

Company registration number 01668906 (England and Wales)

INDUSTRIAL MACHINERY SUPPLIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

INDUSTRIAL MACHINERY SUPPLIES LIMITED

COMPANY INFORMATION

Director	AT Dyer
Secretary	AT Dyer
Company number	01668906
Registered office	Trans Tech House Gelders Hall Road Shepshed Loughborough Leicestershire LE12 9NH
Auditor	UHY Hacker Young 14 Park Row Nottingham NG1 6GR
Bankers	Barclays Bank Bishop Meadow Road Loughborough Leicestershire LE11 5RE
Solicitors	Halborns Limited 16 Clarendon Street Nottingham NG1 5HQ

INDUSTRIAL MACHINERY SUPPLIES LIMITED

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INDUSTRIAL MACHINERY SUPPLIES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director presents the strategic report for the year ended 31 December 2021.

Principle activities

The company's principal business is the importing and distribution of commercial vehicle components into the UK and Eire.

Business review

The directors of the business consider the financial performance of the business to be satisfactory against the budget. The company is now a wholly owned subsidiary of SAF Holland GmbH.

The company is looking forward to aligning to the strategy of SAF Holland GmbH. Investments are now being initiated by the company in the areas of finance, personnel service and a ten year lease has been signed for the company to stay in its premises. Significant investments in the premises are being undertaken.

The company has set moderately ambitious sales targets for 2022. The management are mindful of the general economic situation, and the shortage of certain component parts. The management are monitoring the general economic situation and possible negative effect that they might have upon the European supply chain.

Other information

On 29th March 2022 the company was purchased by SAF Holland GmbH for £2,255,000. The directors do not believe this will have a significant impact on the performance of the company in 2022.

On behalf of the board

AT Dyer

Director

29 September 2022

INDUSTRIAL MACHINERY SUPPLIES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director presents his annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of the importing and distribution of commercial vehicle components in the UK and Eire.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Director

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

AT Dyer

J Boer

(Resigned 1 April 2022)

Auditor

UIY Hacker Young were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 period. In preparing these financial statements, the director is 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 director is 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. He is 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.

INDUSTRIAL MACHINERY SUPPLIES LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 company's auditor 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 company's auditor is aware of that information.

On behalf of the board

AT Dyer

Director

29 September 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INDUSTRIAL MACHINERY SUPPLIES LIMITED**

Opinion

We have audited the financial statements of Industrial Machinery Supplies Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 company's affairs as at 31 December 2021 and of its 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 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 director's 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 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 director with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF INDUSTRIAL MACHINERY SUPPLIES LIMITED

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF INDUSTRIAL MACHINERY SUPPLIES LIMITED

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understand of the company and the industry in which it operates, we noted that the company was subject to laws and regulations including the Health and Safety at Work Act, the General Data Protection Regulation and employment and copyright law. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

Audit procedures performed included:

- Enquiry of management regarding any instances of actual or potential fraud during the year;
- Assessment of fraud prevention and detection procedures within the company;
- Reviewing minutes of meetings of those charged with governance;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- Enquiry of management regarding actual and potential litigation and claims, or any potential breaches of laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF INDUSTRIAL MACHINERY SUPPLIES LIMITED

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.

Andrew Timms (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

29 September 2022

Chartered Accountants
Statutory Auditor

INDUSTRIAL MACHINERY SUPPLIES LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2021**

		2021	2020
	Notes	£'000	£'000
Turnover	3	17,623	17,397
Cost of sales		(14,760)	(14,401)
Gross profit		2,863	2,996
Distribution costs		(444)	210
Administrative expenses		(1,398)	(3,082)
Operating profit	4	1,021	124
Interest payable and similar expenses	8	(117)	(212)
Profit/(loss) before taxation		904	(88)
Tax on profit/(loss)	9	(79)	467
Profit for the financial year		825	379

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

INDUSTRIAL MACHINERY SUPPLIES LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2021**

