

Financial Statements
for the Year Ended 31 December 2021
for
VSM Abrasives Limited

Contents of the Financial Statements
for the Year Ended 31 December 2021

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

VSM Abrasives Limited
Company Information
for the Year Ended 31 December 2021

DIRECTORS: B Harrison
J M Henkel

SECRETARY: B Harrison

REGISTERED OFFICE: Unit 5 Joplin Court
Sovereign Business Park
Milton Keynes
MK8 0JP

REGISTERED NUMBER: 00558460 (England and Wales)

AUDITORS: CANSDALES AUDIT LLP
Bourbon Court
Nightingales Corner
Little Chalfont
Buckinghamshire
HP7 9QS

Balance Sheet
31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	3	32,940	81,762
CURRENT ASSETS			
Stocks		600,426	527,441
Debtors	4	645,060	615,732
Cash at bank and in hand		628,995	729,680
		<u>1,874,481</u>	<u>1,872,853</u>
CREDITORS			
Amounts falling due within one year	5	<u>(753,255)</u>	<u>(870,937)</u>
NET CURRENT ASSETS		<u>1,121,226</u>	<u>1,001,916</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,154,166	1,083,678
PROVISIONS FOR LIABILITIES		<u>(6,604)</u>	<u>(6,936)</u>
NET ASSETS		<u>1,147,562</u>	<u>1,076,742</u>
CAPITAL AND RESERVES			
Called up share capital	7	80,000	80,000
Capital redemption reserve		100,000	100,000
Retained earnings		<u>967,562</u>	<u>896,742</u>
SHAREHOLDERS' FUNDS		<u>1,147,562</u>	<u>1,076,742</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 27 April 2022 and were signed on its behalf by:

B Harrison - Director

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. **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 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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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 land and buildings Over the remaining life of the lease

Plant and equipment 12.5% to 33.3% straight line

Fixtures and fittings 20% to 33.3% straight line

Motor vehicles 25% straight line

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 the Income statement.

STOCKS

Stocks are valued at the lower of cost and net realisable value, where cost comprises expenditure which has been incurred in the normal course of business in bringing the product to its present location and condition, after making due allowance for obsolete and slow moving items.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

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 Statement of financial position date.

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

1. **ACCOUNTING POLICIES - continued**

DEFERRED TAX

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 Statement of financial position 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 EXCHANGE

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

HIRE PURCHASE AND LEASING COMMITMENTS

Rentals paid under operating leases are charged to profit or 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.

The assets of the scheme are held separately from those of the company.

PROVISIONS

Provisions are set up only where it is possible that a present obligation exists as a result of an event prior to the Statement of financial position date and that a payment will be required in settlement that can be estimated reliably. Where material, provisions are calculated on a discounted basis.

2. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 8 (2020 - 9) .

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

3. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2021	40,582	259,375	299,957
Additions	1,505	-	1,505
Disposals	-	(45,739)	(45,739)
At 31 December 2021	<u>42,087</u>	<u>213,636</u>	<u>255,723</u>
DEPRECIATION			
At 1 January 2021	38,287	179,908	218,195
Charge for year	2,316	31,709	34,025
Eliminated on disposal	-	(29,437)	(29,437)
At 31 December 2021	<u>40,603</u>	<u>182,180</u>	<u>222,783</u>
NET BOOK VALUE			
At 31 December 2021	<u>1,484</u>	<u>31,456</u>	<u>32,940</u>
At 31 December 2020	<u>2,295</u>	<u>79,467</u>	<u>81,762</u>

4. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	621,453	592,465
Other debtors	<u>23,607</u>	<u>23,267</u>
	<u>645,060</u>	<u>615,732</u>

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

	2021 £	2020 £
Trade creditors	36,225	54,011
Amounts owed to group undertakings	375,658	469,446
Taxation and social security	200,021	207,868
Other creditors	<u>141,351</u>	<u>139,612</u>
	<u>753,255</u>	<u>870,937</u>

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

6. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	38,556	38,670
Between one and five years	<u>103,377</u>	<u>117,944</u>
	<u>141,933</u>	<u>156,614</u>

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
80,000	Ordinary share capital	1	<u>80,000</u>	<u>80,000</u>

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

The Report of the Auditors was unqualified.

James Foskett (Senior Statutory Auditor)
for and on behalf of CANSDALES AUDIT LLP

9. RELATED PARTY DISCLOSURES

The company is exempt from disclosing group transactions in accordance with paragraph 33.1A, Financial Reporting Standard 102.

10. PARENT COMPANY

The ultimate parent company is Vereinigte Schmirgel-und Maschinen-Fabriken AG incorporated in Germany, There is no ultimate controlling party of Vereinigte Schmirgel-und Maschinen-Fabriken AG . Copies of the consolidated financial statements are available on the parent company's website.

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.