

IP TEST LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Rothmans LLP
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

IP TEST LIMITED (REGISTERED NUMBER: 05822155)

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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IP TEST LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS: A M Middleton
R T Denyer
J R Mace
Dr B J Mulady

SECRETARY: A M Middleton

REGISTERED OFFICE: 40 Alan Turing Road
Surrey Research Park
Guildford
Surrey
GU2 7YF

REGISTERED NUMBER: 05822155 (England and Wales)

ACCOUNTANTS: Rothmans LLP
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
IP TEST 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 IP Test Limited for the year ended 31 December 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 the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of IP Test 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 IP Test Limited and state those matters that we have agreed to state to the Board of Directors of IP Test Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than IP Test Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that IP Test 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 IP Test Limited. You consider that IP Test 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 IP Test 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.

Rothmans LLP
Chartered Accountants
Fryern House
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Hampshire
SO53 2DR

21 September 2021

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	4		141,835		154,580
CURRENT ASSETS					
Stocks		243,347		236,879	
Debtors	5	1,185,935		878,042	
Cash at bank		847,483		731,231	
		<u>2,276,765</u>		<u>1,846,152</u>	
CREDITORS					
Amounts falling due within one year	6	521,970		122,512	
NET CURRENT ASSETS			<u>1,754,795</u>		<u>1,723,640</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,896,630</u>		<u>1,878,220</u>
PROVISIONS FOR LIABILITIES			<u>26,797</u>		<u>29,234</u>
NET ASSETS			<u>1,869,833</u>		<u>1,848,986</u>
CAPITAL AND RESERVES					
Called up share capital			9,500		9,500
Retained earnings			1,860,333		1,839,486
SHAREHOLDERS' FUNDS			<u>1,869,833</u>		<u>1,848,986</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

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 financial statements were approved by the Board of Directors and authorised for issue on 21 September 2021 and were signed on its behalf by:

A M Middleton - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. **STATUTORY INFORMATION**

IP Test Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 05822155 and its registered office address is 40 Alan Turing Road, Surrey Research Park, Guildford, Surrey, England, GU2 7YF.

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.

The presentation currency is £ sterling

Significant judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date, and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements have had the most significant effect on amounts recognised in the financial statements.

a) Stock is recognised at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all attributable costs. Stock provision is recognised for any stock the management deem obsolete. Stock is deemed obsolete if it is over 6 months old and/or greater than 6 months usage held in stock at the year end. A review of obsolete stock is carried out once a year at the year end.

b) Fixed assets are carried at the revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment. Management review the assets on an annual basis to ensure the assets are held at fair value.

The directors do not consider there to be any key sources of estimation uncertainty.

Turnover

Turnover is derived from the manufacture and sale of electronic industrial process control equipment, and is recognised once the product is provided.

Turnover represents net sales during the year (excluding value added tax) adjusted for accrued and deferred income where applicable.

Tangible fixed assets

All fixed assets are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

The cost of fixed assets initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in a manner intended by management.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

2. **ACCOUNTING POLICIES - continued**

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

The company only has financial assets and liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and debt instruments are subsequently measured at amortised cost.

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 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 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Grants

Grants of a revenue nature are credited to the Income Statement in the period to which they relate in accordance with the terms of the grant. Any accrued or deferred element of the grant is included in debtors or creditors as applicable.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 22 (2019 - 20).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 January 2020	203,140	69,292	272,432
Additions	25,198	2,600	27,798
At 31 December 2020	<u>228,338</u>	<u>71,892</u>	<u>300,230</u>
DEPRECIATION			
At 1 January 2020	97,811	20,041	117,852
Charge for year	28,925	11,618	40,543
At 31 December 2020	<u>126,736</u>	<u>31,659</u>	<u>158,395</u>
NET BOOK VALUE			
At 31 December 2020	<u>101,602</u>	<u>40,233</u>	<u>141,835</u>
At 31 December 2019	<u>105,329</u>	<u>49,251</u>	<u>154,580</u>

On transition to FRS 102, the company has taken advantage of Section 35 Transition to this FRS paragraph 35.10 (c) to use the previous GAAP revaluation as the deemed cost of fixed costs.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	1,107,010	796,065
Other debtors	22,545	-
Corporation tax	-	49,479
VAT	27,091	2,617
Prepayments and accrued income	29,289	29,881
	<u>1,185,935</u>	<u>878,042</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	343,361	65,663
Corporation tax	127,947	-
Social security and other taxes	41,942	48,629
Accruals and deferred income	8,720	8,220
	<u>521,970</u>	<u>122,512</u>

7. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020 £	2019 £
Within one year	75,000	75,000
Between one and five years	110,576	185,576
	<u>185,576</u>	<u>260,576</u>

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.