

Sterling Filtration Limited

Abridged Financial Statements

(Companies House Version)

for the Period from 1 April 2020 to 31 December 2020

Sterling Filtration Limited

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Sterling Filtration Limited

(Registration number: 03226779)

Abridged Balance Sheet as at 31 December 2020

	Note	2020	2020
		£	£
Fixed assets			
Tangible assets	4	9,297	11,068
Current assets			
Stocks		112,738	100,000
Debtors		87,159	111,394
Cash at bank and in hand		<u>138,506</u>	<u>53,458</u>
		338,403	264,852
Creditors: Amounts falling due within one year		<u>(103,137)</u>	<u>(98,668)</u>
Net current assets		<u>235,266</u>	<u>166,184</u>
Total assets less current liabilities		244,563	177,252
Creditors: Amounts falling due after more than one year		(41,667)	-
Provisions for liabilities		<u>(994)</u>	<u>(1,294)</u>
Net assets		<u><u>201,902</u></u>	<u><u>175,958</u></u>
Capital and reserves			
Called up share capital		80,250	80,250
Profit and loss account		<u>121,652</u>	<u>95,708</u>
Total equity		<u><u>201,902</u></u>	<u><u>175,958</u></u>

These accounts have been prepared and delivered to the Registrar in accordance with the provisions applicable to companies subject to the small companies' regime and the directors have not delivered to the Registrar a copy of the company's profit and loss account.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the Board on 28 September 2021 and signed on its behalf by:

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Mr P Hirschi

Director

Sterling Filtration Limited

Notes to the Abridged Financial Statements for the Period from 1 April 2020 to 31 December 2020

1 General information

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

The address of its registered office is:

Unit 3
Meadwood Industrial Estate
Bath Street
Bilston
West Midlands
WV14 0ST

These financial statements were authorised for issue by the Board on 28 September 2021.

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.

Basis of preparation of financial statements

These financial statements were prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, including the Financial Reporting Standard 102 ('FRS 102') Section 1A small entities, and with the Companies Act 2006.

The auditor's report included in the annual accounts delivered to members was qualified. We were not appointed as auditor of the company until after 31 December 2020 and thus did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 December 2020, which are included in the balance sheet at £112,738, by using other audit procedures.

Consequently we were unable to determine whether any adjustment to this amount was necessary. The audit report dated 28 September 2021 was issued by Page Kirk LLP, Statutory Auditors and was signed by John Wallis FCA.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Sterling Filtration Limited

Notes to the Abridged Financial Statements for the Period from 1 April 2020 to 31 December 2020

Government grants

Government grants are accounted for using the accrual model. These include the Coronavirus job retention scheme grants, the Coronavirus small business grants and grants covering the interest incurred on the Coronavirus small business loan.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	10% Reducing balance
Computer equipment	33.3% Reducing balance
Motor vehicles	25% Reducing balance
Other property, plant and equipment	20% Reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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Notes to the Abridged Financial Statements for the Period from 1 April 2020 to 31 December 2020

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

During the period, the average number of employees at the company was 8 (31 March 2020 - 9).

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Computer equipment £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 April 2020	14,727	19,900	2,771	5,013	42,411
At 31 December 2020	14,727	19,900	2,771	5,013	42,411
Depreciation					
At 1 April 2020	11,652	13,125	2,228	4,338	31,343
Charge for the year	229	1,271	136	135	1,771
At 31 December 2020	11,881	14,396	2,364	4,473	33,114
Carrying amount					
At 31 December 2020	2,846	5,504	407	540	9,297
At 31 March 2020	3,075	6,775	543	675	11,068

5 Obligations under leases and hire purchase contracts

Operating leases

At 31 December 2020 the company had total commitments under non-cancellable operating leases over the remaining life of those leases of £4,050 (31 March 2020 - £3,375).

6 Parent and ultimate parent undertaking

Hifi Filter SA is the parent company of the smallest group of companies containing Sterling Filtration Limited which prepares consolidated financial statements. Hifi Filter SA's registered office address is Z.I. Comble-Émine - CP 46, 2053 Cernier, Switzerland.