

Kernow Analytical Technology Limited

Annual Report and Financial Statements
for the Year Ended 31 October 2021

Kernow Analytical Technology Limited

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Kernow Analytical Technology Limited

Company Information

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

Kernow Analytical Technology Limited

(Registration number: 03264221)
Balance Sheet as at 31 October 2021

	Note	2021	2020
		£	£
Fixed assets			
Tangible assets	<u>5</u>	2,400	2,953
Investments	<u>6</u>	105,303	105,303
		107,703	108,256
Current assets			
Stocks	<u>7</u>	5,936	6,367
Debtors	<u>8</u>	137,684	171,142
Cash at bank and in hand		605,472	441,210
		749,092	618,719
Creditors: Amounts falling due within one year	<u>9</u>	(88,076)	(20,852)
Net current assets		661,016	597,867
Net assets		<u>768,719</u>	<u>706,123</u>
Capital and reserves			
Called up share capital	<u>10</u>	35,281	36,562
Share premium reserve		55,853	55,853
Capital redemption reserve		16,027	14,746
Profit and loss account		661,558	598,962
Total equity		<u>768,719</u>	<u>706,123</u>

For the financial year ending 31 October 2021 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.

Approved and authorised by the Board on 25 April 2022 and signed on its behalf by:

Kernow Analytical Technology Limited

(Registration number: 03264221)
Balance Sheet as at 31 October 2021

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Dr N P Chilcott

Director

Kernow Analytical Technology Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

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.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

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.

Kernow Analytical Technology Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

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.

Tangible assets

Tangible assets are stated in the balance sheet 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.

Kernow Analytical Technology Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

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.

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 9 (2020 - 10).

4 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
Current taxation		
UK corporation tax	20,111	-
Deferred taxation		
Arising from changes in tax rates and laws	402	(29)
Tax expense/(receipt) in the income statement	<u>20,513</u>	<u>(29)</u>

Kernow Analytical Technology Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

5 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
Cost or valuation				
At 1 November 2020	37,491	300,327	50,887	388,705
Additions	-	793	1,095	1,888
At 31 October 2021	37,491	301,120	51,982	390,593
Depreciation				
At 1 November 2020	37,491	299,782	48,479	385,752
Charge for the year	-	703	1,738	2,441
At 31 October 2021	37,491	300,485	50,217	388,193
Carrying amount				
At 31 October 2021	-	635	1,765	2,400
At 31 October 2020	-	545	2,408	2,953

6 Investments

	2021 £	2020 £
Investments in subsidiaries	105,303	105,303
Subsidiaries		£
Cost or valuation		
At 1 November 2020		105,303
Provision		
Carrying amount		
At 31 October 2021		105,303
At 31 October 2020		105,303

7 Stocks

	2021 £	2020 £
Other inventories	5,936	6,367

Kernow Analytical Technology Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

8 Debtors

	Note	2021 £	2020 £
Trade debtors		36,967	30,785
Amounts owed by associates	12	85,360	107,712
Prepayments		7,315	6,327
Other debtors		8,042	26,318
		<u>137,684</u>	<u>171,142</u>

9 Creditors

Creditors: amounts falling due within one year

	2021 £	2020 £
Due within one year		
Trade creditors	16,994	8,809
Taxation and social security	66,102	6,982
Accruals and deferred income	4,920	4,920
Other creditors	60	141
	<u>88,076</u>	<u>20,852</u>

10 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary of £1 each	36,562	36,562	36,562	36,562
	<u>36,562</u>	<u>36,562</u>	<u>36,562</u>	<u>36,562</u>

11 Dividends

Final dividends paid

	2021 £	2020 £
Final dividend of £Nil (2020 - £1) per each Ordinary share	-	21,937
	<u>-</u>	<u>21,937</u>

Kernow Analytical Technology Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

12 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	130,152	108,496

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 £30,000 (2020, £30,000) in the year.

Rental payments were made to an associated company under the control of Mr Phillips of £22,620 (2020, £22,620) in the year.

Management charges were received from associated companies under the control of Mr Phillips of £12,000 (2020, £9,200) in the year.

Loans to related parties

	Associates	Total
	£	£
2021		
At start of period	107,712	107,712
Repaid	(25,400)	(25,400)
Interest transactions	3,048	3,048
At end of period	85,360	85,360
2020		
At start of period	109,846	109,846
Repaid	(5,400)	(5,400)
Interest transactions	3,266	3,266
At end of period	107,712	107,712

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.