

**Financial Statements for the Year Ended 30 June 2020**

**for**

**Instrument Transformers Limited**

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**for the Year Ended 30 June 2020**

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**Instrument Transformers Limited**

**Company Information**  
**for the Year Ended 30 June 2020**

**DIRECTORS:**

R A Porrelli  
G Simpson  
S J McAnenay  
P Munro  
G K McFarlane

**SECRETARY:**

R A Porrelli

**REGISTERED OFFICE:**

2-4 Lithgow Place  
College Milton North  
East Kilbride  
Glasgow  
G74 1PW

**REGISTERED NUMBER:**

SC054448 (Scotland)

**ACCOUNTANTS:**

IDS and Co  
Chartered Accountants  
38 Beansburn  
Kilmarnock  
Ayrshire  
KA3 1RL

**Instrument Transformers Limited (Registered number: SC054448)**

**Balance Sheet**  
**30 June 2020**

|  | Notes | 30.6.20<br>£     | £                | 30.6.19<br>£ | £                |
|--|-------|------------------|------------------|--------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |              |                  |
| Tangible assets                              | 4     |                  | <b>601,564</b>   |              | 656,368          |
| Investment property                          | 5     |                  | <b>250,000</b>   |              | <b>250,000</b>   |
|  |       |                  | <b>851,564</b>   |              | 906,368          |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |              |                  |
| Stocks and work in progress                  |       | <b>145,019</b>   |                  | 164,454      |                  |
| Debtors                                      | 6     | <b>418,441</b>   |                  | 319,481      |                  |
| Cash at bank and in hand                     |       | <b>975,490</b>   |                  | 992,399      |                  |
|  |       | <b>1,538,950</b> |                  | 1,476,334    |                  |
| <b>CREDITORS</b>                             |       |                  |                  |              |                  |
| Amounts falling due within one year          | 7     | <b>336,185</b>   |                  | 220,065      |                  |
| <b>NET CURRENT ASSETS</b>                    |       |                  | <b>1,202,765</b> |              | <b>1,256,269</b> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | <b>2,054,329</b> |              | 2,162,637        |
| <b>CREDITORS</b>                             |       |                  |                  |              |                  |
| Amounts falling due after more than one year | 8     |                  | <b>(36,241)</b>  |              | (60,096)         |
| <b>PROVISIONS FOR LIABILITIES</b>            |       |                  | <b>(44,099)</b>  |              | (12,099)         |
| <b>NET ASSETS</b>                            |       |                  | <b>1,973,989</b> |              | <b>2,090,442</b> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |              |                  |
| Called up share capital                      | 10    |                  | <b>12,000</b>    |              | 12,000           |
| Revaluation reserve                          | 11    |                  | <b>121,618</b>   |              | 121,618          |
| Fair value reserve                           | 11    |                  | <b>50,000</b>    |              | 50,000           |
| Retained earnings                            |       |                  | <b>1,790,371</b> |              | 1,906,824        |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <b>1,973,989</b> |              | <b>2,090,442</b> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**Instrument Transformers Limited (Registered number: SC054448)**

**Balance Sheet - continued**

**30 June 2020**

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The notes form part of these financial statements

**Instrument Transformers Limited (Registered number: SC054448)**

**Balance Sheet - continued**

**30 June 2020**

The financial statements were approved by the Board of Directors and authorised for issue on 22 June 2021 and were signed on its behalf by:

R A Porrelli - Director

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 30 June 2020**

1. **STATUTORY INFORMATION**

Instrument Transformers Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable services rendered, stated net of discounts and of Value Added Tax.

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

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

|                         |  |
|-------------------------|--|
| Land and buildings      | - 2% on cost                               |
| Plant and machinery etc | - 25% on cost, 15% on cost and 10% on cost |

**Government grants**

Government grants in relation to tangible fixed assets are credited to profit and loss account over the useful lives of the related assets, whereas those in relation to expenditure are credited when the expenditure is charged to profit and loss.

