

Company registration number 01177794 (England and Wales)

**J B INGALL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JANUARY 2022**

# J B INGALL LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	P Ingall D Ingall A Ingall
<b>Secretary</b>	N Ingall
<b>Company number</b>	01177794
<b>Registered office</b>	Capital Steel Works Tinsley Park Road Sheffield S9 5DL
<b>Auditor</b>	BHP LLP 2 Rutland Park Sheffield S10 2PD
<b>Bankers</b>	Yorkshire Bank plc 661 Staniforth Road Darnall Sheffield S9 4RE

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# J B INGALL LIMITED

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# **J B INGALL LIMITED**

## **STRATEGIC REPORT**

***FOR THE YEAR ENDED 30 JANUARY 2022***

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The directors present the strategic report for the year ended 30 January 2022.

### **Fair review of the business**

The business has remained profitable in another difficult year.

With regard to the financial performance of the business during the year the key performance indicators are as follows:

Turnover:	£9,299,504
Gross Profit:	£2,065,509
Gross Margin:	22%
Net Profit	£127,510

The cash position is again very healthy with a year-end bank balance of £2,420,029.

The business remains in a strong financial position.

### **Principal risks and uncertainties**

The principal risks and uncertainties that the business is facing are as follows:

- The war in Ukraine and the resulting stresses and strains in the market place for both energy and raw materials (in particular the cost of metals).
- Current general inflationary pressures resulting in higher labour rates and material costs.
- Shortage of available people in the labour market.
- General uncertainty within the market for steel castings.
- The continued effect that Brexit may cause on sales into Europe.
- The vagaries of the oil and gas markets into which we supply.

Once again thank you to all our employees for all their hard work and efforts during another difficult year.

On behalf of the board

P Ingall  
**Director**

28 October 2022

# **J B INGALL LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 JANUARY 2022***

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The directors present their annual report and financial statements for the year ended 30 January 2022.

### **Principal activities**

The principal activity of the Group continued to be that of manufacture of steel and alloy foundry castings.

### **Results and dividends**

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

Ordinary dividends were paid amounting to £200,000. The directors do not recommend payment of a final dividend.

### **Directors**

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

P Ingall

D Ingall

A Ingall

### **Auditor**

The auditor, BHP LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

P Ingall

**Director**

28 October 2022

## **J B INGALL LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 JANUARY 2022***

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The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# J B INGALL LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J B INGALL LIMITED

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### Opinion

We have audited the financial statements of J B Ingall Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 January 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 FRS 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 group's and the parent company's affairs as at 30 January 2022 and of the group's profit 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent 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 group's and parent 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **J B INGALL LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF J B INGALL LIMITED**

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##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

##### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 is 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's 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 an auditor's report 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.

##### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the metal castings sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.



## **J B INGALL LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF J B INGALL LIMITED**

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To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates within the accounts were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **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 an auditor's report 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.

**Paul Winwood (Senior Statutory Auditor)**  
**For and on behalf of BHP LLP**

28 October 2022

**Chartered Accountants**  
**Statutory Auditor**

2 Rutland Park  
Sheffield  
S10 2PD

## J B INGALL LIMITED

### GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JANUARY 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	9,299,504	10,171,158
Cost of sales		(7,233,995)	(8,145,351)
<b>Gross profit</b>		2,065,509	2,025,807
Administrative expenses		(2,055,205)	(1,983,986)
Other operating income		62,336	82,409
<b>Operating profit</b>	<b>4</b>	72,640	124,230
Interest receivable and similar income	<b>8</b>	-	642
Interest payable and similar expenses	<b>9</b>	(79)	-
<b>Profit before taxation</b>		72,561	124,872
Tax on profit	<b>10</b>	54,949	56,696
<b>Profit for the financial year</b>		127,510	181,568

