

**Company Registration No. 10176094 (England and Wales)**

**IKA ENGLAND LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**PAGES FOR FILING WITH REGISTRAR**

# **IKA ENGLAND LIMITED**

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# IKA ENGLAND LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	5		12,432		16,222
<b>Current assets</b>					
Stocks		344,560		64,262	
Debtors	6	840,855		434,242	
Cash at bank and in hand		272,861		336,706	
		<u>1,458,276</u>		<u>835,210</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(891,053)</u>		<u>(647,969)</u>	
<b>Net current assets</b>			567,223		187,241
<b>Total assets less current liabilities</b>			<u>579,655</u>		<u>203,463</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(1,350,490)		(1,006,665)
<b>Provisions for liabilities</b>			<u>(2,758)</u>		<u>(2,758)</u>
<b>Net liabilities</b>			<u><u>(773,593)</u></u>		<u><u>(805,960)</u></u>
<b>Capital and reserves</b>					
Called up share capital			7,000		7,000
Profit and loss reserves			<u>(780,593)</u>		<u>(812,960)</u>
<b>Total equity</b>			<u><u>(773,593)</u></u>		<u><u>(805,960)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These 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 24 December 2020 and are signed on its behalf by:

Mr C Austin  
**Director**

**Company Registration No. 10176094**

# **IKA ENGLAND LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

#### **Company information**

IKA England Limited is a private company limited by shares incorporated in England and Wales. The registered office is Pure Offices Suite 1, Fountain House, John Smith Drive, Oxford, Oxon, OX4 2JY.

#### **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. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

These financial statements have been prepared on the assumption that the company will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the continuing support of the parent company.

If the company were unable to continue in existence for the foreseeable future, adjustments would be necessary to reduce the balance sheet values of assets to their recoverable amounts, to reclassify fixed assets as current assets and to provide for further liabilities which might arise.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# **IKA ENGLAND LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

**(Continued)**

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:

Plant and equipment	25% reducing balance
Fixtures and fittings	20% reducing balance
Computer equipment	33% reducing balance

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 profit or loss.

#### **1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **1.7 Cash at bank and in hand**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# **IKA ENGLAND LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

**(Continued)**

#### **1.8 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.

##### **Classification of financial liabilities**

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.

##### **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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

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.

#### **1.10 Taxation**

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

# IKA ENGLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.14 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# IKA ENGLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 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.

#### Critical judgements

The following judgements have had the most significant effect on amounts recognised in the financial statements.

#### Coronavirus pandemic

The directors have assessed the impact of the Coronavirus pandemic on the company and are of the opinion that, despite there being a short term down turn in the business, this should not materially impact the company in the long term.

The company has the support of other group companies to ensure that the impact of the Coronavirus pandemic is minimal.

The company has sufficient cash reserves to ensure that the company is able to carry out its normal trading activities even if there is a period of downturn in business due to the pandemic.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	10	8
	<u>          </u>	<u>          </u>

### 4 Directors' remuneration

	2019 £	2018 £
Remuneration paid to directors	93,108	17,296
	<u>          </u>	<u>          </u>



# **IKA ENGLAND LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2019**

### **5 Tangible fixed assets**

	<b>Plant and machinery etc</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2019	28,169
Additions	865
	<hr/>
At 31 December 2019	29,034
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2019	11,947
Depreciation charged in the year	4,655
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At 31 December 2019	16,602
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<b>Carrying amount</b>	
At 31 December 2019	12,432
	<hr/> <hr/>
At 31 December 2018	16,222
	<hr/> <hr/>

### **6 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	786,861	397,578
Other debtors	53,994	36,664
	<hr/>	<hr/>
	840,855	434,242
	<hr/> <hr/>	<hr/> <hr/>

### **7 Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	149,370	45,798
Amounts owed to group undertakings	368,850	386,901
Taxation and social security	205,081	159,283
Other creditors	167,752	55,987
	<hr/>	<hr/>
	891,053	647,969
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# IKA ENGLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 8 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	1,350,490	1,006,665

The other creditors represent amounts due to the parent company, IKA-Werke GmbH & Co, The amounts incur interest at 2% above the average EURIBOR rate.

The interest charged in respect of the long term loan for the year was £19,569.

Creditors which fall due after five years are as follows:

	2019 £	2018 £
Payable other than by instalments	1,097,273	894,769

### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The auditor's report included an additional paragraph as detailed below:

#### Conclusions relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern. The company made a net profit of £32,367 during the year ended 31 December 2019 and, at that date, the company had net liabilities of £773,593. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

The senior statutory auditor was Lyndon Perez FCA.

The auditor was RDP Newmans LLP.

### 10 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
	33,115	33,367

## **IKA ENGLAND LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **11 Events after the reporting date**

##### ***Coronavirus pandemic***

Since 31 December 2019, the consequences of the Covid -19 outbreak have materially and adversely affected businesses worldwide. On 23 March 2020, the UK Government announced a nationwide lockdown which was gradually lifted in June 2020 only to be followed by a second lockdown on 5 November 2020 for a period of 1 month. The directors have assessed the impact of this and are of the opinion that whilst this has affected their business for the year to 31 December 2020, in the long term the company will continue to grow and be profitable.

#### **12 Related party transactions**

##### **Transactions with related parties**

During the year the company entered into the following transactions with related parties:

The company has taken advantage of the exemption available in accordance with FRS 102 para 33.1A not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of IKA-Werke GmbH & Co. KG.

#### **13 Parent company**

IKA-Werke GmbH & Co. KG (incorporated in Germany) is regarded by the directors as being the company's ultimate controlling parent company.

The consolidated financial statements of IKA-Werke GmbH & Co. KG can be obtained from:

IKA-Werke GmbH & Co. KG  
Janke & Kunkel-Straße 10  
79219 Staufen  
Germany

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.