**Investment property**

Investment property is included at a fair value of £250,000. Gains are recognised in the profit and loss account. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

Note there is no requirement for a qualified or independent valuer.

**Stocks and work in progress**

Stocks of raw materials, finished goods and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to or from related parties and investments in non-puttable ordinary shares.

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 June 2020**

2. **ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Hire purchase**

Assets obtained under hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payment is treated as a liability.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 28 (2019 - 31) .

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2020**

**4. TANGIBLE FIXED ASSETS**

|                          | <b>Land and<br/>buildings<br/>£</b> | <b>Plant and<br/>machinery<br/>etc<br/>£</b> | <b>Totals<br/>£</b> |
|--------------------------|-------------------------------------|--|---------------------|
| <b>COST OR VALUATION</b> |                                     |  |                     |
| At 1 July 2019           | 279,673                             | 1,396,851                                    | 1,676,524           |
| Additions                | <u>2,637</u>                        | <u>29,538</u>                                | <u>32,175</u>       |
| At 30 June 2020          | <u>282,310</u>                      | <u>1,426,389</u>                             | <u>1,708,699</u>    |
| <b>DEPRECIATION</b>      |                                     |  |                     |
| At 1 July 2019           | 5,086                               | 1,015,070                                    | 1,020,156           |
| Charge for year          | <u>5,086</u>                        | <u>81,893</u>                                | <u>86,979</u>       |
| At 30 June 2020          | <u>10,172</u>                       | <u>1,096,963</u>                             | <u>1,107,135</u>    |
| <b>NET BOOK VALUE</b>    |                                     |  |                     |
| At 30 June 2020          | <u>272,138</u>                      | <u>329,426</u>                               | <u>601,564</u>      |
| At 30 June 2019          | <u>274,587</u>                      | <u>381,781</u>                               | <u>656,368</u>      |

Cost or valuation at 30 June 2020 is represented by:

|      | <b>Land and<br/>buildings<br/>£</b> | <b>Plant and<br/>machinery<br/>etc<br/>£</b> | <b>Totals<br/>£</b> |
|------|-------------------------------------|--|---------------------|
| Cost | <u>282,310</u>                      | <u>1,426,389</u>                             | <u>1,708,699</u>    |

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

|                                    | <b>Plant and<br/>machinery<br/>etc<br/>£</b> |
|------------------------------------|--|
| <b>COST OR VALUATION</b>           |  |
| At 1 July 2019<br>and 30 June 2020 | <u>86,617</u>                                |
| <b>DEPRECIATION</b>                |  |
| At 1 July 2019                     | 62,097                                       |
| Charge for year                    | <u>14,152</u>                                |
| At 30 June 2020                    | <u>76,249</u>                                |
| <b>NET BOOK VALUE</b>              |  |
| At 30 June 2020                    | <u>10,368</u>                                |
| At 30 June 2019                    | <u>24,520</u>                                |

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2020**

**5. INVESTMENT PROPERTY**

|                                    | <b>Total<br/>£</b>    |
|------------------------------------|-----------------------|
| <b>FAIR VALUE</b>                  |                       |
| At 1 July 2019<br>and 30 June 2020 | <u><b>250,000</b></u> |
| <b>NET BOOK VALUE</b>              |                       |
| At 30 June 2020                    | <u><b>250,000</b></u> |
| At 30 June 2019                    | <u><b>250,000</b></u> |

Fair value at 30 June 2020 is represented by:

|                   | <b>£</b>              |
|-------------------|-----------------------|
| Valuation in 2009 | <b>110,535</b>        |
| Valuation in 2019 | <b>50,000</b>         |
| Cost              | <u><b>89,465</b></u>  |
|                   | <u><b>250,000</b></u> |