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# J B INGALL LIMITED

## GROUP BALANCE SHEET

AS AT 30 JANUARY 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		2,399,164		1,585,878
<b>Current assets</b>					
Stocks	16	960,831		695,311	
Debtors	17	1,837,266		1,920,463	
Cash at bank and in hand		2,420,029		2,946,962	
		<u>5,218,126</u>		<u>5,562,736</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(2,712,332)</u>		<u>(2,580,442)</u>	
<b>Net current assets</b>			<u>2,505,794</u>		<u>2,982,294</u>
<b>Total assets less current liabilities</b>			<u>4,904,958</u>		<u>4,568,172</u>
<b>Creditors: amounts falling due after more than one year</b>	19		(361,111)		(23,235)
<b>Provisions for liabilities</b>					
Deferred tax liability	21	<u>163,400</u>		<u>92,000</u>	
			<u>(163,400)</u>		<u>(92,000)</u>
<b>Net assets</b>			<u><u>4,380,447</u></u>		<u><u>4,452,937</u></u>
<b>Capital and reserves</b>					
Called up share capital	24		2,200		2,200
Revaluation reserve			318,349		321,926
Profit and loss reserves			<u>4,059,898</u>		<u>4,128,811</u>
<b>Total equity</b>			<u><u>4,380,447</u></u>		<u><u>4,452,937</u></u>

The financial statements were approved by the board of directors and authorised for issue on 28 October 2022 and are signed on its behalf by:

P Ingall  
Director

# J B INGALL LIMITED

## COMPANY BALANCE SHEET

AS AT 30 JANUARY 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investment properties	13	1,895,750		1,250,000	
Investments	14	453,590		453,590	
		2,349,340		1,703,590	
<b>Current assets</b>					
Debtors	17	158,425		49,150	
Cash at bank and in hand		177,177		864,656	
		335,602		913,806	
<b>Creditors: amounts falling due within one year</b>	18	(49,967)		(89,834)	
<b>Net current assets</b>		285,635		823,972	
<b>Total assets less current liabilities</b>		2,634,975		2,527,562	
<b>Provisions for liabilities</b>					
Deferred tax liability	21	4,150		3,152	
			(4,150)		(3,152)
<b>Net assets</b>		2,630,825		2,524,410	
<b>Capital and reserves</b>					
Called up share capital	24	2,200		2,200	
Revaluation reserve		126,317		126,317	
Profit and loss reserves		2,502,308		2,395,893	
<b>Total equity</b>		2,630,825		2,524,410	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £306,416 (2021 - £1,000,037 profit).

The financial statements were approved by the board of directors and authorised for issue on 28 October 2022 and are signed on its behalf by:

P Ingall  
Director

Company Registration No. 01177794

# J B INGALL LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JANUARY 2022

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 31 January 2020</b>	2,200	325,503	3,943,666	4,271,369
<b>Year ended 30 January 2021:</b>				
Profit and total comprehensive income for the year	-	-	181,568	181,568
Transfers	-	(3,577)	3,577	-
<b>Balance at 30 January 2021</b>	2,200	321,926	4,128,811	4,452,937
<b>Year ended 30 January 2022:</b>				
Profit and total comprehensive income for the year	-	-	127,510	127,510
Dividends	-	-	(200,000)	(200,000)
Transfers	-	(3,577)	3,577	-
<b>Balance at 30 January 2022</b>	2,200	318,349	4,059,898	4,380,447

# J B INGALL LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JANUARY 2022

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 31 January 2020	2,200	126,317	1,395,855	1,524,372
<b>Year ended 30 January 2021:</b>				
Profit and total comprehensive income for the year	-	-	1,000,038	1,000,038
Balance at 30 January 2021	2,200	126,317	2,395,893	2,524,410
<b>Year ended 30 January 2022:</b>				
Profit and total comprehensive income for the year	-	-	306,415	306,415
Dividends	11	-	(200,000)	(200,000)
Balance at 30 January 2022	2,200	126,317	2,502,308	2,630,825

