

REGISTERED NUMBER: 05462271 (England and Wales)

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
FOR
INSTRUMENT TECHNOLOGY LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Page
Company Information	1
Statement of Income and Retained Earnings	2
Statement of Financial Position	3
Notes to the Financial Statements	5

INSTRUMENT TECHNOLOGY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

DIRECTORS:

Mr D W Barlow
Mr D Frazer-Bates
Mr J K Jefferies
Mr R Kaye

REGISTERED OFFICE:

Menzies Road
Ponswood Industrial Estate
St. Leonards-on-Sea
East Sussex
TN38 9BB

REGISTERED NUMBER:

05462271 (England and Wales)

ACCOUNTANTS:

Acuity Professional Partnership LLP
Unit 2.02
High Weald House
Glovers End
Bexhill
East Sussex
TN39 5ES

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
TURNOVER	3		8,615,337		6,281,840
Cost of sales			<u>5,243,851</u>		<u>3,746,539</u>
GROSS PROFIT			3,371,486		2,535,301
Distribution costs		451,835		286,107	
Administrative expenses		<u>2,337,764</u>		<u>1,959,694</u>	
			<u>2,789,599</u>		<u>2,245,801</u>
			581,887		289,500
Other operating income			<u>149,620</u>		<u>148,020</u>
OPERATING PROFIT	5		731,507		437,520
Interest payable and similar expenses			<u>105,073</u>		<u>75,151</u>
PROFIT BEFORE TAXATION			626,434		362,369
Tax on profit	6		<u>103,692</u>		<u>68,531</u>
PROFIT FOR THE FINANCIAL YEAR			522,742		293,838
Retained earnings at beginning of year			324,810		343,170
Dividends			(447,480)		(312,198)
RETAINED EARNINGS AT END OF YEAR			<u>400,072</u>		<u>324,810</u>

The notes form part of these financial statements

INSTRUMENT TECHNOLOGY LIMITED (REGISTERED NUMBER: 05462271)

**STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2021**

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7		874,923		555,944
CURRENT ASSETS					
Stocks	8	1,179,381		1,214,542	
Debtors	9	2,142,771		1,449,154	
Cash in hand		-		292	
		<u>3,322,152</u>		<u>2,663,988</u>	
CREDITORS					
Amounts falling due within one year	10	<u>2,262,406</u>		<u>1,678,009</u>	
NET CURRENT ASSETS			<u>1,059,746</u>		<u>985,979</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,934,669		1,541,923
CREDITORS					
Amounts falling due after more than one year	11		(1,292,402)		(1,041,096)
PROVISIONS FOR LIABILITIES	14		<u>(156,406)</u>		<u>(90,228)</u>
NET ASSETS			<u>485,861</u>		<u>410,599</u>
CAPITAL AND RESERVES					
Called up share capital	15		85,789		85,789
Retained earnings			<u>400,072</u>		<u>324,810</u>
SHAREHOLDERS' FUNDS			<u>485,861</u>		<u>410,599</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION - continued
30 SEPTEMBER 2021

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their 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 financial statements have been prepared and delivered 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 13 June 2022 and were signed on its behalf by:

Mr D Frazer-Bates - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. STATUTORY INFORMATION

Instrument Technology Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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.

TURNOVER

Turnover represents the value of goods (net of VAT) provided to customers during the year and is recognised on despatch.

TANGIBLE FIXED ASSETS

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.

Improvements to property	- 20% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

STOCKS

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

TAXATION

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

HIRE PURCHASE AND LEASING COMMITMENTS

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. 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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2021	2020
United Kingdom	43.11%	43.39%
Europe	32.83%	33.10%
Rest of the World	24.06%	23.51%
	<u>100.00%</u>	<u>100.00%</u>

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 76 (2020 - 76) .

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	65,438	53,396
Depreciation - assets on hire purchase contracts	44,897	42,764
Foreign exchange differences	26,758	(10,409)
Pension costs	<u>235,964</u>	<u>133,969</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2021 £	2020 £
Current tax:		
UK corporation tax	37,514	56,714
Deferred tax	66,178	11,817
Tax on profit	<u>103,692</u>	<u>68,531</u>

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
Cost					
At 1 October 2020	143,471	688,207	83,212	141,943	1,056,833
Additions	1,675	437,239	2,400	-	441,314
Disposals	-	(15,000)	-	-	(15,000)
At 30 September 2021	<u>145,146</u>	<u>1,110,446</u>	<u>85,612</u>	<u>141,943</u>	<u>1,483,147</u>
Depreciation					
At 1 October 2020	98,683	229,728	52,961	119,517	500,889
Charge for year	13,364	76,800	9,679	10,492	110,335
Eliminated on disposal	-	(3,000)	-	-	(3,000)
At 30 September 2021	<u>112,047</u>	<u>303,528</u>	<u>62,640</u>	<u>130,009</u>	<u>608,224</u>
Net book value					
At 30 September 2021	<u>33,099</u>	<u>806,918</u>	<u>22,972</u>	<u>11,934</u>	<u>874,923</u>
At 30 September 2020	<u>44,788</u>	<u>458,479</u>	<u>30,251</u>	<u>22,426</u>	<u>555,944</u>

During the year a number of items of plant and machinery were refinanced.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. TANGIBLE FIXED ASSETS - continued

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

	Plant and machinery £	Computer equipment £	Totals £
Cost			
At 1 October 2020	477,520	26,763	504,283
Additions	437,239	-	437,239
Disposals	(15,000)	-	(15,000)
At 30 September 2021	<u>899,759</u>	<u>26,763</u>	<u>926,522</u>
Depreciation			
At 1 October 2020	152,695	10,480	163,175
Charge for year	37,362	7,535	44,897
Eliminated on disposal	(3,000)	-	(3,000)
At 30 September 2021	<u>187,057</u>	<u>18,015</u>	<u>205,072</u>
Net book value			
At 30 September 2021	<u>712,702</u>	<u>8,748</u>	<u>721,450</u>
At 30 September 2020	<u>324,825</u>	<u>16,283</u>	<u>341,108</u>

8. STOCKS

	2021 £	2020 £
Stocks	<u>1,179,381</u>	<u>1,214,542</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	1,682,512	1,114,501
Other debtors	<u>460,259</u>	<u>334,653</u>
	<u>2,142,771</u>	<u>1,449,154</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 12)	104,167	131,160
Hire purchase contracts	287,471	166,118
Trade creditors	1,409,202	1,050,453
Taxation and social security	129,215	227,378
Other creditors	<u>332,351</u>	<u>102,900</u>
	<u>2,262,406</u>	<u>1,678,009</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

	2021 £	2020 £
Bank loans (see note 12)	366,667	650,789
Hire purchase contracts	925,735	390,307
	<u>1,292,402</u>	<u>1,041,096</u>

12. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank loans	<u>104,167</u>	<u>131,160</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>100,000</u>	<u>67,725</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>266,667</u>	<u>583,064</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Bank loans	470,834	781,949
Factoring company liability	250,725	15,770
	<u>721,559</u>	<u>797,719</u>

14. PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Deferred tax	<u>156,406</u>	<u>90,228</u>
		Deferred tax
		£
Balance at 1 October 2020		90,228
Provided during year		66,178
Balance at 30 September 2021		<u>156,406</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

14. PROVISIONS FOR LIABILITIES - continued

The deferred tax asset relates to historical losses incurred by the company which it expects to realise against future trading profits.

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
171,578	Ordinary	£0.5	<u>85,789</u>	<u>85,789</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.