

Company Registration No. 04393188 (England and Wales)

INDUSTRIAL TRADING SOLUTIONS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR

INDUSTRIAL TRADING SOLUTIONS LTD

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INDUSTRIAL TRADING SOLUTIONS LTD

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4		77,374		62,928
Current assets					
Stocks		355,858		318,517	
Debtors	6	675,558		671,911	
Cash at bank and in hand		297,562		175,754	
		<u>1,328,978</u>		<u>1,166,182</u>	
Creditors: amounts falling due within one year	7	<u>(538,066)</u>		<u>(495,152)</u>	
Net current assets			790,912		671,030
Total assets less current liabilities			<u>868,286</u>		<u>733,958</u>
Creditors: amounts falling due after more than one year	8		(150,000)		-
Provisions for liabilities			<u>(10,114)</u>		<u>(10,605)</u>
Net assets			<u>708,172</u>		<u>723,353</u>
Capital and reserves					
Called up share capital			90		90
Capital redemption reserve			(19,990)		(19,990)
Profit and loss reserves			<u>728,072</u>		<u>743,253</u>
Total equity			<u>708,172</u>		<u>723,353</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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.

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

INDUSTRIAL TRADING SOLUTIONS LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 10 September 2021 and are signed on its behalf by:

Mr P G Jeans

Director

Company Registration No. 04393188

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Industrial Trading Solutions Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Azets, Ventura Park Road, Tamworth, Staffordshire, United Kingdom, B78 3HL.

1.1 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 £.

1.2 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 and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

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

Depreciation 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:

Leasehold improvements	25% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance/25% straight line
Motor vehicles	25% reducing balance

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 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.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

Basic financial assets

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the 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.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 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 amount 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 in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	10	10

4 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	11,780	22,731	172,368	12,995	219,874
Additions	25,146	-	16,651	-	41,797
At 31 December 2020	36,926	22,731	189,019	12,995	261,671
Depreciation and impairment					
At 1 January 2020	2,945	12,060	130,603	11,338	156,946
Depreciation charged in the year	9,232	2,668	15,037	414	27,351
At 31 December 2020	12,177	14,728	145,640	11,752	184,297
Carrying amount					
At 31 December 2020	24,749	8,003	43,379	1,243	77,374
At 31 December 2019	8,835	10,671	41,765	1,657	62,928

5 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	607	11,167

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	398,734	410,952
Corporation tax recoverable	1,667	-
Other debtors	275,157	260,959
	<u>675,558</u>	<u>671,911</u>

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans	-	11,707
Trade creditors	426,075	349,789
Corporation tax	213	23,185
Other taxation and social security	40,135	44,254
Other creditors	71,643	66,217
	<u>538,066</u>	<u>495,152</u>

8 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	150,000	-
	<u>150,000</u>	<u>-</u>

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020	2019
	£	£
Within one year	6,747	37,821
	<u>6,747</u>	<u>37,821</u>

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Events during the year

The impact of the Covid-19 pandemic continues to affect trade globally. In assessing the appropriateness of the going concern assumption, the Directors have reviewed detailed profit and loss forecasts, considering all reasonably foreseeable potential scenarios and uncertainties in relation to revenue and expenditure, including the cash position of the business, for a period of at least 12 months from the date these financial statements have been signed. Based on these forecasts, the Directors have a reasonable expectation that the company can meet its liabilities as they fall due and the Directors have therefore concluded that the Covid-19 pandemic does not create a material uncertainty in relation to going concern and as such have deemed it appropriate for the financial statements to be prepared on the going concern basis.

COVID-19 has continued to impact many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. The Company has been able to continue to operate throughout this period of disruption, notwithstanding measures taken based upon Government advice to contain the spread of the virus, including travel bans, quarantines, and social distancing.

The directors will continue to assess the effect on the company given the uncertainties surrounding the longevity of the pandemic.

INDUSTRIAL TRADING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Related party transactions

Transactions with related parties

Included in other creditors is an amount of £9,021 (2019 - £12,765 other debtors) owed to Dextera UK Limited for payments made on behalf of the company.

Industrial Trading Solutions Limited occupies premises owned by a connected company in which P G Jeans, V A Jeans and A P Jeans are directors and shareholders. During the year, management charges of £128,676 (2019 - £119,966) were charged from Jeans Enterprises Limited. The outstanding balance at the year end is £39,509 (2019 - £16,788) and is included in trade creditors.

Included within other debtors is an amount of £255,852 (2019 - £225,626) representing a loan between the company and a connected company. This loan has no formal terms and is repayable on demand.

All other transactions are at arms length and therefore have not been disclosed in accordance with FRS102 section 33.1A.

No guarantees have been given or received.

12 Directors' transactions

Dividends totalling £0 (2019 - £20,399) were paid in the year in respect of shares held by the company's directors.

During the year, dividends totalling £13,252 were paid on the ordinary A share held by the Peter Graham Jeans Discretionary Trust.

Included in other creditors is an amount of £4,959 (2019: £52,031) due to two of the directors. This amount is interest free and repayable on demand.

Included in other debtors is an amount of £7,511 (2019: £nil) due to a director. This was the maximum outstanding during the year. This amount was repaid by 31 March 2021.

13 Controlling party

The ultimate controlling party is Mrs V Jeans by virtue of her shareholding.

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.