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                       | <b>30.6.20<br/>£</b>  | <b>30.6.19<br/>£</b> |
|---------------------------------------|-----------------------|----------------------|
| Trade debtors                         | <b>378,678</b>        | 295,599              |
| Other debtors                         | <b>1,353</b>          | 1,707                |
| Deposits paid                         | <b>10,515</b>         | 2,953                |
| Amounts owed by associated<br>company | <b>6,735</b>          | 6,735                |
| Corporation tax repayable             | <b>3,818</b>          | 2,944                |
| Prepayments                           | <u><b>17,342</b></u>  | <u>9,543</u>         |
|                                       | <u><b>418,441</b></u> | <u>319,481</u>       |

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | <b>30.6.20<br/>£</b>  | <b>30.6.19<br/>£</b> |
|------------------------------------|-----------------------|----------------------|
| Bank loans and overdrafts          | <b>19,921</b>         | 19,921               |
| Hire purchase contracts            | -                     | 2,014                |
| Trade and other creditors          | <b>186,279</b>        | 131,972              |
| Amounts owed to group undertakings | <b>50,000</b>         | -                    |
| Social security and other taxes    | <b>30,894</b>         | 27,447               |
| Payments on account                | <b>43,278</b>         | 34,356               |
| Accrued expenses                   | <u><b>5,813</b></u>   | <u>4,355</u>         |
|                                    | <u><b>336,185</b></u> | <u>220,065</u>       |

**Instrument Transformers Limited (Registered number: SC054448)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 June 2020**

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                            |                      |               |
|----------------------------|----------------------|---------------|
|                            | <b>30.6.20</b>       | 30.6.19       |
|                            | £                    | £             |
| Bank loans - 1-2 years     | <b>19,921</b>        | 19,921        |
| Bank loans - 2-5 years     | <b>15,317</b>        | 32,922        |
| Deferred government grants | <b>1,003</b>         | 7,253         |
|                            | <u><b>36,241</b></u> | <u>60,096</u> |

9. **SECURED DEBTS**

The following secured debts are included within creditors:

|            |                      |               |
|------------|----------------------|---------------|
|            | <b>30.6.20</b>       | 30.6.19       |
|            | £                    | £             |
| Bank loans | <u><b>55,159</b></u> | <u>72,764</u> |

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

|         |          |                |                      |               |
|---------|----------|----------------|----------------------|---------------|
| Number: | Class:   | Nominal value: | <b>30.6.20</b>       | 30.6.19       |
|         |          |                | £                    | £             |
| 12,000  | Ordinary | £1             | <u><b>12,000</b></u> | <u>12,000</u> |

11. **RESERVES**

|                                 |                            |                           |                       |
|---------------------------------|----------------------------|---------------------------|-----------------------|
|                                 | <b>Revaluation reserve</b> | <b>Fair value reserve</b> | <b>Totals</b>         |
|                                 | £                          | £                         | £                     |
| At 1 July 2019 and 30 June 2020 | <u><b>121,618</b></u>      | <u><b>50,000</b></u>      | <u><b>171,618</b></u> |

12. **RELATED PARTY DISCLOSURES**

During the year dividends of £150,210 were declared to Westminster (Scotland) Limited.

13. **POST BALANCE SHEET EVENTS**

In common with many other businesses the company had minimal activities from March 2020 as a result of the Covid-19 pandemic. All measures have been taken to reduce costs and outgoings.

The company received £17,228 from HMRC in respect of furlough claims for the 3 months to 30 June 2020.

**Chartered Accountants' Report to the Board of Directors  
on the Unaudited Financial Statements of  
Instrument Transformers Limited**

**The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.**

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 2020 which comprise the Statement of Income and Retained Earnings, 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 <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the Board of Directors of Instrument Transformers Limited, as a body, in accordance with our terms of engagement. 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 ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company 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.

IDS and Co  
Chartered Accountants  
38 Beansburn  
Kilmarnock  
Ayrshire  
KA3 1RL

22 June 2021

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.