

Kernow Analytical Technology Limited

Annual Report and Financial Statements
for the Year Ended 31 October 2018

Kernow Analytical Technology Limited

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Kernow Analytical Technology Limited

Company Information

Directors	Mr David Andrew Phillips Mrs Patricia Joan Gorst Dr Neil Patrick Chilcott Dr. James Cowan
Company secretary	Mrs Patricia Joan Gorst
Registered office	Unit 2B Rural Workshops North Petherwin Launceston Cornwall PL15 8TE
Registered number	03264221 (England & Wales)
Accountants	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 2018

	Note	2018	2017
		£	£
Fixed assets			
Tangible assets	<u>5</u>	4,604	6,446
Investments	<u>6</u>	105,303	105,303
		<u>109,907</u>	<u>111,749</u>
Current assets			
Stocks	<u>7</u>	5,832	5,851
Debtors	<u>8</u>	322,901	219,601
Cash at bank and in hand		<u>456,034</u>	<u>393,995</u>
		<u>784,767</u>	<u>619,447</u>
Creditors: Amounts falling due within one year	<u>9</u>	<u>(217,464)</u>	<u>(66,591)</u>
Net current assets		<u>567,303</u>	<u>552,856</u>
Net assets		<u><u>677,210</u></u>	<u><u>664,605</u></u>
Capital and reserves			
Called up share capital	<u>10</u>	37,062	37,918
Share premium reserve		55,853	55,853
Capital redemption reserve		14,246	13,390
Profit and loss account		<u>570,049</u>	<u>557,444</u>
Total equity		<u><u>677,210</u></u>	<u><u>664,605</u></u>

For the financial year ending 31 October 2018 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 2018**

Approved and authorised by the Board on 15 July 2019 and signed on its behalf by:

.....
Mr David Andrew Phillips
Director

.....
Dr Neil Patrick Chilcott
Director

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

Notes to the Financial Statements for the Year Ended 31 October 2018

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 and deferred 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 2018

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 2018

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 10 (2017 - 10).

4 Taxation

Tax charged/(credited) in the income statement

	2018 £	2017 £
Current taxation		
UK corporation tax	10,749	2,172
Deferred taxation		
Arising from changes in tax rates and laws	287	(377)
Tax expense in the income statement	<u>11,036</u>	<u>1,795</u>

Deferred tax

Kernow Analytical Technology Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

5 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
Cost or valuation				
At 1 November 2017	37,491	300,327	44,648	382,466
Additions	-	-	2,131	2,131
At 31 October 2018	37,491	300,327	46,779	384,597
Depreciation				
At 1 November 2017	37,491	293,882	44,648	376,021
Charge for the year	-	3,269	703	3,972
At 31 October 2018	37,491	297,151	45,351	379,993
Carrying amount				
At 31 October 2018	-	3,176	1,428	4,604
At 31 October 2017	-	6,446	-	6,446

6 Investments

	2018 £	2017 £
Investments in subsidiaries	105,303	105,303
Subsidiaries		£
Cost or valuation		
At 1 November 2017		105,303
Provision		
Carrying amount		
At 31 October 2018		105,303
At 31 October 2017		105,303

7 Stocks

	2018 £	2017 £
Other inventories	5,832	5,851

Kernow Analytical Technology Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

8 Debtors

	Note	2018 £	2017 £
Trade debtors		174,158	68,831
Amounts owed by associates	<u>12</u>	111,917	123,631
Prepayments		5,483	-
Other debtors		31,343	27,139
		<u>322,901</u>	<u>219,601</u>

9 Creditors

Creditors: amounts falling due within one year

	2018 £	2017 £
Due within one year		
Trade creditors	166,721	29,406
Taxation and social security	46,283	26,097
Accruals and deferred income	4,460	11,088
	<u>217,464</u>	<u>66,591</u>

10 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	37,062	37,062	37,918	37,918
	<u>37,062</u>	<u>37,062</u>	<u>37,918</u>	<u>37,918</u>

11 Dividends

Final dividends paid

	2018 £	2017 £
Final dividend of £0.60 (2017 - £Nil) per each Ordinary	22,751	-
	<u>22,751</u>	<u>-</u>

Kernow Analytical Technology Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

12 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	114,710	108,851

Summary of transactions with other related parties

Fees in respect of maintenance, consultancy services and investments were paid to Kernow Instruments Technology Limited, a company under the control of D A Phillips, a director, of £50,000 (2017, £30,000) in the year.

Rental payments were made to an associated company under the control of a director of £22,620 (2017, £22,620) in the year.

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