

**INDUSTRIAL ANCILLARIES LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**INDUSTRIAL ANCILLARIES LIMITED**  
**REGISTERED NUMBER: 01128401**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	2,765,159	2,859,387
<b>Current assets</b>			
Stocks		2,000,960	1,581,681
Debtors: amounts falling due within one year	5	1,269,505	1,109,347
Cash at bank and in hand		59,592	120,219
		<u>3,330,057</u>	<u>2,811,247</u>
Creditors: amounts falling due within one year	6	<u>(2,526,661)</u>	<u>(2,224,725)</u>
<b>Net current assets</b>		<u>803,396</u>	<u>586,522</u>
<b>Total assets less current liabilities</b>		<u>3,568,555</u>	<u>3,445,909</u>
Creditors: amounts falling due after more than one year	7	(1,209,392)	(1,331,317)
<b>Provisions for liabilities</b>			
Deferred tax	8	(137,372)	(142,792)
<b>Net assets</b>		<u><u>2,221,791</u></u>	<u><u>1,971,800</u></u>
<b>Capital and reserves</b>			
Called up share capital		600	600
Share premium account		52,900	52,900
Capital redemption reserve		50	50
Profit and loss account		2,168,241	1,918,250
		<u><u>2,221,791</u></u>	<u><u>1,971,800</u></u>

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**INDUSTRIAL ANCILLARIES LIMITED**  
**REGISTERED NUMBER: 01128401**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2021**

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

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 August 2022.

**J A Dennis**  
Director

The notes on pages 3 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**1. General information**

Industrial Ancillaries Limited is a private company limited by shares, incorporated in England and Wales (registered number: 01128401). 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.

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

The following principal accounting policies have been applied:

**2.2 Foreign currency translation**

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.

**2.3 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.

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

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

NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**2.5 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss 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.

**2.6 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings.

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.

**2.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets (continued)**

Depreciation 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
Leasehold property improvements	- over the length of the lease
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 profit or loss.

**2.8 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each 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.

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FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.9 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 the 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.

**3. Employees**

The average monthly number of employees, including directors, during the year was 24 (2020 - 33).

**INDUSTRIAL ANCILLARIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**4. Tangible fixed assets**

	Freehold property £	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>						
At 1 January 2021	3,242,325	11,915	670,879	17,765	423,548	4,366,432
Additions	-	8,474	11,134	-	2,552	22,160
Disposals	-	-	-	(17,765)	-	(17,765)
At 31 December 2021	<u>3,242,325</u>	<u>20,389</u>	<u>682,013</u>	<u>-</u>	<u>426,100</u>	<u>4,370,827</u>
<b>Depreciation</b>						
At 1 January 2021	634,593	7,149	539,814	16,656	308,833	1,507,045
Charge for the year on owned assets	60,347	3,936	28,031	278	22,965	115,557
Disposals	-	-	-	(16,934)	-	(16,934)
At 31 December 2021	<u>694,940</u>	<u>11,085</u>	<u>567,845</u>	<u>-</u>	<u>331,798</u>	<u>1,605,668</u>
<b>Net book value</b>						
At 31 December 2021	<u>2,547,385</u>	<u>9,304</u>	<u>114,168</u>	<u>-</u>	<u>94,302</u>	<u>2,765,159</u>
<b>At 31 December 2020</b>	<u>2,607,732</u>	<u>4,766</u>	<u>131,065</u>	<u>1,109</u>	<u>114,715</u>	<u>2,859,387</u>

**5. Debtors**

	2021 £	2020 £
Trade debtors	1,219,809	1,055,458
Other debtors	-	2,913
Prepayments and accrued income	49,696	50,976
	<u>1,269,505</u>	<u>1,109,347</u>



**INDUSTRIAL ANCILLARIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021 £	2020 £
Bank overdrafts	397,439	248,361
Bank loans	300,931	119,011
Trade creditors	351,915	645,675
Corporation tax	95,945	63,049
Other taxation and social security	126,538	131,230
Other creditors	1,092,943	967,384
Accruals and deferred income	130,950	20,015
Share capital treated as debt	30,000	30,000
	<u>2,526,661</u>	<u>2,224,725</u>

**7. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Bank loans	1,209,392	1,331,317
	<u>1,209,392</u>	<u>1,331,317</u>

**Secured loans**

Included in creditors are bank loans amounting to £1,510,323 (2020 - £1,450,328) on which security has been given by the company.

Included in creditors falling due after more than one year is an amount of £691,346 (2020 - £825,553) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

**INDUSTRIAL ANCILLARIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**8. Deferred taxation**

	<b>2021 £</b>
At beginning of year	<b>142,792</b>
Charged to profit or loss	<b>(5,420)</b>
<b>At end of year</b>	<b><u>137,372</u></b>

The provision for deferred taxation is made up as follows:

	<b>2021 £</b>	2020 £
Accelerated capital allowances	<b>137,372</b>	151,448
Tax losses carried forward	<b>-</b>	(8,656)
	<b><u>137,372</u></b>	<b><u>142,792</u></b>

**9. Commitments under operating leases**

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2021 £</b>	2020 £
Not later than 1 year	<b>8,060</b>	14,529
Later than 1 year but not later than 5 years	<b>14,105</b>	20,150
	<b><u>22,165</u></b>	<b><u>34,679</u></b>

**10. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 22 August 2022 by Andrew Irvine (Senior statutory auditor) on behalf of Shorts.



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.