# J B INGALL LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JANUARY 2022

		2022		2021	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28	128,379		822,169	
Interest paid		(79)		-	
Income taxes refunded		62,579		79,060	
<b>Net cash inflow from operating activities</b>		190,879		901,229	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(923,305)		(112,195)	
Loans made to other entities		(36,252)		(41,033)	
Repayment of loans		37,696		-	
Interest received		-		642	
<b>Net cash used in investing activities</b>		(921,861)		(152,586)	
<b>Financing activities</b>					
Proceeds from new bank loans		500,000		-	
Repayment of bank loans		(95,951)		(65,893)	
Dividends paid to equity shareholders		(200,000)		-	
<b>Net cash generated from/(used in) financing activities</b>		204,049		(65,893)	
<b>Net (decrease)/increase in cash and cash equivalents</b>		(526,933)		682,750	
Cash and cash equivalents at beginning of year		2,946,962		2,264,212	
<b>Cash and cash equivalents at end of year</b>		2,420,029		2,946,962	

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JANUARY 2022

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### 1 Accounting policies

#### Company information

J B Ingall Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Capital Steel Works, Tinsley Park Road, Sheffield, S9 5DL.

The group consists of J B Ingall Limited and all of its subsidiaries.

#### 1.1 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 £.

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

The 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 for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### 1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.



# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 1 Accounting policies

(Continued)

#### 1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company J B Ingall Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 January 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

#### 1.4 Going concern

The directors have reviewed the performance of the group and considered the impact of macro economic and geopolitical factors on the group's trade, workforce and supply chain. The directors have reviewed the performance in the year and the trading outlook of the group and concluded that, at the time of approving the financial statements, they have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The directors therefore continue to adopt the going concern basis of preparation for these financial statements.

#### 1.5 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 the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.6 Tangible fixed assets

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

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

Land and buildings Freehold	2% per annum
Plant and machinery	7% to 50% straight line
Motor vehicles	25% reducing balance

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 recognised in the profit and loss account.

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 1 Accounting policies

(Continued)

#### 1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Work in progress is assigned a value based on stage of completion. There are three key stages in the production process with work in progress banded accordingly. The year-end work in progress valuation is determined by multiplying the sales value by the relevant work in progress banding.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The group 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 in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables 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.

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 1 Accounting policies

(Continued)

#### **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. The impairment loss 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 group 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 group after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the 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 group.

### 1.13 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

### 1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

#### **1.15 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.16 Retirement benefits**

Payments to defined contribution retirement benefits schemes are charged as an expense as they fall due.

#### **1.17 Share-based payments**

The fair value of equity-settled share based payments to employees is determined at the date of grant and where material to the financial statements, is expensed on a straight-line basis over the vesting period based on the group's estimate of shares or options that will eventually vest.

#### **1.18 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **1.19 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

## J B INGALL LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

#### 2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

##### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### Property valuations

The investment property is held at fair value in the financial statements. The property was last formally valued in January 2015 and in the subsequent years the directors have performed interim assessments as to whether the fair value remains appropriate. In performing the interim assessments of fair value, the directors are applying their judgements as to the underlying market conditions and factors that impact fair value of similar properties in the region.

#### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2022 £	2021 £
<b>Turnover analysed by class of business</b>		
Production and sale of steel and alloy castings	9,299,504	10,171,158
	<u>9,299,504</u>	<u>10,171,158</u>
	2022 £	2021 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	7,166,814	7,170,467
European Union	1,980,065	2,363,418
Rest of World	152,625	637,273
	<u>9,299,504</u>	<u>10,171,158</u>
	2022 £	2021 £
<b>Other revenue</b>		
Interest income	-	642
Grants received	62,336	82,409
	<u>62,336</u>	<u>82,409</u>

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 4 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(3,907)	(11,926)
Government grants	(62,336)	(82,409)
Depreciation of owned tangible fixed assets	110,019	117,988
	<u>110,019</u>	<u>117,988</u>

### 5 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	3,017	2,000
Audit of the financial statements of the company's subsidiaries	13,550	11,700
	<u>16,567</u>	<u>13,700</u>

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Production	49	50	-	-
Administrative	29	22	1	1
Directors	2	2	2	2
Total	<u>80</u>	<u>74</u>	<u>3</u>	<u>3</u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	2,404,345	2,496,056	252,926	269,261
Social security costs	252,291	278,598	32,461	40,167
Pension costs	101,238	104,573	44,000	44,000
	<u>2,757,874</u>	<u>2,879,227</u>	<u>329,387</u>	<u>353,428</u>

