

INOX FABRICATIONS LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

DTE Business Advisers Limited
Chartered Accountants
The Exchange
5 Bank Street
Bury
BL9 0DN

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FOR THE YEAR ENDED 30 JUNE 2020**

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INOX FABRICATIONS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2020

DIRECTOR:	L H Preston
REGISTERED OFFICE:	Unit 1 Adhan Trading Estate Off Temple Drive Blackburn Lancashire BB1 1NL
REGISTERED NUMBER:	05481769 (England and Wales)
ACCOUNTANTS:	DTE Business Advisers Limited Chartered Accountants The Exchange 5 Bank Street Bury BL9 0DN
BANKERS:	Santander 32-34 King William Street Blackburn Lancashire BB1 7DP
SOLICITORS:	Mark L Ryan Solicitor Shaw House 1 Shaw Street Ashton-under-Lyne Greater Manchester OL6 6QJ

STATEMENT OF FINANCIAL POSITION
30 JUNE 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Property, plant and equipment	4	209,611	251,178
CURRENT ASSETS			
Inventories		14,977	38,241
Debtors	5	313,277	501,860
Cash at bank and in hand		970,462	634,232
		<u>1,298,716</u>	<u>1,174,333</u>
CREDITORS			
Amounts falling due within one year	6	(367,476)	(392,743)
NET CURRENT ASSETS		<u>931,240</u>	<u>781,590</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,140,851	1,032,768
CREDITORS			
Amounts falling due after more than one year	7	(66,779)	(90,454)
PROVISIONS FOR LIABILITIES		<u>(41,169)</u>	<u>(41,169)</u>
NET ASSETS		<u>1,032,903</u>	<u>901,145</u>
CAPITAL AND RESERVES			
Called up share capital		3	3
Capital redemption reserve		3	3
Retained earnings		1,032,897	901,139
SHAREHOLDERS' FUNDS		<u>1,032,903</u>	<u>901,145</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION - continued
30 JUNE 2020

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 director and authorised for issue on 23 November 2020 and were signed by:

L H Preston - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1. **STATUTORY INFORMATION**

Inox Fabrications Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 05481769. The registered office is Unit 1, Adhan Trading Estate, Off Temple Drive, Blackburn, Lancashire, BB1 1NL.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The director has considered the impact of the global Covid-19 pandemic on the company and recognises that the future cannot be predicted with any certainty. The director expects the company to continue trading through the pandemic. Procedures have been introduced to ensure that operations are conducted in accordance with official government advice. The director will endeavour to monitor and control costs as necessary and any available government backed support will be obtained as required.

Significant accounting estimates and judgements

In the application of the company's accounting policies, the director is required to make estimates and judgements. The estimates are based on historical experience and other relevant factors. Actual results may differ from these estimates.

The estimates are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are outlined below:

Estimating the useful economic life of an asset and the anticipated residual value are considered key judgements in calculating an appropriate depreciation charge.

Revenue

Revenue represents the fair value of the consideration anticipated to be received on contracts, net of value added tax and after taking account of expected remedial works.

Revenue is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed. Revenue is not recognised where the right to receive payment is contingent on events outside the control of the company.

Unbilled revenue is included in debtors as 'Amounts recoverable on contracts'.

Property, plant and equipment

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.

Plant and machinery etc	- 25% on reducing balance, 20% on reducing balance, 20% on cost and 10% on reducing balance
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The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in the income statement when the change arises.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020

2. **ACCOUNTING POLICIES - continued**

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost represents actual purchase price.

In respect of work in progress and finished goods, cost includes a relevant proportion of overheads according to the stage of completion.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and others third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

Basic financial liabilities are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the statement of financial position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the income statement over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020

2. ACCOUNTING POLICIES - continued**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the income statement.

Dividends

Equity dividends are recognised when they become legally payable and are no longer at the discretion of the company.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 24 (2019 - 22) .

4. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery etc £
COST	
At 1 July 2019	523,702
Additions	4,798
At 30 June 2020	<u>528,500</u>
DEPRECIATION	
At 1 July 2019	272,524
Charge for year	46,365
At 30 June 2020	<u>318,889</u>
NET BOOK VALUE	
At 30 June 2020	<u>209,611</u>
At 30 June 2019	<u>251,178</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020

4. PROPERTY, PLANT AND EQUIPMENT - continued

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

	Plant and machinery etc £
COST	
At 1 July 2019 and 30 June 2020	<u>182,405</u>
DEPRECIATION	
At 1 July 2019	52,009
Charge for year	<u>32,593</u>
At 30 June 2020	<u>84,602</u>
NET BOOK VALUE	
At 30 June 2020	<u>97,803</u>
At 30 June 2019	<u>130,396</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	288,586	478,106
Other debtors	<u>24,691</u>	<u>23,754</u>
	<u>313,277</u>	<u>501,860</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts (see note 8)	23,675	22,477
Trade creditors	166,098	214,731
Taxation and social security	171,924	139,162
Other creditors	<u>5,779</u>	<u>16,373</u>
	<u>367,476</u>	<u>392,743</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts (see note 8)	<u>66,779</u>	<u>90,454</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	23,675	22,477
Between one and five years	66,779	90,454
	<u>90,454</u>	<u>112,931</u>
	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	37,607	31,289
Between one and five years	25,071	-
	<u>62,678</u>	<u>31,289</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Hire purchase contracts	<u>90,454</u>	<u>112,931</u>

The bank loans are secured by way of a fixed and floating charge over the company's assets.

The hire purchase contracts are secured on the respective fixed assets.

10. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 June 2020 and 30 June 2019:

	2020	2019
	£	£
L H Preston		
Balance outstanding at start of year	1,213	(411)
Amounts advanced	-	31,624
Amounts repaid	-	(30,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>1,213</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020

10. **DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES - continued**

No individually material amount was advanced to the director during the year. The maximum overdrawn balance during the year was £16,212 (2018: £6,247).

The above loan is unsecured, interest free and repayable on demand.

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.