

COMPANY REGISTRATION NUMBER: 03427825

Industrial Encoders Direct Limited
Filleted Unaudited Financial Statements
28 February 2018

Industrial Encoders Direct Limited

Financial Statements

Year ended 28 February 2018

| Contents | Pages |
|-----------------------------------|---------------|
| Statement of financial position | 1 to 2 |
| Statement of changes in equity | 3 |
| Notes to the financial statements | 4 to 8 |

The following pages do not form part of the financial statements

Chartered accountants and business advisers report to the board of directors on the preparation of the unaudited statutory financial statements

Industrial Encoders Direct Limited

Statement of Financial Position

28 February 2018

| | Note | 2018 £ | 2017 £ |
|--|------|-----------|-----------|
| Fixed assets | | | |
| Tangible assets | 5 | 82,197 | 69,166 |
| Current assets | | | |
| Stocks | | 21,000 | 10,000 |
| Debtors | 6 | 107,831 | 87,302 |
| Cash at bank and in hand | | 208,631 | 216,564 |
| | | 337,462 | 313,866 |
| Creditors: amounts falling due within one year | 7 | 118,753 | 116,330 |
| Net current assets | | 218,709 | 197,536 |
| Total assets less current liabilities | | 300,906 | 266,702 |
| Creditors: amounts falling due after more than one year | 8 | 6,686 | 6,870 |
| Provisions | | | |
| Taxation including deferred tax | | 15,944 | 13,229 |
| Net assets | | 278,276 | 246,603 |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Profit and loss account | | 278,176 | 246,503 |
| Member funds | | 278,276 | 246,603 |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 28 February 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

Industrial Encoders Direct Limited

Statement of Financial Position *(continued)*

28 February 2018

These financial statements were approved by the board of directors and authorised for issue on 6 November 2018 , and are signed on behalf of the board by:

K A Lewis

Director

Company registration number: 03427825

Industrial Encoders Direct Limited

Statement of Changes in Equity

Year ended 28 February 2018

| | Called up share capital | Profit and loss account | Total |
|---|----------------------------|----------------------------|------------------|
| | £ | £ | £ |
| At 1 March 2016 | 2 | 217,407 | 217,409 |
| Profit for the year | | 82,096 | 82,096 |
| | ---- | ----- | ----- |
| Total comprehensive income for the year | — | 82,096 | 82,096 |
| Issue of shares | 98 | — | 98 |
| Dividends paid and payable | — | (53,000) | (53,000) |
| | ---- | ----- | ----- |
| Total investments by and distributions to owners | 98 | (53,000) | (52,902) |
| At 28 February 2017 | 100 | 246,503 | 246,603 |
| Profit for the year | | 84,673 | 84,673 |
| | ---- | ----- | ----- |
| Total comprehensive income for the year | — | 84,673 | 84,673 |
| Dividends paid and payable | — | (53,000) | (53,000) |
| | ---- | ----- | ----- |
| Total investments by and distributions to owners | — | (53,000) | (53,000) |
| | ---- | ----- | ----- |
| At 28 February 2018 | 100 | 278,176 | 278,276 |
| | ---- | ----- | ----- |

Industrial Encoders Direct Limited

Notes to the Financial Statements

Year ended 28 February 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 10, Edison Court, Ellice Way, Wrexham Technology Park, Wrexham, LL13 7YT.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company accounting policies.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|---------------------------------|---|----------------------|
| Leasehold property improvements | - | 25% straight line |
| Plant and machinery | - | 15% reducing balance |
| Motor Vehicles | - | 25% reducing balance |
| Equipment | - | 25% reducing balance |

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

The following assets and liabilities within the accounts are classified as financial instruments - trade debtors, trade creditors and directors loans. Directors loans (being repayable upon demand), trade debtors and trade creditors, are measured at the undiscounted amount of cash or other consideration expected to be paid or received. Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If such evidence is found, an impairment loss is recognised in the statement of Income and Retained Earnings.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 9 (2017: 9).

