

Company Registration No. 01790882 (England and Wales)

WESSINGTON CRYOGENICS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2021
PAGES FOR FILING WITH REGISTRAR



WESSINGTON CRYOGENICS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2021**

		2021		2020	
	Notes	£	£	as restated	£
Fixed assets					
Intangible assets	4	1,023,970		1,168,780	
Tangible assets	5	942,503		937,450	
		<u>1,966,473</u>		<u>2,106,230</u>	
Current assets					
Stocks		1,948,716		1,185,631	
Debtors	6	1,208,794		1,464,022	
Cash at bank and in hand		278,600		253,964	
		<u>3,436,110</u>		<u>2,903,617</u>	
Creditors: amounts falling due within one year	7	<u>(3,903,230)</u>		<u>(3,858,707)</u>	
Net current liabilities		<u>(467,120)</u>		<u>(955,090)</u>	
Total assets less current liabilities		<u>1,499,353</u>		<u>1,151,140</u>	
Creditors: amounts falling due after more than one year	8	(289,252)		(105,712)	
Provisions for liabilities	9	(248,256)		(223,710)	
Net assets		<u>961,845</u>		<u>821,718</u>	
Capital and reserves					
Called up share capital	10	30,000		30,000	
Profit and loss reserves		931,845		791,718	
Total equity		<u>961,845</u>		<u>821,718</u>	

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

WESSINGTON CRYOGENICS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2021

The financial statements were approved by the board of directors and authorised for issue on 31/01/22
and are signed on its behalf by:

Paul Rowe

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P Rowe

Director

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Wessington Cryogenics Limited (the 'company') is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 2 Gadwall Road, Rainton Bridge South, Houghton-le-Spring, Tyne & Wear, DH4 5NL.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The company made a profit during the year of £144,561 and as of 30 June 2021 had net current liabilities of £467,120.

The directors have prepared forecasts that include a period ending one year from the expected date of approval of these financial statements. These forecasts consider reasonable possible changes in trading performance and the company's funding requirements during that period. The directors have made enquiries of their current funding providers and held advanced discussions with other prospective funders. Having considered the financial forecasts, responses to their enquiries and the positive discussions held with prospective funders the directors have concluded that the company will have available to it the resources necessary for it to continue as a going concern for at least one year from the expected date of approval of these financial statements.

Consequently, the financial statements continue to be prepared on a going concern basis.

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. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Amortisation 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:

Development costs	10% straight line
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Capitalised development expenditure is amortised over its useful life of 10 years. The directors consider this useful life to be a reasonable estimate of the period over which the product will generate income.

Tangible fixed assets

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

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

Leasehold land and buildings	Length of the lease
Plant and machinery	15% straight line
Fixtures, fittings and equipment	15% straight line
Motor vehicles	10% straight line

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

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

Equity instruments

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

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

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

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

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.

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 leased asset are consumed.

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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

2 Prior period adjustment

During the year to 30 June 2021 the directors identified an error in the valuation of work in progress for the year to 30 June 2020. Overheads absorbed into work in progress as at 30 June 2020 had been overstated by £783,980. A prior period adjustment has been processed to correct this.

Changes to the statement of financial position

	As previously reported	Adjustment	As restated at 30 Jun 2020
	£	£	£
Current assets			
Stocks	1,969,611	(783,980)	1,185,631

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

2 Prior period adjustment

	As previously reported	Adjustment	As restated at 30 Jun 2020 (Continued)
Capital and reserves			
Profit and loss	1,575,698	(783,980)	791,718

Changes to the income statement

	As previously reported	Adjustment	As restated
Period ended 30 June 2020	£	£	£
Cost of sales	(5,714,269)	(783,980)	(6,498,249)
Profit/(loss) for the financial period	574,429	(783,980)	(209,551)

3 Employees

	2021 Number	2020 Number
Total	108	100

4 Intangible fixed assets

	Development costs £
Cost	
At 1 July 2020 and 30 June 2021	1,448,113
Amortisation and impairment	
At 1 July 2020	279,333
Amortisation charged for the year	144,810
At 30 June 2021	424,143
Carrying amount	
At 30 June 2021	1,023,970
At 30 June 2020	1,168,780

The amortisation charge for the year is recognised within administrative expenses.

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

5 Tangible fixed assets

	Leasehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2020	121,104	2,228,676	349,133	141,161	2,840,074
Additions	-	68,359	14,539	-	82,898
Disposals	-	-	-	(200)	(200)
At 30 June 2021	121,104	2,297,035	363,672	140,961	2,922,772
Depreciation and impairment					
At 1 July 2020	121,104	1,374,758	330,032	76,730	1,902,624
Depreciation charged in the year	-	43,674	21,373	12,598	77,645
At 30 June 2021	121,104	1,418,432	351,405	89,328	1,980,269
Carrying amount					
At 30 June 2021	-	878,603	12,267	51,633	942,503
At 30 June 2020	-	853,918	19,101	64,431	937,450

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	630,945	994,003
Corporation tax recoverable	276,308	78,909
Other debtors	168,326	204,429
Prepayments and accrued income	133,215	186,681
	1,208,794	1,464,022

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Obligations under finance leases	3,084	11,811
Other borrowings	63,139	-
Trade creditors	2,855,257	2,157,917
Taxation and social security	150,848	253,961
Government grants	18,976	26,620
Other creditors	650,246	1,276,930
Accruals and deferred income	161,680	131,468
	<u>3,903,230</u>	<u>3,858,707</u>

Included within other creditors is £282,918 (2020: £411,814) relating to invoice discounting that is secured via a fixed and floating charge over the assets of the company.

Obligations under finance leases are secured on against the assets to which they relate.

8 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Obligations under finance leases		-	3,182
Other borrowings		186,861	-
Government grants		102,391	102,530
		<u>289,252</u>	<u>105,712</u>

9 Provisions for liabilities

	2021 £	2020 £
Deferred tax liabilities	<u>248,256</u>	<u>223,710</u>

10 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	29,997	29,997	29,997	29,997
Ordinary A share of £1 each	1	1	1	1
Ordinary B share of £1 each	1	1	1	1
Ordinary C share of £1 each	1	1	1	1
	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>

WESSINGTON CRYOGENICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

10 Called up share capital (Continued)

The directors can declare a dividend to holders of either 'A' ordinary, 'B' ordinary, 'C' ordinary or ordinary shares without declaring a dividend on the other class or classes of shares. Dividends payable on 'A' ordinary, 'B' ordinary, 'C' ordinary and ordinary shares may be of differing amounts. In all other respects the 'A' ordinary, 'B' ordinary, 'C' ordinary shares rank pari passu with one another.

11 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 £	2020 £
Within one year	309,938	310,477
Between one and five years	99,168	409,106
	<u>409,106</u>	<u>719,583</u>

12 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales 2021 £	2020 £
Entities under common control	-	8,513
	<u>-</u>	<u>8,513</u>

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due to related parties		
Key management personnel	50,035	61,364
Other related parties	295,103	300,000
	<u>345,138</u>	<u>361,364</u>

13 Directors' transactions

Dividends totalling £4,434 (2020 - £6,773) were paid in the year in respect of shares held by the company's directors.