

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**  
**FOR**  
**PETTINAROLI UK HYDRONICS LIMITED**

Stour Accountants Limited  
9 Thirlmere Walk  
Brierley Hill  
West Midlands  
DY5 3SE

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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**PETTINAROLI UK HYDRONICS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>DIRECTORS:</b>	Ms F Isaia Mrs M P Pettinaroli U Pettinaroli
<b>REGISTERED OFFICE:</b>	Unit K Austin Way Hamstead Industrial Estate Birmingham West Midlands B42 1DU
<b>REGISTERED NUMBER:</b>	04250163 (England and Wales)
<b>SENIOR STATUTORY AUDITOR:</b>	William David Chinn
<b>AUDITORS:</b>	Stour Accountants Limited 9 Thirlmere Walk Brierley Hill West Midlands DY5 3SE
<b>SOLICITORS:</b>	Mills & Reeve Llp 78-84 Colmore Row Birmingham B3 2AB

**BALANCE SHEET  
31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		38,371		49,907
<b>CURRENT ASSETS</b>					
Stocks		744,213		705,504	
Debtors	5	164,879		573,521	
Cash at bank		<u>156,499</u>		<u>262,496</u>	
		1,065,591		1,541,521	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>1,792,545</u>		<u>1,998,634</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(726,954)</u>		<u>(457,113)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(688,583)</u>		<u>(407,206)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		100		100
Retained earnings			<u>(688,683)</u>		<u>(407,306)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(688,583)</u>		<u>(407,206)</u>

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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 29 April 2022 and were signed on its behalf by:

Mrs M P Pettinaroli - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. STATUTORY INFORMATION**

Pettinaroli UK Hydronics Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The financial statements are rounded to the nearest f.

**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 financial statements have been prepared on a going concern basis. Support from its major supplier and ultimate holding company has been obtained for the foreseeable future.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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 value added tax and other sales relate taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 15% on cost
Fixtures and fittings	- 33% on cost
Motor vehicles	- 25% on cost

**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 no 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 losses profit or loss. Reversals of impairment losses are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

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**

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.

**Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered any 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 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 had been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. ACCOUNTING POLICIES - continued**

**Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**Financial instruments**

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS102 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.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**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, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. 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.

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. If not, they are presented as no-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 12 (2020 - 13) .

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**4. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2021	93,296	32,498	20,071	145,865
Additions	<u>1,867</u>	<u>3,186</u>	<u>-</u>	<u>5,053</u>
At 31 December 2021	<u>95,163</u>	<u>35,684</u>	<u>20,071</u>	<u>150,918</u>
<b>DEPRECIATION</b>				
At 1 January 2021	43,389	32,498	20,071	95,958
Charge for year	<u>16,589</u>	<u>-</u>	<u>-</u>	<u>16,589</u>
At 31 December 2021	<u>59,978</u>	<u>32,498</u>	<u>20,071</u>	<u>112,547</u>
<b>NET BOOK VALUE</b>				
At 31 December 2021	<u>35,185</u>	<u>3,186</u>	<u>-</u>	<u>38,371</u>
At 31 December 2020	<u>49,907</u>	<u>-</u>	<u>-</u>	<u>49,907</u>

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	146,511	332,132
Other debtors	<u>18,368</u>	<u>241,389</u>
	<u>164,879</u>	<u>573,521</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	1,437,761	1,592,464
Amounts owed to group undertakings	306,547	306,647
Taxation and social security	23,283	83,403
Other creditors	<u>24,954</u>	<u>16,120</u>
	<u>1,792,545</u>	<u>1,998,634</u>

**7. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2021 £	2020 £
Number:	Class:			
100	Ordinary	1	<u>100</u>	<u>100</u>

**8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

William David Chinn (Senior Statutory Auditor)  
for and on behalf of Stour Accountants Limited



**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**9. CAPITAL COMMITMENTS**

	2021 £	2020 £
Contracted but not provided for in the financial statements	<u>4,274</u>	<u>-</u>

**10. OTHER FINANCIAL COMMITMENTS**

A debenture is held by HSBC Bank plc including a fixed charge over all present freehold and leasehold property; a fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertakings, both present and future.

There were total commitments under the remaining life of operating leases of £132,202 (2020 - £180,805).