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	10		5		16
Current assets					
Stocks	11	3,255		3,622	
Debtors	12	5,600		4,193	
Cash at bank and in hand		57		994	
		<u>8,912</u>		<u>8,809</u>	
Creditors: amounts falling due within one year	13	<u>(7,490)</u>		<u>(8,061)</u>	
Net current assets			<u>1,422</u>		<u>748</u>
Total assets less current liabilities			<u>1,427</u>		<u>764</u>
Provisions for liabilities					
Provisions	15	<u>7</u>	<u>(7)</u>	<u>169</u>	<u>(169)</u>
Net assets			<u><u>1,420</u></u>		<u><u>595</u></u>
Capital and reserves					
Called up share capital	18		10		10
Profit and loss reserves			<u>1,410</u>		<u>585</u>
Total equity			<u><u>1,420</u></u>		<u><u>595</u></u>

The financial statements were approved by the board of directors and authorised for issue on 29 September 2022 and are signed on its behalf by:

AT Dyer
Director

Company Registration No. 01668906

INDUSTRIAL MACHINERY SUPPLIES LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital	Profit and loss reserves	Total
	£'000	£'000	£'000
Balance at 1 January 2020	10	206	216
Period ended 31 December 2020:			
Profit and total comprehensive income for the period	-	379	379
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	10	585	595
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	825	825
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	10	1,410	1,420
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Industrial Machinery Supplies Limited is a private company limited by shares incorporated in England and Wales. The registered office is Trans Tech House Gelders Hall Road, Shepshed, Loughborough, Leicestershire, LE12 9NH.

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 £'000.

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

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 11 'Basic Financial Instruments'
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Pon Holdings BV. These consolidated financial statements are available from its registered office, Rondebeltweg 31, 1329 BN Almere or Postbus 30052, 1308 AB Almere, Netherlands.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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.

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.4 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:

Plant and equipment	10%-20%
Fixtures and fittings	20%-33%
Computers	20%-33%

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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).

1.6 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.7 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 in the company's balance sheet 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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

1.8 Equity instruments

Share capital issued by the company 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 company.

1.9 Taxation

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

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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 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.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 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.

1.14 Warranty provisions

Provision for post sale warranty repair costs are accrued for general warranty claims. These are based on the directors assessment of an estimated amount that will be claimed post year end.

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Turnover

	2021 £'000	2020 £'000
Turnover analysed by geographical market		
United Kingdom	10,445	16,517
Rest of Europe	7,170	880
USA and Canada	8	-
	<u>17,623</u>	<u>17,397</u>

4 Operating profit

	2021 £'000	2020 £'000
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(37)	(565)
Fees payable to the company's auditor for the audit of the company's financial statements	23	20
Depreciation of owned tangible fixed assets	11	29
Operating lease charges	148	177
	<u>141</u>	<u>121</u>

5 Auditor's remuneration

	2021 £'000	2020 £'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	23	20
	<u>23</u>	<u>20</u>

INDUSTRIAL MACHINERY SUPPLIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****6 Employees**

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

	2021	2020
	Number	Number
Non-Directors	17	20
Directors	2	2
	<hr/>	<hr/>
Total	19	22
	<hr/>	<hr/>

Their aggregate remuneration comprised:

	2021	2020
	£'000	£'000
Wages and salaries	779	1,141
Pension costs	33	58
	<hr/>	<hr/>
	812	1,199
	<hr/>	<hr/>

7 Director's remuneration

	2021	2020
	£'000	£'000
Remuneration for qualifying services	153	170
Company pension contributions to defined contribution schemes	15	14
	<hr/>	<hr/>
	168	184
	<hr/>	<hr/>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2020 - 1).

