

Financial Statements  
for the Year Ended 31 January 2021  
for  
RS Industrial Services Limited

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**for the Year Ended 31 January 2021**

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**RS Industrial Services Limited**  
**Company Information**  
**for the Year Ended 31 January 2021**

**DIRECTORS:** M J Riley  
N Sanderson

**SECRETARY:** Mrs L Sanderson

**REGISTERED OFFICE:** RS Business Centre  
2 Cassel Court  
Haverton Hill Road  
Billingham  
TS23 1RB

**REGISTERED NUMBER:** 04295036 (England and Wales)

**AUDITORS:** Anderson Barrowcliff LLP  
Statutory Auditors  
Chartered Accountants  
3 Kingfisher Court  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

**RS Industrial Services Limited (Registered number: 04295036)****Balance Sheet**  
**31 January 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Intangible assets	4		-		-
Tangible assets	5		416,623		383,996
Investment property	6		1,000,000		826,438
			<u>1,416,623</u>		<u>1,210,434</u>
<b>CURRENT ASSETS</b>					
Stocks	7	715,513		713,776	
Debtors	8	3,125,335		2,887,386	
Cash at bank and in hand		<u>1,215,204</u>		<u>72,647</u>	
		5,056,052		3,673,809	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>3,023,063</u>		<u>2,840,762</u>	
<b>NET CURRENT ASSETS</b>			<u>2,032,989</u>		<u>833,047</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			3,449,612		2,043,481
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		(1,172,796)		(291,651)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(69,460)</u>		<u>(38,306)</u>
<b>NET ASSETS</b>			<u>2,207,356</u>		<u>1,713,524</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		100		100
Revaluation reserve	14		96,620		99,231
Non-distributable reserve	14		497,833		333,987
Retained earnings	14		<u>1,612,803</u>		<u>1,280,206</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>2,207,356</u>		<u>1,713,524</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 November 2021 and were signed on its behalf by:

M J Riley - Director

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 31 January 2021**

**1. STATUTORY INFORMATION**

RS Industrial Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

**2. ACCOUNTING POLICIES**

**General information and basis of preparing the financial statements**

RS Industrial Services Limited is a limited company incorporated in the United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" (FRS102 1A) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historic cost convention, modified to include certain items at fair value.

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

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable net of VAT. The policies adopted for the recognition of turnover are as follows:

**Sale of goods**

Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on delivery of goods to the customer.

**Rendering of services**

When the outcome of a transaction can be estimated reliably, turnover from the supply of services is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to the contract activity at the balance sheet date.

**Goodwill**

Acquired goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life, which is 10 years. Provision is made for any impairment.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- over 50 years from date of acquisition
Plant and machinery	- 25% on reducing balance and 20% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Tangible fixed assets are stated at cost or deemed cost net of depreciation and any provision for impairment.

**Investment property**

Investment property for which fair value can be measured reliably without undue cost or effort is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2021**

**2. ACCOUNTING POLICIES - continued**

**Government grants**

The company received government grants in respect of the Coronavirus Job Retention Scheme. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attached to them. The grants were received using the accrual model.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**Taxation**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

**Foreign currencies**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

**Hire purchase and leasing commitments**

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the profit and loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2021**

**2. ACCOUNTING POLICIES - continued**

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 of the revision, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 49 (2020 - 50 ) .

**4. INTANGIBLE FIXED ASSETS**

	<b>Goodwill</b>
	<b>£</b>
<b>COST</b>	
At 1 February 2020	
and 31 January 2021	<u><b>10,000</b></u>
<b>AMORTISATION</b>	
At 1 February 2020	
and 31 January 2021	<u><b>10,000</b></u>
<b>NET BOOK VALUE</b>	
At 31 January 2021	<u><u><b>-</b></u></u>
At 31 January 2020	<u><u><b>-</b></u></u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2021**

**5. TANGIBLE FIXED ASSETS**

	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>
<b>COST</b>			
At 1 February 2020	345,000	256,531	9,226
Additions	15,099	30,973	-
Disposals	-	-	-
Reclassification/transfer	21,438	-	-
At 31 January 2021	<u>381,537</u>	<u>287,504</u>	<u>9,226</u>
<b>DEPRECIATION</b>			
At 1 February 2020	60,712	191,753	5,038
Charge for year	7,839	14,867	418
Eliminated on disposal	-	-	-
At 31 January 2021	<u>68,551</u>	<u>206,620</u>	<u>5,456</u>
<b>NET BOOK VALUE</b>			
At 31 January 2021	<u>312,986</u>	<u>80,884</u>	<u>3,770</u>
At 31 January 2020	<u>284,288</u>	<u>64,778</u>	<u>4,188</u>
	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 February 2020	192,964	47,866	851,587
Additions	-	1,500	47,572
Disposals	(73,826)	(12,800)	(86,626)
Reclassification/transfer	-	-	21,438
At 31 January 2021	<u>119,138</u>	<u>36,566</u>	<u>833,971</u>
<b>DEPRECIATION</b>			
At 1 February 2020	162,638	47,450	467,591
Charge for year	7,470	623	31,217
Eliminated on disposal	(68,661)	(12,799)	(81,460)
At 31 January 2021	<u>101,447</u>	<u>35,274</u>	<u>417,348</u>
<b>NET BOOK VALUE</b>			
At 31 January 2021	<u>17,691</u>	<u>1,292</u>	<u>416,623</u>
At 31 January 2020	<u>30,326</u>	<u>416</u>	<u>383,996</u>



