

Company Registration No. 06135796 (England and Wales)

**IRON RATIONS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



# **IRON RATIONS LIMITED**

## **COMPANY INFORMATION**

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**Directors** Colonel C P H Knaggs  
A G Wauchope  
J Verden  
T Doncaster

**Secretary** A M Harrison

**Company number** 06135796

**Registered office** Ironmongers' Hall  
Shaftesbury Place  
London  
EC2Y 8AA

**Auditors** HW Fisher LLP  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

**Bankers** Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

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# **IRON RATIONS LIMITED**

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# IRON RATIONS LIMITED

## DIRECTORS' REPORT

***FOR THE YEAR ENDED 31 MARCH 2022***

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The directors present their annual report and financial statements for the year ended 31 March 2022.

### **Principal activities**

The principal activity of the company during the year was that of property investment.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Colonel C P H Knaggs

A G Wauchope

J Verden

T Doncaster

(Appointed 1 August 2022)

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

*C P H Knaggs*

Colonel C P H Knaggs

**Director** 25 Nov 2022

Date: .....

## **IRON RATIONS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2022***

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# IRON RATIONS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBER OF IRON RATIONS LIMITED

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#### Opinion

We have audited the financial statements of Iron Rations Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

# IRON RATIONS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBER OF IRON RATIONS LIMITED

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The company did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102 and Companies Act 2006.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

## **IRON RATIONS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBER OF IRON RATIONS LIMITED**

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The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to asset valuations.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's member, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

*Carol Rudge*

**Carol Rudge (Senior Statutory Auditor)**

**For and on behalf of HW Fisher LLP**

**Chartered Accountants**

**Statutory Auditor**

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

25 Nov 2022

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## IRON RATIONS LIMITED

### STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2022

		2022	2021
	Notes	£	£
Turnover		134,008	112,346
Administrative expenses		(34,021)	(32,748)
<b>Operating profit</b>	<b>3</b>	<b>99,987</b>	<b>79,598</b>
Interest receivable and similar income		-	2
Interest payable and similar expenses	<b>5</b>	(47,906)	(47,906)
Fair value gains on investment property	<b>7</b>	355,000	285,000
<b>Profit before taxation</b>		<b>407,081</b>	<b>316,694</b>
Tax on profit	<b>6</b>	(119,008)	(54,150)
<b>Profit for the financial year</b>		<b>288,073</b>	<b>262,544</b>
<b>Total comprehensive income for the year</b>		<b>288,073</b>	<b>262,544</b>
Retained earnings at 1 April 2021		576,851	368,258
Dividends		-	(53,951)
<b>Retained earnings at 31 March 2022</b>		<b>864,924</b>	<b>576,851</b>

# IRON RATIONS LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investment property	7		2,405,000		2,050,000
<b>Current assets</b>					
Debtors	8	81,684		36,724	
Cash at bank and in hand		78,709		43,741	
		160,393		80,465	
<b>Creditors: amounts falling due within one year</b>	9	(1,485,644)		(1,457,797)	
<b>Net current liabilities</b>			(1,325,251)		(1,377,332)
<b>Total assets less current liabilities</b>			1,079,749		672,668
<b>Provisions for liabilities</b>	10		(214,824)		(95,816)
<b>Net assets</b>			864,925		576,852
<b>Capital and reserves</b>					
Called up share capital			1		1
Profit and loss reserves			864,924		576,851
<b>Total equity</b>			864,925		576,852

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

The financial statements were approved by the board of directors and authorised for issue on 25 Nov 2022 and are signed on its behalf by:

C P H Knaggs

Colonel C P H Knaggs

Director

Company Registration No. 06135796

# IRON RATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

#### **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 £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that with the continued support from its immediate parent company which has undertaken not to recall its loan within twelve months from the date of approval of these financial statements, the company has adequate resources to continue in operational existence for the foreseeable future. Therefore the directors continue to adopt the going concern basis of accounting in preparing the financial statements

#### **1.3 Turnover**

Turnover represents rental income recognised on a straight-line basis over the lease term.

#### **1.4 Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

#### **1.5 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.

##### ***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.

#### **1.6 Taxation**

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

# IRON RATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 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.

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.

### 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.

The directors believe there to be no critical judgements or key sources of uncertainty in preparing these financial statements.

### 3 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	4,269	3,881

### 4 Employees

There were no employees during the year or the prior year.

### 5 Interest payable and similar expenses

	2022	2021
	£	£
Interest payable and similar expenses includes the following:		
Interest payable to group undertaking	47,906	47,906

# IRON RATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

(Continued)

### 6 Taxation

	2022 £	2021 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	119,008	54,150

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	407,081	316,694
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2021: 19%)	77,345	60,172
Group relief	(9,895)	(6,022)
Remeasurement of deferred tax for changes in tax rates	51,558	-
Taxation charge for the year	119,008	54,150

### 7 Investment property

	2022 £
<b>Fair value</b>	
At 1 April 2021	2,050,000
Revaluation	355,000
At 31 March 2022	2,405,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 March 2022 by Vail Williams Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If the revalued investment property was stated on a historic cost basis rather than a fair value basis, the amount would have been £1,409,027 (2021: £1,409,027).

## IRON RATIONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

**8 Debtors: amounts falling due within one year**

	2022	2021
	£	£
Trade debtors	47,196	18,603
Other debtors	-	385
Prepayments and accrued income	34,488	17,736
	<u>81,684</u>	<u>36,724</u>

**9 Creditors: amounts falling due within one year**

	2022	2021
	£	£
Trade creditors	-	1,984
Amounts due to group undertaking	1,409,099	1,409,099
Other taxation and social security	7,164	2,983
Other creditors	13,083	13,080
Accruals and deferred income	56,298	30,651
	<u>1,485,644</u>	<u>1,457,797</u>

The amount owed to the group undertaking carries interest at 3.4% per annum and has no fixed date for repayment.

**10 Provisions for liabilities**

	2022	2021
	£	£
Deferred tax liabilities	<u>214,824</u>	<u>95,816</u>

Deferred tax has arisen in relation to the revaluation of the investment property.

## **IRON RATIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2022***

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**11 Related party transactions**

At the year end Ferroners plc was owed £1,409,099 (2021: £1,409,099). Interest payable during the year amounted to £47,991 (2021: £47,906). In the year no dividends were paid to Ferroners plc (2021: £53,951).

**12 Parent company**

The parent entity is Ferroners plc, and the ultimate controlling party is The Worshipful Company of Ironmongers incorporated by Royal Charter, both of which are incorporated in England.

**13 Company information**

Iron Rations Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Ironmongers' Hall, Shaftesbury Place, London, EC2Y 8AA.

# IRON RATIONS LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

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	2022		2021	
	£	£	£	£
<b>Turnover</b>				
Rent receivable		134,008		112,346
<b>Administrative expenses</b>				
Service charge payable	490		1,267	
Rates	2,178		978	
Power, light and heat	365		31	
Insurance	1,338		1,207	
Legal and professional fees	25,285		25,350	
Audit fees	4,269		3,881	
Bank charges	12		34	
Sundry expenses	84		-	
		(34,021)		(32,748)
<b>Operating profit</b>		99,987		79,598
<b>Interest receivable and similar income</b>				
Bank interest received	-		2	
		-		2
<b>Interest payable and similar expenses</b>				
Interest payable to group companies		(47,906)		(47,906)
<b>Other gains and losses</b>				
Increase or decrease in fair value of investment property		355,000		285,000
<b>Profit before taxation</b>		407,081		316,694

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