

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

UNAUDITED REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

Registered No. 1123765

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HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

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HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

(Registered No. 9323002161)

BALANCE SHEET

AT 31 MARCH 2017

	<u>Note</u>	£	£	£	<u>2016</u>	£
Fixed assets						
Intangible assets	4		269			706
Tangible assets	5		318,099			331,357
Investments	6		173,611			356,463
			<u>491,979</u>			<u>688,526</u>
Current assets						
Stock and work in progress			323,058			224,439
Debtors	7		502,520			341,621
Cash at bank			33,414			111,946
			<u>858,992</u>			<u>678,006</u>
Creditors: Amounts falling due within one year	8		<u>(556,062)</u>			<u>(640,488)</u>
Net current assets			302,930			37,518
Total assets less current liabilities			<u>794,909</u>			<u>726,044</u>
Creditors: Amounts falling due after more than one year	9		(124,449)			(129,341)
Provisions for liabilities and charges			(5,295)			(7,586)
			<u>£ 665,165</u>			<u>£ 589,117</u>

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

(Registered No. 9323002161)

BALANCE SHEET

AT 31 MARCH 2017

(continued)

	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>2016</u>	<u>£</u>
<u>Net Assets</u> (page 1)			<u>£ 665,165</u>			<u>£ 589,117</u>
Capital and reserves						
Called up share capital	11		6,005			6,005
Profit and loss account			<u>659,160</u>			<u>583,112</u>
Shareholders Funds			<u>£ 665,165</u>			<u>£ 589,117</u>

For the year ended 31 March 2017, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

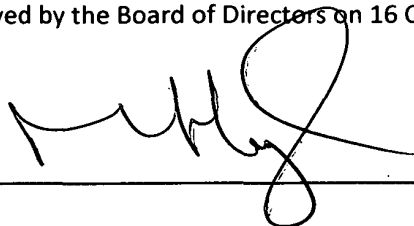
Directors' responsibilities:

- i. the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- ii. the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,
- iii. these accounts have been prepared in accordance with the provision applicable to companies subject to the small companies' regime.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved by the Board of Directors on 16 October 2017 and signed on its behalf by:



M G Hyde Esq - Director

The notes on pages 3 to 9 form part of these financial statements.

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2017

1. General information

The company is a company limited by share capital incorporated in England.

The address of its registered office is:

Bewell House
Bewell Street
Hereford
HR4 0BA

The principal place of business is:

Unit 18/20
Three Elms Trading Estate
Hereford
HR4 9PU

These financial statements were authorised for issue by the Board on 16 October 2017.

Principal activities

The company's principal activities during the year remained those of the purchase and distribution of industrial fastenings, the hire of industrial equipment and the sale of ancillary supplies.

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with FRS 102, section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Exemption from preparing group accounts

The company has not prepared consolidated accounts as it meets the criteria for a small or medium sized company and has claimed the exemption.

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2017

(continued)

2. Principal accounting policies (continued)

Tangible fixed assets

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives at the following rates:

Freehold buildings	-	2% of cost per annum
Motor vehicles	-	25% of written down value per annum
Plant and machinery	-	25% of cost per annum
Fixtures and fittings	-	15% of written down value per annum
Computer equipment	-	33% of cost per annum

Amortisation

Amortisation is provided on purchased software in equal instalments, commencing in the year of acquisition at rates estimated to write off its cost over its expected useful economic life which in the opinion of the director is 3 years.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell (net realisable value). Costs, which comprise direct production costs, are based on the method most appropriate to the type of inventory class, but usually on a first-in-first-out basis. Overheads are charged to profit and loss as incurred. Net realisable value is based on the estimated selling price less any estimated completion or selling costs.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of stocks recognised as an expense in the period in which the reversal occurs.

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2017

(continued)

2. Principal accounting policies (continued)

Taxation

Taxation represents the sum of tax currently payable and deferred tax.

The company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Defined contribution scheme

The company provides a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. The pension charge represents the amount payable by the company to the fund in respect of the year.

3. Employees

The average monthly number of employees, including directors, during the year was 25 (2016 - 28).

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2017

(continued)

4. Intangible fixed assets

	<u>Software</u>	<u>Total</u>
	£	£
Cost		
At 1 April 2016	47,876	47,876
Additions	-	-
Disposals	-	-
At 31 March 2017	<u>47,876</u>	<u>47,876</u>
Amortisation		
At 1 April 2016	47,170	47,170
Charge for the year	437	437
Disposals	-	-
At 31 March 2017	<u>47,607</u>	<u>47,607</u>
Net book amount		
At 31 March 2017	<u>£ 269</u>	<u>£ 269</u>
At 1 April 2016	<u>£ 706</u>	<u>£ 706</u>

