Company Registration No. SC619829 (Scotland)

IPHCO LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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IPHCO LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

IPHCO LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	**3**		203,390		241,236
Investments	**4**		1,000		-
			204,390		241,236
Current assets					
Stocks		-		302,612	
Debtors	**5**	535,131		110,284	
		535,131		412,896	
Creditors: amounts falling due within one year	**6**	(639,515)		(554,126)	
Net current liabilities			(104,384)		(141,230)
Total assets less current liabilities			100,006		100,006
Capital and reserves					
Called up share capital	**7**		1		1
Profit and loss reserves			100,005		100,005
Total equity			100,006		100,006

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

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

The financial statements were approved and signed by the director and authorised for issue on 28 June 2021

B A Evans
Director

Company Registration No. SC619829

1 Accounting policies

Company information

IPHCO Limited is a private company limited by shares incorporated in Scotland. The registered office is 163 Bath Street, Glasgow. United Kingdom, G2 4SQ.

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 a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the director has considered confirmations received from related parties that amounts owed will not be called upon for at least 12 months from the date of approval of the financial statements to the detriment of the company and that financial support will be provided as required to ensure that the company can meet its obligations as these fall due for the same 12 month period. On the basis of these confirmations received, the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

The financial statements for the prior period cover the period from incorporation on 31 January 2019 to the 30 September 2019. As a result, comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

1.4 Turnover

Turnover represents income received from the rental of the company's plant and machinery. Turnover is recognised on a straight line basis over the period of rent and at the fair value of the consideration received or receivable. Turnover is shown net of VAT and other sales related taxes.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance or 20% 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 the profit and loss account.

1 Accounting policies **(Continued)**

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the profit and loss account.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account.

1.8 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.

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 the profit and loss account. Reversals of impairment losses are also recognised in the profit and loss account.

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 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include certain debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including amounts due to related parties and fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

2 Employees

The average monthly number of persons employed by the company during the year was 0 (2019 - 0).

3 **Tangible fixed assets**

	Plant and machinery etc
	£
Cost	
At 1 October 2019	241,236
Additions	232,190
Disposals	(241,236)
At 30 September 2020	232,190
Depreciation and impairment	
At 1 October 2019	-
Depreciation charged in the year	28,800
At 30 September 2020	28,800
Carrying amount	
At 30 September 2020	203,390
At 30 September 2019	241,236

4 **Fixed asset investments**

	2020	2019
	£	£
Investments	1,000	-

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 October 2019	-
Additions	1,000
At 30 September 2020	1,000
Carrying amount	
At 30 September 2020	1,000
At 30 September 2019	-

5 **Debtors**

	2020	2019
Amounts falling due within one year:	**£**	**£**
Other debtors	535,131	110,284

6 **Creditors: amounts falling due within one year**

	2020	2019
	£	**£**
Taxation and social security	84,389	-
Other creditors	555,126	554,126
	639,515	554,126

7 **Called up share capital**

	2020	2019
	£	**£**
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1	1	1

8 **Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Christopher Wilkie.
The auditor was Johnston Carmichael LLP.

9 **Financial commitments, guarantees and contingent liabilities**

The company has provided security to Leumi ABL Limited in the form of fixed and floating charges over the company's assets. The security has been granted in respect of bank facilities held by Merson Signs Limited, the company's parent undertaking by virtue of control exercised.

10 **Related party transactions**

Transactions with related parties
During the year the company entered into the following transactions with related parties:

10 Related party transactions **(Continued)**

	Stock transferred to related parties	
	2020	2019
	£	£
Entities with control, joint control or significant influence over the company	302,612	110,283

The following amounts were outstanding at the reporting end date:

	2020	2019
Amounts due from related parties	£	£
Entities with control, joint control or significant influence over the company	506,330	110,283

11 Parent company

The company's immediate parent, by virtue of control exercised, is Merson Signs Limited, a company registered in Scotland, whose registered address is 2 Young Place, East Kilbride, Glasgow, G75 0TD.

Merson Signs Limited is the smallest company which prepares consolidated financial statements including the company.

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.