

Company Registration No. SC054448 (Scotland)

INSTRUMENT TRANSFORMERS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

PAGES FOR FILING WITH REGISTRAR

INSTRUMENT TRANSFORMERS LIMITED

COMPANY INFORMATION

Directors S J McAnenay
G Simpson
P J Munro
G K McFarlane

Secretary S J McAnenay

Company number SC054448

Registered office 2-4 Lithgow Place
College Milton North
East Kilbride
South Lanarkshire
Scotland
G74 1PW

Accountants William Duncan + Co Ltd
38 Beansburn
Kilmarnock
East Ayrshire
Scotland
KA3 1RL

INSTRUMENT TRANSFORMERS LIMITED

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INSTRUMENT TRANSFORMERS LIMITED

REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF INSTRUMENT TRANSFORMERS LIMITED

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Instrument Transformers Limited for the year ended 30 June 2021 which comprise, the Balance Sheet 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 ICAS we are subject to its ethical and other professional requirements which are detailed at <https://icas.com/icas-framework-preparation-of-accounts>

This report is made solely to the Board of Directors of Instrument Transformers Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Instrument Transformers Limited and state those matters that we have agreed to state to the Board of Directors of Instrument Transformers Limited, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://icas.com/icas-framework-preparation-of-accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Instrument Transformers Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Instrument Transformers 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 Instrument Transformers Limited. You consider that Instrument Transformers 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 Instrument Transformers 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.

William Duncan + Co Ltd
Chartered Accountants

38 Beansburn
Kilmarnock
East Ayrshire
Scotland
KA3 1RL

25 March 2022

INSTRUMENT TRANSFORMERS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		546,788		601,564
Investment properties	5		250,000		250,000
			<u>796,788</u>		<u>851,564</u>
Current assets					
Stocks		262,812		145,019	
Debtors	6	375,613		418,441	
Cash at bank and in hand		1,032,660		975,490	
		<u>1,671,085</u>		<u>1,538,950</u>	
Creditors: amounts falling due within one year	7	(276,574)		(336,185)	
Net current assets			<u>1,394,511</u>		<u>1,202,765</u>
Total assets less current liabilities			2,191,299		2,054,329
Creditors: amounts falling due after more than one year	8		(236,739)		(36,241)
Provisions for liabilities			(43,935)		(44,099)
Net assets			<u>1,910,625</u>		<u>1,973,989</u>
Capital and reserves					
Called up share capital	9		12,000		12,000
Revaluation reserve	10		121,618		121,618
Other reserves			50,000		50,000
Profit and loss reserves			1,727,007		1,790,371
Total equity			<u>1,910,625</u>		<u>1,973,989</u>

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

For the financial year ended 30 June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

INSTRUMENT TRANSFORMERS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2021

The financial statements were approved by the board of directors and authorised for issue on 25 March 2022 and are signed on its behalf by:

S J McAnenay
Director

Company Registration No. SC054448

INSTRUMENT TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Instrument Transformers Limited is a private company limited by shares incorporated in Scotland. The registered office is 2-4 Lithgow Place, Collee Milton North, East Kilbride, South Lanarkshire, Scotland, G74 1PW.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 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.

Turnover is represented by the design, manufacture and sale of current transformers, instrumentation for power measurement and switchgear manufacturing equipment.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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.

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:

Freehold land and buildings	2% Straight line
Leasehold land and buildings	No depreciation provided
Plant and equipment	10% Straight line
Fixtures and fittings	15% Straight line
Computers	25% Straight line
Motor vehicles	25% Straight line

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 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

INSTRUMENT TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

1.6 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.

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' 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.

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.

INSTRUMENT TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

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.

1.13 Retirement benefits

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

1.14 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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.

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.

INSTRUMENT TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

3 Employees

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

	2021 Number	2020 Number
Total	27	28

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2020	282,310	1,426,389	1,708,699
Additions	-	27,356	27,356
Disposals	-	(24,930)	(24,930)
At 30 June 2021	282,310	1,428,815	1,711,125
Depreciation and impairment			
At 1 July 2020	10,172	1,096,963	1,107,135
Depreciation charged in the year	5,086	77,046	82,132
Eliminated in respect of disposals	-	(24,930)	(24,930)
At 30 June 2021	15,258	1,149,079	1,164,337
Carrying amount			
At 30 June 2021	267,052	279,736	546,788
At 30 June 2020	272,138	329,426	601,564

5 Investment property

	2021 £
Fair value	
At 1 July 2020 and 30 June 2021	250,000

Investment property is included at a fair value of £250,000.

INSTRUMENT TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

6 Debtors	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	327,940	378,678
Corporation tax recoverable	8,155	3,818
Other debtors	39,518	35,945
	<u>375,613</u>	<u>418,441</u>
7 Creditors: amounts falling due within one year	2021	2020
	£	£
Bank loans	39,920	19,921
Trade creditors	119,432	186,279
Amounts owed to group undertakings	50,000	50,000
Taxation and social security	16,283	30,894
Other creditors	50,939	49,091
	<u>276,574</u>	<u>336,185</u>
8 Creditors: amounts falling due after more than one year	2021	2020
	£	£
Bank loans and overdrafts	236,739	35,238
Other creditors	-	1,003
	<u>236,739</u>	<u>36,241</u>
9 Called up share capital	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
12,000 Ordinary of £1 each	12,000	12,000
	<u>12,000</u>	<u>12,000</u>
10 Revaluation reserve	2021	2020
	£	£
At the beginning and end of the year	121,618	121,618
	<u>121,618</u>	<u>121,618</u>

INSTRUMENT TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

11 COVID

In common with many other businesses the company saw a downturn in trading in March 2020 as a result of the Covid-19 pandemic. All measures were taken to reduce costs and outgoings and applications made for available business support including the Coronavirus Job Retention Scheme to support the business.

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.