

Cutlery and Allied Trades Research Association

(A company limited by guarantee)

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2017

Landin Wilcock & Co
Chartered Accountants
Queen Street Chambers
68 Queen Street
Sheffield
South Yorkshire
S1 1WR

Cutlery and Allied Trades Research Association

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**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Cutlery and Allied Trades Research Association
for the Year Ended 31 December 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Cutlery and Allied Trades Research Association for the year ended 31 December 2017 as set out on pages 2 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Cutlery and Allied Trades Research Association, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Cutlery and Allied Trades Research Association and state those matters that we have agreed to state to the Board of Directors of Cutlery and Allied Trades Research Association, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cutlery and Allied Trades Research Association and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Cutlery and Allied Trades Research Association has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Cutlery and Allied Trades Research Association. You consider that Cutlery and Allied Trades Research Association is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Cutlery and Allied Trades Research Association. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Landin Wilcock & Co
Chartered Accountants
Queen Street Chambers
68 Queen Street
Sheffield
South Yorkshire
S1 1WR

6 September 2018

Cutlery and Allied Trades Research Association

(Registration number: 00739777)
Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>5</u>	189,956	203,425
Current assets			
Stocks	<u>6</u>	357,424	338,602
Debtors	<u>7</u>	102,831	133,091
Cash at bank and in hand		<u>216,912</u>	<u>163,185</u>
		677,167	634,878
Creditors: Amounts falling due within one year	<u>8</u>	<u>(127,841)</u>	<u>(159,416)</u>
Net current assets		<u>549,326</u>	<u>475,462</u>
Total assets less current liabilities		739,282	678,887
Provisions for liabilities		<u>(9,691)</u>	<u>(10,513)</u>
Net assets		<u>729,591</u>	<u>668,374</u>
Capital and reserves			
Revaluation reserve		65,243	67,771
Profit and loss account		<u>664,348</u>	<u>600,603</u>
Total equity		<u>729,591</u>	<u>668,374</u>

For the financial year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 9 form an integral part of these financial statements.

Cutlery and Allied Trades Research Association

(Registration number: 00739777)

Balance Sheet as at 31 December 2017

Approved and authorised by the Board on 17 July 2018 and signed on its behalf by:

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Mr Roger Critchley Hamby
Director

.....

Mr David John Greensmith
Director

The notes on pages 4 to 9 form an integral part of these financial statements.

Cutlery and Allied Trades Research Association

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £5 towards the assets of the company in the event of liquidation.

The address of its registered office is:
Henry Street
Sheffield
South Yorkshire
S3 7EQ

These financial statements were authorised for issue by the Board on 17 July 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentation and functional currency is considered to be pounds sterling because that is the currency in the primary economic environment in which the company operates.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded to the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Cutlery and Allied Trades Research Association

Notes to the Financial Statements for the Year Ended 31 December 2017

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	2.5% Straight line on buildings only
Plant and machinery	25% Reducing balance
Fixtures and fittings	25% Reducing balance
Motor vehicles	25% Reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Cutlery and Allied Trades Research Association

Notes to the Financial Statements for the Year Ended 31 December 2017

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. 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.

Cutlery and Allied Trades Research Association

Notes to the Financial Statements for the Year Ended 31 December 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 17 (2016 - 17).

4 Profit before tax

Arrived at after charging/(crediting)

	2017	2016
	£	£
Depreciation expense	<u>31,161</u>	<u>30,820</u>

Cutlery and Allied Trades Research Association

Notes to the Financial Statements for the Year Ended 31 December 2017

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 January 2017	167,956	52,116	47,098	396,486	663,656
Additions	-	2,325	-	15,369	17,694
At 31 December 2017	167,956	54,441	47,098	411,855	681,350
Depreciation					
At 1 January 2017	66,055	42,610	9,468	342,100	460,233
Charge for the year	4,205	2,569	9,407	14,980	31,161
At 31 December 2017	70,260	45,179	18,875	357,080	491,394
Carrying amount					
At 31 December 2017	97,696	9,262	28,223	54,775	189,956
At 31 December 2016	101,901	9,508	37,630	54,386	203,425

Included within the net book value of land and buildings above is £97,696 (2016 - £101,901) in respect of freehold land and buildings.

Revaluation

The fair value of the company's Land and buildings was revalued on 31 October 1998 by an independent valuer.

The basis of this valuation was open market value. The name and qualification of the independent valuer are Maynards Chartered Surveyors.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £32,451 (2016 - £34,128).

Cutlery and Allied Trades Research Association

Notes to the Financial Statements for the Year Ended 31 December 2017

6 Stocks

	2017 £	2016 £
Work in progress	8,800	24,699
Other inventories	348,624	313,903
	<u>357,424</u>	<u>338,602</u>

7 Debtors

	2017 £	2016 £
Trade debtors	95,207	130,132
Other debtors	7,624	2,959
	<u>102,831</u>	<u>133,091</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Trade creditors		34,050	84,424
Taxation and social security		28,077	23,687
Other creditors		65,714	51,305
		<u>127,841</u>	<u>159,416</u>

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.