5. Tangible assets

| | Land and buildings | Plant and machinery | Motor vehicles | Equipment | Total |
|----------------------------|-----------------------|------------------------|----------------|---------------|----------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 March 2017 | – | 203,734 | 11,647 | 25,382 | 240,763 |
| Additions | 16,913 | – | 6,999 | 9,137 | 33,049 |
| | ----- | ----- | ----- | ----- | ----- |
| At 28 February 2018 | 16,913 | 203,734 | 18,646 | 34,519 | 273,812 |
| | ----- | ----- | ----- | ----- | ----- |
| Depreciation | | | | | |
| At 1 March 2017 | – | 148,370 | 2,912 | 20,315 | 171,597 |
| Charge for the year | 4,228 | 8,305 | 3,934 | 3,551 | 20,018 |
| | ----- | ----- | ----- | ----- | ----- |
| At 28 February 2018 | 4,228 | 156,675 | 6,846 | 23,866 | 191,615 |
| | ----- | ----- | ----- | ----- | ----- |
| Carrying amount | | | | | |
| At 28 February 2018 | 12,685 | 47,059 | 11,800 | 10,653 | 82,197 |
| | ----- | ----- | ----- | ----- | ----- |
| At 28 February 2017 | – | 55,364 | 8,735 | 5,067 | 69,166 |
| | ----- | ----- | ----- | ----- | ----- |

6. Debtors

| | 2018 | 2017 |
|---------------|----------------|--------|
| | £ | £ |
| Trade debtors | 106,434 | 85,188 |
| Other debtors | 1,397 | 2,114 |
| | ----- | ----- |
| | 107,831 | 87,302 |
| | ----- | ----- |

7. Creditors: amounts falling due within one year

| | 2018 | 2017 |
|---------------------------------|----------------|---------|
| | £ | £ |
| Trade creditors | 70,943 | 66,756 |
| Social security and other taxes | 32,546 | 35,893 |
| Other creditors | 15,264 | 13,681 |
| | ----- | ----- |
| | 118,753 | 116,330 |
| | ----- | ----- |

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

| | 2018 | 2017 |
|-----------------|--------------|-------|
| | £ | £ |
| Other creditors | 6,686 | 6,870 |
| | ----- | ----- |

9. Directors' advances, credits and guarantees

In the year the company paid £53,000 dividends to directors who are also shareholders. The directors operate a current account with the company. As follows:

| | 2018 |
|-----------------|--------------|
| | £ |
| Opening Balance | 4,483 |
| Movements | (1,238) |
| | ----- |
| Closing Balance | 3,245 |
| | ----- |

10. Related party transactions

During the year the company employed the two sons of the Directors. The aggregate gross salary was £45,396.

Industrial Encoders Direct Limited

Management Information

Year ended 28 February 2018

The following pages do not form part of the financial statements.

Industrial Encoders Direct Limited

Chartered Accountants and Business Advisers Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Industrial Encoders Direct Limited

Year ended 28 February 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Industrial Encoders Direct Limited for the year ended 28 February 2018, which comprise the statement of financial position, statement of changes in equity and the related notes 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 www.icaew.com/en/membership/regulations-standards-and-guidance. This report is made solely to the Board of Directors of Industrial Encoders Direct Limited, as a body, in accordance with the terms of our engagement letter dated 1 March 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Industrial Encoders Direct Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Industrial Encoders Direct Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Industrial Encoders Direct Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Industrial Encoders Direct Limited. You consider that Industrial Encoders Direct Limited 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 financial statements of Industrial Encoders Direct Limited. 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 financial statements.

BRUCE ROBERTS & CO LIMITED Chartered Accountants and Business Advisers
Unit 10, Edison Court Ellice Way Wrexham Technology Park Wrexham LL13 7YT
7 November 2018

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.