8 Interest payable and similar expenses

	2021	2020
	£'000	£'000
Other interest	117	212
	<hr/>	<hr/>

INDUSTRIAL MACHINERY SUPPLIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****9 Taxation**

	2021	2020
	£'000	£'000
Current tax		
Adjustments in respect of prior periods	-	2
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	79	(469)
	<u> </u>	<u> </u>
Total tax charge/(credit)	<u>79</u>	<u>(467)</u>

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

	2021	2020
	£'000	£'000
Profit/(loss) before taxation	904	(88)
	<u> </u>	<u> </u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	172	(17)
Tax effect of expenses that are not deductible in determining taxable profit	2	1
Tax effect of income not taxable in determining taxable profit	-	(4)
Change in unrecognised deferred tax assets	-	(401)
Adjustments in respect of prior years	-	2
Effect of change in corporation tax rate	(95)	(48)
	<u> </u>	<u> </u>
Taxation charge/(credit) for the year	<u>79</u>	<u>(467)</u>

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Tangible fixed assets

	Plant and equipment £'000	Fixtures and fittings £'000	Computers £'000	Total £'000
Cost				
At 1 January 2021 and 31 December 2021	73	169	165	407
Depreciation and impairment				
At 1 January 2021	66	164	161	391
Depreciation charged in the year	3	4	4	11
At 31 December 2021	69	168	165	402
Carrying amount				
At 31 December 2021	4	1	-	5
At 31 December 2020	7	5	4	16

11 Stocks

	2021 £'000	2020 £'000
Finished goods and goods for resale	3,255	3,622

12 Debtors

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Trade debtors	4,637	3,010
Corporation tax recoverable	225	225
Amounts owed by group undertakings	124	141
Other debtors	-	5
Prepayments and accrued income	219	339
Deferred tax asset (note 16)	395	473
	5,600	4,193

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Creditors: amounts falling due within one year

	Notes	2021 £'000	2020 £'000
Bank loans and overdrafts	14	5,577	5,000
Trade creditors		1,066	1,415
Amounts owed to group undertakings		210	-
Taxation and social security		139	1,151
Other creditors		214	173
Accruals and deferred income		284	322
		<u>7,490</u>	<u>8,061</u>

14 Loans and overdrafts

	2021 £'000	2020 £'000
Bank overdrafts	<u>5,577</u>	<u>5,000</u>
Payable within one year	<u>5,577</u>	<u>5,000</u>

The bank overdraft relates to the inter-company cash pooling it is repayable on demand and has interest of 2.10%.

15 Provisions for liabilities

	2021 £'000	2020 £'000
Warranty provision	<u>7</u>	<u>169</u>
Movements on provisions:		
		Warranty provision £'000
At 1 January 2021		169
Reversal of provision		<u>(162)</u>
At 31 December 2021		<u>7</u>

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2021 £'000	Assets 2020 £'000
Balances:		
Accelerated capital allowances	72	(2)
Tax losses	323	364
Short term differences	-	111
	<u>395</u>	<u>473</u>
		2021 £'000
Movements in the year:		
Asset at 1 January 2021		(473)
Charge to profit or loss		78
		<u>(395)</u>
Asset at 31 December 2021		<u>(395)</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

17 Retirement benefit schemes

	2021 £'000	2020 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	33	58
	<u>33</u>	<u>58</u>

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.

18 Share capital

	2021 Number	2020 Number	2021 £'000	2020 £'000
Ordinary share capital				
Issued and fully paid				
of £1 each	10,000	10,000	10	10
	<u>10,000</u>	<u>10,000</u>	<u>10</u>	<u>10</u>

INDUSTRIAL MACHINERY SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Operating lease commitments

Lessee

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

	2021 £'000	2020 £'000
Within one year	125	195
Between two and five years	26	109
	<hr/>	<hr/>
	151	304
	<hr/>	<hr/>

20 Events after the reporting date

Between the end of the reporting period and the date the accounts are authorised for issue, a change of ownership occurred. SAF Holland GmbH purchased 100% of the shareholding as of 29th March 2022 for £2,255,000.

During the year the company made purchases of £9,573,096 (2020: £10,804,450) from SAF Holland GmbH. Included in trade creditors is £667,853 (2020: £385,412) owed to SAF Holland GmbH.

21 Related party transactions

The Company has taken advantage of the exemption not to disclose transactions or balances with wholly owned entities which form part of the Group headed by PON Holdings BV.

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.