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	243,499	285,137
Company pension contributions to defined contribution schemes	44,000	44,000
	<u>287,499</u>	<u>329,137</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	167,801	243,199
Company pension contributions to defined contribution schemes	4,000	4,000
	<u>171,801</u>	<u>247,199</u>

### 8 Interest receivable and similar income

	2022 £	2021 £
<b>Interest income</b>		
Interest on bank deposits	-	642
	<u>-</u>	<u>642</u>

### 9 Interest payable and similar expenses

	2022 £	2021 £
Other interest	79	-
	<u>79</u>	<u>-</u>

### 10 Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(126,349)	(65,696)
	<u>(126,349)</u>	<u>(65,696)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	71,400	9,000
	<u>71,400</u>	<u>9,000</u>
Total tax credit	<u>(54,949)</u>	<u>(56,696)</u>

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 10 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	72,561	124,872
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	13,787	23,726
Tax effect of expenses that are not deductible in determining taxable profit	98	72
Change in unrecognised deferred tax assets	56	117
Permanent capital allowances in excess of depreciation	(4,847)	2,165
Research and development tax credit	(103,257)	(92,562)
Effect of change in deferred tax rates	39,214	9,786
Taxation credit	(54,949)	(56,696)

### 11 Dividends

	2022 £	2021 £
Recognised as distributions to equity holders:		
Final paid	200,000	-

### 12 Tangible fixed assets

Group	Land and buildings Freehold £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 31 January 2021	1,123,683	4,275,624	8,900	5,408,207
Additions	645,750	277,555	-	923,305
At 30 January 2022	1,769,433	4,553,179	8,900	6,331,512
<b>Depreciation and impairment</b>				
At 31 January 2021	121,463	3,695,921	4,945	3,822,329
Depreciation charged in the year	11,237	97,496	1,286	110,019
At 30 January 2022	132,700	3,793,417	6,231	3,932,348
<b>Carrying amount</b>				
At 30 January 2022	1,636,733	759,762	2,669	2,399,164
At 30 January 2021	1,002,220	579,703	3,955	1,585,878



# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 12 Tangible fixed assets (Continued)

Company	Plant and machinery £
<b>Cost</b>	
At 31 January 2021 and 30 January 2022	133,987
<b>Depreciation and impairment</b>	
At 31 January 2021 and 30 January 2022	133,987
<b>Carrying amount</b>	
At 30 January 2022	-

### 13 Investment property

	Group 2022 £	Company 2022 £
<b>Fair value</b>		
At 31 January 2021	-	1,250,000
Additions through external acquisition	-	645,750
At 30 January 2022	-	1,895,750

Investment property comprises the land and factory premises that are used by Norton Cast Products Limited. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 1 January 2015 by SMC Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The directors are satisfied that at the balance sheet date the valuation was not materially different to this external valuation and accordingly no adjustment has been made.

### 14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	453,590	453,590

#### Movements in fixed asset investments

Company	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 31 January 2021 and 30 January 2022	453,590
<b>Carrying amount</b>	
At 30 January 2022	453,590
At 30 January 2021	453,590

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 15 Subsidiaries

Details of the company's subsidiaries at 30 January 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Norton Cast Products Limited	UK	Ordinary	100.00

The investments in subsidiaries are all stated at cost.

### 16 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Raw materials and consumables	359,941	241,238	-	-
Work in progress	600,890	454,073	-	-
	<u>960,831</u>	<u>695,311</u>	<u>-</u>	<u>-</u>

### 17 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
<b>Amounts falling due within one year:</b>				
Trade debtors	1,596,290	1,736,980	-	-
Corporation tax recoverable	126,349	65,696	-	-
Amounts owed by group undertakings	-	-	110,719	-
Other debtors	47,706	49,150	47,706	49,150
Prepayments and accrued income	66,921	68,637	-	-
	<u>1,837,266</u>	<u>1,920,463</u>	<u>158,425</u>	<u>49,150</u>

