

# Kernow Analytical Technology Limited

Annual Report and Financial Statements

for the Year Ended 31 October 2019

# **Kernow Analytical Technology Limited**

## **Contents**

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Financial Statements	<u>4</u> to <u>9</u>

# **Kernow Analytical Technology Limited**

## **Company Information**

<b>Directors</b>	Mr D A Phillips Mrs P J Gorst Dr N P Chilcott Dr. J Cowan
<b>Company secretary</b>	Mrs P J Gorst
<b>Registered office</b>	Unit 2B Rural Workshops North Petherwin Launceston Cornwall PL15 8TE
<b>Registered number</b>	03264221 (England & Wales)
<b>Accountants</b>	Alexander & Co Chartered Certified Accountants Schooners Business Park Bess Park Road Wadebridge Cornwall PL27 6HB

# Kernow Analytical Technology Limited

(Registration number: 03264221)  
Balance Sheet as at 31 October 2019

	Note	2019	2018
		£	£
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	3,325	4,604
Investments	<u>6</u>	105,303	105,303
		<u>108,628</u>	<u>109,907</u>
<b>Current assets</b>			
Stocks	<u>7</u>	6,240	5,832
Debtors	<u>8</u>	295,048	322,901
Cash at bank and in hand		<u>425,696</u>	<u>456,034</u>
		<u>726,984</u>	<u>784,767</u>
<b>Creditors: Amounts falling due within one year</b>	<u>9</u>	<u>(111,952)</u>	<u>(217,464)</u>
<b>Net current assets</b>		<u>615,032</u>	<u>567,303</u>
<b>Net assets</b>		<u><u>723,660</u></u>	<u><u>677,210</u></u>
<b>Capital and reserves</b>			
Called up share capital	<u>10</u>	36,562	37,062
Share premium reserve		55,853	55,853
Capital redemption reserve		14,746	14,246
Profit and loss account		<u>616,499</u>	<u>570,049</u>
<b>Total equity</b>		<u><u>723,660</u></u>	<u><u>677,210</u></u>

For the financial year ending 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

## Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 9 form an integral part of these financial statements.

**Kernow Analytical Technology Limited**

**(Registration number: 03264221)  
Balance Sheet as at 31 October 2019**

Approved and authorised by the Board on 4 June 2020 and signed on its behalf by:

.....  
Mr D A Phillips  
Director

.....  
Dr N P Chilcott  
Director

The notes on pages 4 to 9 form an integral part of these financial statements.  
Page 3

# **Kernow Analytical Technology Limited**

## **Notes to the Financial Statements for the Year Ended 31 October 2019**

### **1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

Unit 2B Rural Workshops

North Petherwin

Launceston

Cornwall

PL15 8TE

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

# Kernow Analytical Technology Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% on cost
Fixture and fittings	20% on cost
Computer equipment	33% on cost

### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

# Kernow Analytical Technology Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2018 - 10).

### 4 Taxation

Tax charged/(credited) in the income statement

	2019 £	2018 £
<b>Current taxation</b>		
UK corporation tax	12,849	10,749
<b>Deferred taxation</b>		
Arising from changes in tax rates and laws	-	287
Tax expense in the income statement	<u>12,849</u>	<u>11,036</u>



# Kernow Analytical Technology Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### 5 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 November 2018	37,491	300,327	46,780	384,598
Additions	-	-	1,105	1,105
At 31 October 2019	37,491	300,327	47,885	385,703
<b>Depreciation</b>				
At 1 November 2018	37,491	297,151	45,352	379,994
Charge for the year	-	1,316	1,068	2,384
At 31 October 2019	37,491	298,467	46,420	382,378
<b>Carrying amount</b>				
At 31 October 2019	-	1,860	1,465	3,325
At 31 October 2018	-	3,176	1,428	4,604

### 6 Investments

	2019 £	2018 £
Investments in subsidiaries	105,303	105,303
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 November 2018		105,303
<b>Provision</b>		
<b>Carrying amount</b>		
At 31 October 2019		105,303
At 31 October 2018		105,303

### 7 Stocks

	2019 £	2018 £
Other inventories	6,240	5,832

# Kernow Analytical Technology Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### 8 Debtors

	Note	2019 £	2018 £
Trade debtors		140,271	174,158
Amounts owed by associates	<u>12</u>	109,846	111,917
Prepayments		5,484	5,483
Other debtors		39,447	31,343
		<u>295,048</u>	<u>322,901</u>

### 9 Creditors

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

	2019 £	2018 £
<b>Due within one year</b>		
Trade creditors	72,869	166,721
Taxation and social security	33,988	46,283
Accruals and deferred income	4,685	4,460
Other creditors	410	-
	<u>111,952</u>	<u>217,464</u>

### 10 Share capital

#### Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	36,562	36,562	37,062	37,062
	<u>36,562</u>	<u>36,562</u>	<u>37,062</u>	<u>37,062</u>

### 11 Dividends

	2019 £	2018 £
Final dividend of £Nil (2018 - £1.00) per ordinary share	-	22,751
	<u>-</u>	<u>22,751</u>

# Kernow Analytical Technology Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### 12 Related party transactions

#### Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	117,969	114,710

#### Summary of transactions with other related parties

Fees in respect of maintenance contracts and consumable purchases were paid to Kernow Instruments Technology Limited, a company under the control of Mr D A Phillips (a director) of £52,500 (2018, £50,000) in the year.

Rental payments were made to an associated company under the control of Mr Phillips of £22,620 (2018, £22,620) in the year.

Management charges were received from associated companies under the control of Mr Phillips of £9,200 (2018, £9,200) in the year.

#### Loans to related parties

	Associates £
<b>2019</b>	
At start of period	111,917
Repaid	(5,400)
Interest transactions	3,329
At end of period	109,846
	Associates £
<b>2018</b>	
At start of period	123,632
Repaid	(15,400)
Interest transactions	3,685
At end of period	111,917

#### Terms of loans to related parties

The loan to associate is repayable at £450 per month and is subject to interest at a rate of 3% per annum charged monthly.

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.