is impaired. When assessing impairment of trade, intercompany and other debtors, the directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collection from the debtor.

Useful economic lives of fixed assets

The annual depreciation and amortisation charges for tangible and intangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. Assets under construction are transferred to leasehold property and plant and machinery when the respective assets are adjusted to be brought into use.

3 Turnover and other revenue

Turnover was generated from rendering of services and in the United Kingdom.

4 Operating expenses

Included in profit/loss are the following:

	2024 £000	2023 £000
Depreciation of owned tangible fixed assets	101	59
Depreciation of tangible fixed assets held under finance leases	14	55
Operating lease charges	134	147

Notes (continued)

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2024	2023
Direct Labour	39	34
Administration	15	10
	<u>54</u>	<u>44</u>

The aggregate payroll costs of these persons were as follows:

	2024	2023
	£000	£000
Wages and salaries	2,747	2,353
Social security costs	287	234
Contributions to defined contribution plans	65	51
	<u>3,099</u>	<u>2,638</u>

6 Directors' remuneration

Directors' emoluments are paid through another group company for their services to Flotech Performance Systems Limited. It is not practical to allocate the amount in relation to their services for this company.

7 Interest payable and similar expense

	2024	2023
	£000	£000
Interest on finance leases and hire purchase contracts	1	3

Notes (continued)

8 Taxation

Recognised in the profit and loss account

	2024		2023
	£000	£000	£000
<i>UK corporation tax</i>			
Current tax on income for the year	-	-	-
Adjustment in respect of the previous year	-	-	-
		-	-
Total current tax		-	-
<i>Deferred tax (see note 15)</i>			
Origination and reversal of temporary differences	3	(18)	
Adjustment in respect of the previous year	(35)	(1)	
Total deferred tax		(32)	(19)
Tax on profit		(32)	(19)

Reconciliation of effective tax rate

	2024	2023
	£000	£000
Profit for the year	821	1,934
Total tax credit	(32)	(19)
Profit excluding taxation	789	1,915
Tax using the UK corporation tax rate of 25% (2023: 22%)	197	421
Non-deductible expenses	15	(2)
Group relief	(209)	(437)
Adjustment in respect of the previous year	(35)	(1)
Total tax income	(32)	(19)

The standard rate of corporation tax increased on 1 April 2023 from 19% to 25%, as a result a blended rate of 22% was applied last year and 25% was applied in the current year. The UK deferred tax liability as at 30 September 2024 has been calculated at 25%.

Notes (continued)

9 Fixed asset investments

	£000
Cost or valuation	
At 1 October 2023	65
Additions	-
Disposals	(65)
At 30 September 2024	-
Net book value	
At 30 September 2023	65
At 30 September 2024	-

There was no profit or loss made on the disposal of investments.

10 Tangible fixed assets

	Land and buildings £000	Plant and equipment £000	Motor vehicles £000	Total £000
Cost				
Balance at 1 October 2023	311	356	163	830
Additions	-	31	7	38
Balance at 30 September 2024	311	387	170	868
Depreciation and impairment				
Balance at 1 October 2023	239	224	116	579
Depreciation charge for the year	59	35	21	115
Balance at 30 September 2024	298	259	137	694
Net book value				
At 30 September 2023	72	132	47	251
At 30 September 2024	13	128	33	174

The net book value of tangible fixed assets includes the following in respect of assets held under finance leases:

	2024 £000	2023 £000
Motor vehicles	5	19
Plant & equipment	46	55
	51	74

Notes (continued)

11 Stocks

	2024	2023
	£000	£000
Raw materials and consumables	372	187
	<u>372</u>	<u>187</u>

12 Debtors

	2024	2023
	£000	£000
Trade debtors	2,120	1,549
Amounts owed by group undertakings	933	3,573
Prepayments and accrued income	1,396	1,319
	<u>4,449</u>	<u>6,441</u>

Amounts owed by group undertakings are interest free and repayable on demand.

13 Creditors: amounts falling due within one year

	2024	2023
	£000	£000
Trade creditors	610	403
Amounts owed to group undertakings	2,494	1,174
Taxation and social security	93	67
Accruals and deferred income	690	1,053
Finance lease liabilities	27	43
	<u>3,914</u>	<u>2,740</u>

Amounts owed to group undertakings are interest free and repayable on demand.

14 Creditors: amounts falling after more than one year

	2024	2023
	£000	£000
Finance lease liabilities	-	8
	<u>-</u>	<u>8</u>

Notes (continued)

15 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

All deferred tax recognised represent liabilities in the current and prior year:

	2024 £000	2023 £000
Balance of liabilities		
Accelerated capital allowances	24	56
Movements in the year		
Liability at 1 October 2023		56
Charge to profit and loss account		3
Adjustment in respect of the previous year		(35)
Liability at 30 September 2024		24

16 Employee benefits

	2024 £000	2023 £000
Defined contribution pension scheme charged to the profit and loss account	65	51

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions totalling £16,241 (2023: £10,912) payable to the fund at the year end are included in creditors.

17 Share capital

	2024 £000	2023 £000
<i>Allotted, called up and fully paid</i>		
500 Ordinary shares of £1 each	1	1
	1	1

The Ordinary shares, which carry no rights to fixed income, each carry the right to one vote at general meetings of the company.

Notes (continued)

18 Leases

The following tables set out a maturity analysis of lease payments to be paid, showing the undiscounted lease payments to be paid after the reporting date:

	2024 £000	2023 £000
Finance leases (secured against specific assets acquired)		
Less than one year	8	43
Between one and five years	-	8
	<u>8</u>	<u>51</u>

Finance lease payments represent rentals payable by the company for certain items of motor vehicles and computer equipment.

Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

	2024 £000	2023 £000
Operating leases		
Less than one year	133	127
Between one and five years	429	447
After five years	244	244
	<u>806</u>	<u>818</u>

None of the above leases are sublet by the company. There are no contingent rent arrangements, and the company does not have a purchase option with respect to the above property leases. The lease terms can only be extended if the terms of the contract are approved by both the company and lessor.

19 Related parties

As the company is a wholly owned subsidiary of Tet Midco Limited, under FRS102 section 33, the company is not required to disclose transactions or balances with wholly owned entities which form part of the group.

There are no transactions to disclose in either the current or prior year.

20 Ultimate parent company and parent company of larger group

The immediate parent undertaking is Adler & Allan Limited, a company incorporated in England and Wales whose registered address is 80 Station Parade, Harrogate, HG1 1HQ. In the opinion of the directors the ultimate parent company is Cheshire Topco Ltd, a company incorporated in Jersey, which is ultimately controlled by its directors and their financial co-investor Goldman Sachs Alternatives.

The largest and smallest group in which the results of the company are consolidated is that headed by Tet Midco Limited incorporated in England and Wales. Copies of that company's financial statements are available from The Registrar of Companies, Crown Way, Maindy, Cardiff, CF14 3UZ.