**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2021**

**5. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Plant and machinery £</b>
<b>COST</b>	
At 1 February 2020	11,535
Transfer to ownership	<u>(11,535)</u>
At 31 January 2021	<u>-</u>
<b>DEPRECIATION</b>	
At 1 February 2020	6,267
Transfer to ownership	<u>(6,267)</u>
At 31 January 2021	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 January 2021	<u>-</u>
At 31 January 2020	<u>5,268</u>

**6. INVESTMENT PROPERTY**

	<b>Total £</b>
<b>FAIR VALUE</b>	
At 1 February 2020	826,438
Revaluations	195,000
Reclassification/transfer	<u>(21,438)</u>
At 31 January 2021	<u>1,000,000</u>
<b>NET BOOK VALUE</b>	
At 31 January 2021	<u>1,000,000</u>
At 31 January 2020	<u>826,438</u>

The investment property was valued on an open market basis on 21 June 2021 by Browns, Chartered Surveyor.

**7. STOCKS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Stocks	<u>715,513</u>	<u>713,776</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2021**

**8. DEBTORS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	<b>1,500,251</b>	1,439,577
Amounts owed by group undertakings	<b>45,272</b>	88,841
Amounts recoverable on contract	<b>93,047</b>	81,623
Other debtors	<b>181,082</b>	191,889
Amts due by/to related parties	<b>841,502</b>	665,169
Prepayments	<b>64,181</b>	20,287
	<b><u>2,725,335</u></b>	<u>2,487,386</u>
 Amounts falling due after more than one year:		
Amounts owed by group undertakings	<b><u>400,000</u></b>	<u>400,000</u>
 Aggregate amounts	<b><u>3,125,335</u></b>	<u>2,887,386</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>620,543</b>	670,023
Hire purchase contracts (see note 11)	<b>-</b>	1,922
Trade creditors	<b>609,528</b>	762,459
Amounts owed to group undertakings	<b>1,305,975</b>	1,124,438
Taxation	<b>146,689</b>	72,000
Social security and other taxes	<b>35,091</b>	37,177
VAT	<b>256,149</b>	129,936
Other creditors	<b>23,881</b>	16,486
Deferred grant	<b>4,513</b>	4,513
Accrued expenses	<b>20,694</b>	21,808
	<b><u>3,023,063</u></b>	<u>2,840,762</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans - 1-2 years	<b>208,915</b>	60,170
Bank loans - 2-5 years	<b>633,495</b>	137,273
Bank loans more 5 yr by instal	<b>328,405</b>	87,714
Deferred grant	<b>1,981</b>	6,494
	<b><u>1,172,796</u></b>	<u>291,651</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<b><u>328,405</u></b>	<u>87,714</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2021**

**11. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	<u>-</u>	<u>1,922</u>
	<b>Non-cancellable</b>	<b>operating leases</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Within one year	<b>13,000</b>	11,505
Between one and five years	<u>-</u>	<u>7,020</u>
	<u><b>13,000</b></u>	<u>18,525</u>

**12. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	<b>454,696</b>	609,853
Bank loans	<b>1,336,662</b>	345,327
Hire purchase contracts	<u>-</u>	<u>1,922</u>
	<u><b>1,791,358</b></u>	<u>957,102</u>

A cross guarantee, in favour of Barclays Bank plc, is in existence covering RS Industrial Group Limited, RS Industrial Services Limited & RS Industrial Services (Tyne & Wear) Limited. The bank also holds a charge over the company's assets.

Hire purchase contracts are secured on the asset to which they relate.

**13. CALLED UP SHARE CAPITAL**

Allotted and issued:

Number:	Class:	Nominal value:	<b>2021</b>	<b>2020</b>
			<b>£</b>	<b>£</b>
100	Ordinary	£1	<u><b>100</b></u>	<u>100</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2021**

**14. RESERVES**

	<b>Retained earnings £</b>	<b>Revaluation reserve £</b>	<b>Non-distributable reserve £</b>	<b>Totals £</b>
At 1 February 2020	1,280,206	99,231	333,987	1,713,424
Profit for the year	793,832			793,832
Dividends	(300,000)			(300,000)
Transfer between reserves	(161,235)	(2,611)	163,846	-
At 31 January 2021	<u>1,612,803</u>	<u>96,620</u>	<u>497,833</u>	<u>2,207,256</u>

**a) Retained earnings**

This reserve represents cumulative profits and losses net of dividends and other adjustments.

**b) Revaluation reserve**

The revaluation reserve represents the cumulative effect of revaluations of the freehold property.

**c) Non-distributable reserve**

Investment properties are measured at fair value with a transfer being made to the non-distributable reserve net of the related deferred tax, instead of a transfer to retained earnings, to assist with the identification of profits available for distribution.

**15. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Jerome Bury FCA (Senior Statutory Auditor)  
for and on behalf of Anderson Barrowcliff LLP

**16. CONTINGENT LIABILITIES**

In years ended 2013 & 2014 the company took part in a tax planning scheme which has subsequently been challenged by HM Revenue & Customs. The directors and the scheme providers stand by the planning, however, should the directors not be able to successfully defend the position of the company, the challenge will give rise to an estimated additional tax charge of £182,000 to the company.

**17. RELATED PARTY DISCLOSURES**

Included in debtors is £905,679 (2020:£691,882) due from a companies under common control.

**18. PARENT COMPANY**

The parent company is RS Industrial Group Limited. The company's registered office is at Cassel Court, Billingham TS23 1RB.

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.