

Registered number: 01128401

INDUSTRIAL ANCILLARIES LIMITED
UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

SATURDAY



A64EO5UO

A22

15/04/2017

#365

COMPANIES HOUSE

INDUSTRIAL ANCILLARIES LIMITED

COMPANY INFORMATION

Directors

R J Harper
J A Dennis
M A Patterson
N Thomason

Company secretary

K R Harper

Registered number

01128401

Registered office

Harper Way
Markham Vale
Chesterfield
Derbyshire
S44 5JX

Independent auditors

Shorts
Chartered Accountants & Statutory Auditor
2 Ashgate Road
Chesterfield
Derbyshire
S40 4AA

Bankers

Barclays Bank plc

Yorkshire Bank plc

INDUSTRIAL ANCILLARIES LIMITED

CONTENTS

	Page
Balance Sheet	1 - 2
Notes to the Financial Statements	3 - 10

INDUSTRIAL ANCILLARIES LIMITED
REGISTERED NUMBER: 01128401

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	6	3,306,491	2,876,834
Current assets			
Stocks		1,445,409	1,356,194
Debtors: amounts falling due within one year	7	1,369,636	1,191,572
Cash at bank and in hand		53,634	122,097
		<u>2,868,679</u>	<u>2,669,863</u>
Creditors: amounts falling due within one year	8	(2,045,575)	(1,777,809)
Net current assets		<u>823,104</u>	<u>892,054</u>
Total assets less current liabilities		<u>4,129,595</u>	<u>3,768,888</u>
Creditors: amounts falling due after more than one year	9	(1,752,983)	(1,506,524)
Provisions for liabilities			
Deferred tax		(170,937)	(145,503)
		<u>(170,937)</u>	<u>(145,503)</u>
Net assets		<u><u>2,205,675</u></u>	<u><u>2,116,861</u></u>
Capital and reserves			
Called up share capital		650	590
Share premium account		52,900	21,160
Profit and loss account		2,152,125	2,095,111
		<u>2,205,675</u>	<u>2,116,861</u>

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.

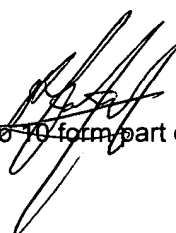
INDUSTRIAL ANCILLARIES LIMITED
REGISTERED NUMBER: 01128401

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 April 2017.

R J Harper
Director

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



J A Dennis
Director



INDUSTRIAL ANCILLARIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Industrial Ancillaries Limited is a private company limited by shares, incorporated in England and Wales. Its registered office is Harper Way, Markham Vale, Chesterfield, Derbyshire, S44 5JX. The principal activity of the company throughout the year continued to be that of engineering merchants.

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.

This is the first year in which the financial statements have been prepared under FRS102. Note 12 gives an explanation of the effects of the transition.

The company's functional and presentational currency is pounds sterling.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets 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.

INDUSTRIAL ANCILLARIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

The depreciation rates used are:

Freehold property	- 2% straight line
Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 20% - 33% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 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.

2.5 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as bank and cash balances, trade and other accounts receivable and payable, loans from banks and other third parties and loans to and from related 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 transaction price 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, 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 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.

INDUSTRIAL ANCILLARIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is pounds sterling.

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.

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 Comprehensive Income.

2.7 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.

2.8 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

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.

The current 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.

INDUSTRIAL ANCILLARIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

3. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £11,000 (2015 - 10,000).

4. Employees

The average monthly number of employees, including directors, during the year was 43 (2015 - 37).

5. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	80,325	73,909
Company contributions to defined contribution pension schemes	23,700	15,600
	<u>104,025</u>	<u>89,509</u>

During the year retirement benefits were accruing to 3 directors (2015 - 3) in respect of defined contribution pension schemes.

INDUSTRIAL ANCILLARIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost					
At 1 January 2016	2,706,791	655,814	116,046	229,144	3,707,795
Additions	535,534	2,495	23,400	66,772	628,201
Disposals	-	-	(52,000)	-	(52,000)
At 31 December 2016	<u>3,242,325</u>	<u>658,309</u>	<u>87,446</u>	<u>295,916</u>	<u>4,283,996</u>
Depreciation					
At 1 January 2016	334,472	279,696	47,046	169,747	830,961
Charge for the period on owned assets	58,733	46,038	7,079	22,557	134,407
Charge for the period on financed assets	-	29,560	8,919	-	38,479
Disposals	-	-	(26,342)	-	(26,342)
At 31 December 2016	<u>393,205</u>	<u>355,294</u>	<u>36,702</u>	<u>192,304</u>	<u>977,505</u>
Net book value					
At 31 December 2016	<u>2,849,120</u>	<u>303,015</u>	<u>50,744</u>	<u>103,612</u>	<u>3,306,491</u>
At 31 December 2015	<u>2,372,319</u>	<u>376,118</u>	<u>69,000</u>	<u>59,397</u>	<u>2,876,834</u>

INDUSTRIAL ANCILLARIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Plant and machinery	118,240	130,094
Motor vehicles	26,756	64,316
	<u>144,996</u>	<u>194,410</u>

7. Debtors

	2016 £	2015 £
Trade debtors	1,111,897	1,159,275
Other debtors	205,622	8,092
Prepayments and accrued income	52,117	24,205
	<u>1,369,636</u>	<u>1,191,572</u>

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank loans	167,325	134,313
Trade creditors	571,719	628,739
Corporation tax	44,734	95,852
Other taxation and social security	102,836	120,136
Obligations under finance lease and hire purchase contracts	48,585	93,150
Other creditors	1,068,292	660,861
Accruals and deferred income	12,084	14,758
Share capital treated as debt	30,000	30,000
	<u>2,045,575</u>	<u>1,777,809</u>

INDUSTRIAL ANCILLARIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

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

	2016 £	2015 £
Bank loans	1,748,620	1,455,849
Net obligations under finance leases and hire purchase contracts	4,363	50,675
	<u>1,752,983</u>	<u>1,506,524</u>

Secured loans

Included in creditors are bank loans amounting to £1,915,945 (2015 - £1,590,162) on which security has been given by the company.

Included within creditors falling due after more than one year is an amount of £1,289,464 (2015 - £1,093,441) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

10. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	11,719	6,943
Later than 1 year and not later than 5 years	11,719	-
	<u>23,438</u>	<u>6,943</u>

11. Related party transactions

In addition to the directors' remuneration disclosed in Note 5, there have been the following transactions on directors and shareholders loan accounts included in other creditors during the year:

	Balance at 1 January 2016 £	Dividends and capital introduced £	Private payments £	Balance at 31 December 2016 £
Directors and shareholders	24,190	281,750	(238,933)	67,007

Dividends amounting to £191,750 (2015 - £202,200) were paid to the directors and shareholders during the year.

INDUSTRIAL ANCILLARIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different from those adopted under FRS 102 and have not impacted on equity or profit or loss.

13. Auditors' information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5A) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Andrew Irvine.

The auditor was Shorts.