### 18 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	20	134,346	68,173	-	-
Trade creditors		2,161,685	1,894,023	309	2,382
Amounts owed to group undertakings		-	-	-	24,564
Corporation tax payable		-	3,117	-	3,117
Other taxation and social security		164,641	370,155	29,718	54,603
Other creditors		75,969	53,217	16,220	2,219
Accruals and deferred income		175,691	191,757	3,720	2,949
		<u>2,712,332</u>	<u>2,580,442</u>	<u>49,967</u>	<u>89,834</u>

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 19 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	20	361,111	23,235	-	-
		<u>361,111</u>	<u>23,235</u>	<u>-</u>	<u>-</u>

### 20 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	495,457	91,408	-	-
	<u>495,457</u>	<u>91,408</u>	<u>-</u>	<u>-</u>
Payable within one year	134,346	68,173	-	-
Payable after one year	361,111	23,235	-	-
	<u>495,457</u>	<u>91,408</u>	<u>-</u>	<u>-</u>

The long-term loans are secured by fixed and floating charges over the assets of Norton Cast Products Limited.

Included in bank loans is a business loan repayable on 24 May 2022. The original bank loan was for an amount of £200,000 repayable on a monthly basis over three years and interest is charged at 2.5% per annum over the Bank of England's base rate.

Also included in bank loans is a Coronavirus Business Interruption loan with an initial value of £500,000 which is interest free for 1 year which is repayable in monthly instalments by 16 April 2026.

### 21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022 £	Liabilities 2021 £
<b>Group</b>		
ACAs	164,500	92,000
Short term timing differences	(1,100)	-
	<u>163,400</u>	<u>92,000</u>
	<u>163,400</u>	<u>92,000</u>
	Liabilities 2022 £	Liabilities 2021 £
<b>Company</b>		
Investment property	4,150	3,152
	<u>4,150</u>	<u>3,152</u>

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JANUARY 2022

### 21 Deferred taxation (Continued)

	Group 2022 £	Company 2022 £
<b>Movements in the year:</b>		
Liability at 31 January 2021	92,000	3,152
Charge to profit or loss	71,400	998
Liability at 30 January 2022	<u>163,400</u>	<u>4,150</u>

### 22 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>101,238</u>	<u>104,573</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 23 Share-based payment transactions

On 1 May 2014, options were granted under the company's Enterprise Management Incentive Option Scheme, an Inland Revenue approved share option scheme. These options are exercisable for a total of 264 Ordinary shares at a price of £1 per share in the periods between 1 May 2014 and 30 April 2024 in the event of qualifying conditions.

The calculated charge in respect of the scheme on inception was not material to the financial statements and consequently no provision was made. At the year end no options had been exercised and therefore 264 remain in existence.

### 24 Share capital

Group and company	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 25 Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	85,379	89,644	13,980	13,980
Between two and five years	24,605	106,593	12,000	22,588
In over five years	3,000	6,000	3,000	6,000
	<u>112,984</u>	<u>202,237</u>	<u>28,980</u>	<u>42,568</u>

### 26 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>501,441</u>	<u>480,435</u>

#### Other information

Toko Recordings Limited is a company also controlled by P Ingall. During the year the company made loans of £5,000 to Toko Recordings Limited which remain outstanding at the year end and are included in other debtors.

### 27 Directors' transactions

Advances or credits have been granted by the group to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Director's loan	-	46,034	177,149	(183,594)	39,589
		<u>46,034</u>	<u>177,149</u>	<u>(183,594)</u>	<u>39,589</u>

# J B INGALL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JANUARY 2022

### 28 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	127,510	181,568
<b>Adjustments for:</b>		
Taxation credited	(54,949)	(56,696)
Finance costs	79	-
Investment income	-	(642)
Depreciation and impairment of tangible fixed assets	110,019	117,988
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(265,520)	324,871
Decrease in debtors	142,406	910,300
Increase/(decrease) in creditors	68,834	(655,220)
<b>Cash generated from operations</b>	<b>128,379</b>	<b>822,169</b>

### 29 Analysis of changes in net funds - group

	31 January 2021 £	Cash flows £	30 January 2022 £
Cash at bank and in hand	2,946,962	(526,933)	2,420,029
Borrowings excluding overdrafts	(91,408)	(404,049)	(495,457)
	<b>2,855,554</b>	<b>(930,982)</b>	<b>1,924,572</b>

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.