

Company Registration No. SC192668 (Scotland)

IRVINE SPRING COMPANY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR



IRVINE SPRING COMPANY LIMITED

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IRVINE SPRING COMPANY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|--|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Intangible assets | 4 | | 12,655 | | 13,600 |
| Tangible assets | 5 | | 402,511 | | 429,086 |
| | | | <u>415,166</u> | | <u>442,686</u> |
| Current assets | | | | | |
| Stocks | 6 | 119,367 | | 108,512 | |
| Debtors | 7 | 197,179 | | 211,708 | |
| Cash at bank and in hand | | 758,832 | | 691,350 | |
| | | <u>1,075,378</u> | | <u>1,011,570</u> | |
| Creditors: amounts falling due within one year | 8 | <u>(113,030)</u> | | <u>(96,668)</u> | |
| Net current assets | | | <u>962,348</u> | | <u>914,902</u> |
| Total assets less current liabilities | | | <u>1,377,514</u> | | <u>1,357,588</u> |
| Creditors: amounts falling due after more than one year | 9 | | (560,177) | | (540,845) |
| Provisions for liabilities | 10 | | (29,970) | | (22,148) |
| Net assets | | | <u>787,367</u> | | <u>794,595</u> |
| Capital and reserves | | | | | |
| Called up share capital | 13 | | 50,000 | | 50,000 |
| Profit and loss reserves | | | 737,367 | | 744,595 |
| Total equity | | | <u>787,367</u> | | <u>794,595</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 10/05/2023 and are signed on its behalf by:

Neil Matthews

N Matthews
Director

Company Registration No. SC192668

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Irvine Spring Company Limited is a private company limited by shares incorporated in Scotland. The registered office is 6 Kyle Road, Industrial Estate, Irvine, Ayrshire, KA12 8JS.

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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Software

Straight line over 10 years

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 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.

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 | Straight line over 15 years |
| Fixtures and fittings | Straight line over 4 to 10 years |
| Motor vehicles | Straight line over 4 years |

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.

1.6 Impairment of fixed assets

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.

1.7 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

1.8 Cash and cash equivalents

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.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

1.10 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.

1.11 Taxation

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

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.

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

1.12 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.

1.13 Retirement benefits

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

1.14 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.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 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.

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Stock provision

The company makes an estimate in relation to slow moving and obsolete stock. The stock level is compared to the level of projected sales and the lower of the two figures are used for the valuation. This process has been used consistently for many years.

Valuation of in-house produced stock

The closing value of finished goods is estimated by the company as being the expected net realisable value of year end stock discounted by the gross margin of the company.

3 Employees

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

| | 2022 Number | 2021 Number |
|-------|----------------|----------------|
| Total | 16 | 16 |

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Intangible fixed assets

| | Software £ |
|--|---------------|
| Cost | |
| At 1 January 2022 and 31 December 2022 | 14,175 |
| Amortisation and impairment | |
| At 1 January 2022 | 575 |
| Amortisation charged for the year | 945 |
| At 31 December 2022 | 1,520 |
| Carrying amount | |
| At 31 December 2022 | 12,655 |
| At 31 December 2021 | 13,600 |

5 Tangible fixed assets

| | Plant and equipment £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|------------------------------------|-----------------------------|-------------------------------|------------------------|------------|
| Cost | | | | |
| At 1 January 2022 | 631,311 | 30,511 | 9,295 | 671,117 |
| Additions | - | 15,519 | - | 15,519 |
| Disposals | (3,050) | (3,765) | - | (6,815) |
| At 31 December 2022 | 628,261 | 42,265 | 9,295 | 679,821 |
| Depreciation and impairment | | | | |
| At 1 January 2022 | 216,731 | 16,005 | 9,295 | 242,031 |
| Depreciation charged in the year | 35,405 | 6,689 | - | 42,094 |
| Eliminated in respect of disposals | (3,050) | (3,765) | - | (6,815) |
| At 31 December 2022 | 249,086 | 18,929 | 9,295 | 277,310 |
| Carrying amount | | | | |
| At 31 December 2022 | 379,175 | 23,336 | - | 402,511 |
| At 31 December 2021 | 414,580 | 14,506 | - | 429,086 |

6 Stocks

| | 2022 £ | 2021 £ |
|----------------|-----------|-----------|
| Raw materials | 23,492 | 18,928 |
| Finished goods | 95,875 | 89,584 |
| | 119,367 | 108,512 |

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Debtors

| | 2022 | 2021 |
|---|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 153,707 | 165,320 |
| Corporation tax recoverable | 20,719 | 19,408 |
| Other debtors | 22,753 | 26,980 |
| | <u>197,179</u> | <u>211,708</u> |

8 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------|----------------|---------------|
| | £ | £ |
| Trade creditors | 53,182 | 44,282 |
| Taxation and social security | 11,278 | 5,484 |
| Accruals and deferred income | 48,570 | 46,902 |
| | <u>113,030</u> | <u>96,668</u> |

9 Creditors: amounts falling due after more than one year

| | 2022 | 2021 |
|------------------|----------------|----------------|
| | £ | £ |
| Other borrowings | <u>560,177</u> | <u>540,845</u> |

Other borrowings represents an unsecured loan from the parent company, Indutrade UK Limited. The loan is accruing interest at a rate of 2.6% per annum.

10 Provisions for liabilities

| | Note | 2022 | 2021 |
|--------------------------|------|---------------|---------------|
| | | £ | £ |
| Deferred tax liabilities | 11 | <u>29,970</u> | <u>22,148</u> |

11 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

| | Liabilities | Liabilities |
|--------------------------------|---------------|---------------|
| | 2022 | 2021 |
| | £ | £ |
| Balances: | | |
| Accelerated capital allowances | <u>29,970</u> | <u>22,148</u> |

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

11 Deferred taxation (Continued)

| | 2022 £ |
|-------------------------------|---------------|
| Movements in the year: | |
| Liability at 1 January 2022 | 22,148 |
| Charge to profit or loss | 7,822 |
| Liability at 31 December 2022 | <u>29,970</u> |

12 Retirement benefit schemes

| | 2022 £ | 2021 £ |
|---|---------------|--------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | <u>10,538</u> | <u>8,442</u> |

13 Called up share capital

| | 2022 Number | 2021 Number | 2022 £ | 2021 £ |
|---|----------------|----------------|---------------|---------------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of £1 each | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> |

14 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.

Senior Statutory Auditor:
Statutory Auditor:

Ryan Wear BSc ACA
UHY Hacker Young Manchester LLP

15 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:

| | 2022 £ | 2021 £ |
|--|--------------|---------------|
| | <u>5,250</u> | <u>19,250</u> |

16 Related party transactions

The company has taken advantage of FRS 102 "related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

IRVINE SPRING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Parent company

The immediate parent company is Indutrade UK Limited. The ultimate controlling party is Indutrade AB, a company listed on the Stockholm Stock Exchange.