

CO House

Company Registration No. 06135796 (England and Wales)

IRON RATIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



IRON RATIONS LIMITED

COMPANY INFORMATION

Directors Colonel C P H Knaggs
A G Wauchope
J Verden

Secretary A M Harrison

Company number 06135796

Registered office Ironmongers' Hall
Shaftesbury Place
London
EC2Y 8AA

Auditors HW Fisher LLP
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Bankers Barclays Bank PLC
1 Churchill Place
London
E14 5HP

IRON RATIONS LIMITED

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IRON RATIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company during the year was that of property investment.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Colonel C P H Knaggs
A G Wauchope
J Verden

Auditor

HW Fisher LLP has expressed its willingness to continue in office as auditor to the company and, in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put to the member.

Statement of disclosure to auditor

Each of the directors has confirmed that there is no information relevant to the audit, of which they are aware, that has not been communicated to the auditor and that they have taken appropriate action to identify such relevant information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Colonel C P H Knaggs

Director

Date: 20/09/2021

IRON RATIONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

IRON RATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF IRON RATIONS LIMITED

Opinion

We have audited the financial statements of Iron Rations Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

IRON RATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF IRON RATIONS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The company did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102 and Companies Act 2006.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

IRON RATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF IRON RATIONS LIMITED

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to provisions and asset valuations.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Performing physical verifications of key assets.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Sailesh Mehta (Senior Statutory Auditor)

For and on behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

15 October 2021

IRON RATIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
Turnover		112,346	120,176
Administrative expenses		(32,748)	(33,194)
Other operating income		-	15,000
Operating profit	2	79,598	101,982
Interest receivable and similar income		2	6
Interest payable and similar expenses	4	(47,906)	(48,037)
Fair value gains on investment property	7	285,000	65,000
Profit before taxation		316,694	118,951
Tax on profit	5	(54,150)	(15,436)
Profit for the financial year	11	262,544	103,515
Total comprehensive income for the year		262,544	103,515

IRON RATIONS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment property	7		2,050,000		1,765,000
Current assets					
Debtors	8	36,724		40,132	
Cash at bank and in hand		43,741		22,619	
		<u>80,465</u>		<u>62,751</u>	
Creditors: amounts falling due within one year	9	<u>(1,457,797)</u>		<u>(1,417,826)</u>	
Net current liabilities			(1,377,332)		(1,355,075)
Total assets less current liabilities			<u>672,668</u>		<u>409,925</u>
Provisions for liabilities	10		(95,816)		(41,666)
Net assets			<u><u>576,852</u></u>		<u><u>368,259</u></u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves	11	576,851		368,258	
Total equity			<u><u>576,852</u></u>		<u><u>368,259</u></u>

These financial statements have been prepared 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 28/09/2021 and are signed on its behalf by:



Colonel CPH Knaggs
Director

Company Registration No. 06135796

IRON RATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

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, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have considered the effect of the continuing Covid-19 pandemic. The directors consider the disruption to the company's business is not significant. The directors have a reasonable expectation that the company can continue as a going concern with the continued support from their immediate parent company for a period of at least twelve months from the date of approval of these financial statements.

1.3 Turnover

Turnover represents rental income recognised on a straight-line basis over the lease term.

1.4 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

1.5 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.

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.

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.

2 Operating profit

	2021	2020
Operating profit for the year is stated after charging/(crediting):	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	3,881	3,800

IRON RATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Employees

There were no employees during the year or the prior year.

4 Interest payable and similar expenses

	2021 £	2020 £
Interest payable and similar expenses includes the following:		
Interest payable to group undertaking	47,906	48,037

5 Taxation

	2021 £	2020 £
Deferred tax		
Origination and reversal of timing differences	54,150	15,436

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	316,694	118,951
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2019: 19%)	60,172	22,601
Effect of change in corporation tax rate	-	3,086
Group relief	(6,022)	(10,251)
Taxation charge for the year	54,150	15,436

6 Dividends

	2021 £	2020 £
Ordinary shares		
Interim paid	53,951	74,478
	53,951	74,478

IRON RATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Investment property

	2021 £
Fair value	
At 1 April 2020	1,765,000
Revaluation	285,000
	<u>2,050,000</u>
At 31 March 2021	<u>2,050,000</u>

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 January 2021 by Vail Williams Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

8 Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	18,603	33,835
Other debtors	385	85
Prepayments and accrued income	17,736	6,212
	<u>36,724</u>	<u>40,132</u>

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,984	15,342
Amounts due to group undertaking	1,409,099	1,352,099
Other taxation and social security	2,983	3,094
Other creditors	13,080	8,159
Accruals and deferred income	30,651	39,132
	<u>1,457,797</u>	<u>1,417,826</u>

The amount owed to the group undertaking carries interest at 3.4% per annum and has no fixed date for repayment.

10 Provisions for liabilities

	2021 £	2020 £
Deferred tax liabilities	95,816	41,666

Deferred tax has arisen in relation to the revaluation of the investment property.

IRON RATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Profit and loss reserves

	2021 £	2020 £
At the beginning of the year	368,258	339,221
Profit for the year	262,544	103,515
Dividends declared and paid in the year	(53,951)	(74,478)
At the end of the year	<u>576,851</u>	<u>368,258</u>

12 Related party transactions

At the year end Ferroners plc was owed £1,409,099 (2020: £1,352,099). Interest payable during the year amounted to £47,906 (2020: £48,037). In the year Iron Rations Limited paid a dividend to Ferroners plc of £53,951 (2020: £74,478).

13 Parent company

The parent entity is Ferroners plc, and the ultimate controlling party is The Worshipful Company of Ironmongers incorporated by Royal Charter, both of which are incorporated in England.

14 Company information

Iron Rations Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Ironmongers' Hall, Shaftesbury Place, London, EC2Y 8AA.