

Company Registration No. SC228728 (Scotland)

**KINETICS CONTROLS AND
INNOVATION LIMITED**

**UNAUDITED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2020

PAGES FOR FILING WITH REGISTRAR

KINETICS CONTROLS AND INNOVATION LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 6

KINETICS CONTROLS AND INNOVATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		17,979		20,852
Current assets					
Stocks		60,684		67,142	
Debtors	4	690,999		501,825	
Cash at bank and in hand		1,230,053		1,822,017	
		<u>1,981,736</u>		<u>2,390,984</u>	
Creditors: amounts falling due within one year	5	<u>(1,050,428)</u>		<u>(1,472,110)</u>	
Net current assets			931,308		918,874
Total assets less current liabilities			<u>949,287</u>		<u>939,726</u>
Capital and reserves					
Called up share capital	6		700		700
Capital redemption reserve			575		575
Profit and loss reserves			948,012		938,451
Total equity			<u>949,287</u>		<u>939,726</u>

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

For the financial year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 21 May 2021

Roy MacKenzie

Director

Company Registration No. SC228728

KINETICS CONTROLS AND INNOVATION LIMITED

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

1 Accounting policies

Company information

Kinetics Controls and Innovation Limited is a private company limited by shares incorporated in Scotland. The registered office is 28 Albyn Place, ABERDEEN, AB10 1YL and business address is Unit 6-7, 1 Kirkhill Place, Dyce, ABERDEEN, AB21 0GU.

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 amounts 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 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised as services are provided.

1.3 Tangible fixed assets

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

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

Land and buildings Leasehold	- 33.3% straight line
Plant and machinery	- 20% straight line
Fixtures, fittings and equipment	- 20% straight line
Computer equipment	- 33.3% straight line
Motor vehicles	- 25% reducing balance

1.4 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). No issues reported in estimating impairment but impairment considered.

KINETICS CONTROLS AND INNOVATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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 profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand.

1.7 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

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 creditors, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1.8 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.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

KINETICS CONTROLS AND INNOVATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2019 - 10).

KINETICS CONTROLS AND INNOVATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 September 2019	27,370	91,499	118,869
Additions	-	5,521	5,521
Disposals	-	(15,289)	(15,289)
	<u>27,370</u>	<u>81,731</u>	<u>109,101</u>
At 31 August 2020	27,370	81,731	109,101
Depreciation and impairment			
At 1 September 2019	27,370	70,647	98,017
Depreciation charged in the year	-	8,285	8,285
Eliminated in respect of disposals	-	(15,180)	(15,180)
	<u>27,370</u>	<u>63,752</u>	<u>91,122</u>
At 31 August 2020	27,370	63,752	91,122
Carrying amount			
At 31 August 2020	-	17,979	17,979
	<u>-</u>	<u>17,979</u>	<u>17,979</u>
At 31 August 2019	-	20,852	20,852
	<u>-</u>	<u>20,852</u>	<u>20,852</u>

4 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	611,259	463,664
Other debtors	79,740	38,161
	<u>690,999</u>	<u>501,825</u>
	<u><u>690,999</u></u>	<u><u>501,825</u></u>

5 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	35,519	68,237
Corporation tax	28,176	-
Other taxation and social security	65,205	42,792
Other creditors	921,528	1,361,081
	<u>1,050,428</u>	<u>1,472,110</u>
	<u><u>1,050,428</u></u>	<u><u>1,472,110</u></u>

KINETICS CONTROLS AND INNOVATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
700 Ordinary shares of £1 each	700	700
	<u> </u>	<u> </u>

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2020	2019
£	£
116,750	43,750
<u> </u>	<u> </u>