5. Tangible fixed assets

	<u>Freehold</u>	<u>Motor</u>	<u>Plant and</u>	<u>Fixtures and</u>	<u>Computer</u>	<u>Total</u>
	<u>property</u>	<u>vehicles</u>	<u>machinery</u>	<u>fittings</u>	<u>equipment</u>	<u>£</u>
	£	£	£	£	£	£
Cost						
At 1 April 2016	330,538	61,627	163,740	189,877	7,337	753,119
Additions	-	354	4,500	6,650	1,500	13,004
Disposals	-	(6,554)	-	-	(611)	(7,165)
Revaluation	-	-	-	-	-	-
At 31 March 2017	<u>330,538</u>	<u>55,427</u>	<u>168,240</u>	<u>196,527</u>	<u>8,226</u>	<u>758,958</u>
Depreciation						
At 1 April 2016	69,059	29,364	156,097	163,112	4,130	421,762
Charge for the year	3,400	7,321	3,051	7,310	1,847	22,929
Disposals	-	(3,221)	-	-	(611)	(3,832)
At 31 March 2017	<u>72,459</u>	<u>33,464</u>	<u>159,148</u>	<u>170,422</u>	<u>5,366</u>	<u>440,859</u>
Net book amount						
At 31 March 2017	<u>£ 258,079</u>	<u>£ 21,963</u>	<u>£ 9,092</u>	<u>£ 26,105</u>	<u>£ 2,860</u>	<u>£ 318,099</u>
At 1 April 2016	<u>£ 261,479</u>	<u>£ 32,263</u>	<u>£ 7,643</u>	<u>£ 26,765</u>	<u>£ 3,207</u>	<u>£ 331,357</u>

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2017

(continued)

6. Investments	<u>Hereford Steels Limited</u>	<u>Pen Tools Limited</u>	<u>W E Wilde & Co</u>	<u>Total</u>
Cost				
At 1 April 2016	1,000	297,963	57,500	356,463
Additions	-	-	12,500	12,500
Revalued		(195,352)	-	(195,352)
At 31 March 2017	<u>1,000</u>	<u>102,611</u>	<u>70,000</u>	<u>173,611</u>
Net book amount				
At 31 March 2017	<u>1,000</u>	<u>102,611</u>	<u>70,000</u>	<u>173,611</u>
0				
At 1 April 2016	<u>1,000</u>	<u>297,963</u>	<u>57,500</u>	<u>356,463</u>

Details of subsidiary undertakings:

	<u>Class of share</u>	<u>% held</u>	<u>Location</u>	<u>Nature of business</u>
Hereford Steels Limited	Ordinary	100	United Kingdom	Dormant
Pen Tools Limited	Ordinary	100	United Kingdom	Supply and repairs power tools
W E Wilde & Co	Ordinary	70	United Kingdom	Supply and repairs power tools

Profit and Capital and Reserves:	<u>Capital and Reserves</u> <u>31/03/2016</u>	<u>Capital and Reserves</u> <u>31/03/2017</u>	<u>Profit for the year</u> <u>31/03/2016</u>	<u>Profit for the year</u> <u>31/03/2017</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Hereford Steels Limited	230,453	230,453	-	-
Pen Tools Limited	184,767	100	19,411	10,585
	<u>415,220</u>	<u>230,553</u>	<u>19,411</u>	<u>10,585</u>

Profit and Capital and Reserves:	<u>Capital and Reserves</u> <u>31/12/2015</u>	<u>Capital and Reserves</u> <u>31/03/2017</u>	<u>Profit for the year</u> <u>31/12/2015</u>	<u>Loss for the period</u> <u>31/03/2017</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
W E Wilde & Co	64,932	55,720	(606)	(9,212)
	<u>64,932</u>	<u>55,720</u>	<u>(606)</u>	<u>(9,212)</u>

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2017

(continued)

6. Investments (continued)

The director of Hereford Industrial Supply Company Limited took the decision to hive up the trade of one of its wholly owned subsidiary companies, Pen Tools Limited, on 1 April 2017. The revaluation of the investment in Pen Tool Limited reflects the movement in retained reserves in Pen Tools Limited at the date of the hive up.

7. Debtors: Amounts due within one year:

	<u>2017</u>	<u>2016</u>
	£	£
Trade debtors	297,128	284,888
Amounts owed by associated company	157,388	-
Prepayments	48,004	56,733
	<u>502,520</u>	<u>341,621</u>

8. Creditors: Amounts falling due within one year

Bank loan	2,332	10,633
Trade creditors	174,444	191,770
Accruals	10,173	42,816
Directors current account	49,988	34,945
Corporation tax	31,851	18,017
Amounts owed to associated company	230,453	307,543
Other taxes and social security	56,821	34,765
	<u>556,062</u>	<u>640,489</u>

9. Creditors: Amounts falling due after more than one year

Bank loan	<u>124,450</u>	<u>129,342</u>
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10. Loans and borrowings

The bank loan includes £116,752 (2016 - £84,213) which is repayable by instalments after more than five years. The bank loan is secured by a debenture over all the company's assets and undertakings.

11. Called up share capital

Called up share capital	<u>2017</u>		<u>2016</u>	
	Number	£	Number	£
Allotted called up and fully paid				
Ordinary shares of £1 each	6,005	6,005	6,005	6,005

HEREFORD INDUSTRIAL SUPPLY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2017

(continued)

12. Other commitments

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £106,041 (2016 - £40,014). This includes £54,041 rent due by March 2018 and £52,000 due by March 2021.

13. Transition to FRS102

During the year the 2016 results were restated as software had been previously classified under fixed assets and under FRS102 this is now classified as intangible assets. This has not resulted in any changes to the shareholders funds for 2016. There were no further adjustments in respect of the transition to FRS102.