

COMPANIES HOUSE  
31 MAR 2023  
EDINBURGH MAILBOX

Company Registration No. 01452401 (England and Wales)

**THERMON (U.K.) LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2022**

**PAGES FOR FILING WITH REGISTRAR**



# **THERMON (U.K.) LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2022**

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THERMON (U.K.) LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		7,843		6,925
<b>Current assets</b>					
Debtors	5	1,947,850		3,574,823	
Cash at bank and in hand		716,195		1,186,544	
		<u>2,664,045</u>		<u>4,761,367</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(850,894)</u>		<u>(1,029,339)</u>	
<b>Net current assets</b>			<u>1,813,151</u>		<u>3,732,028</u>
<b>Total assets less current liabilities</b>			<u>1,820,994</u>		<u>3,738,953</u>
<b>Provisions for liabilities</b>	7		<u>(1,727)</u>		<u>(1,343)</u>
<b>Net assets</b>			<u><u>1,819,267</u></u>		<u><u>3,737,610</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		240,000		240,000
Profit and loss reserves			<u>1,579,267</u>		<u>3,497,610</u>
<b>Total equity</b>			<u><u>1,819,267</u></u>		<u><u>3,737,610</u></u>

The directors of the company have elected not to include a copy of the income statement 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 by the board of directors and authorised for issue on 30/03/23 and are signed on its behalf by:

*John Allison*

.....  
J Allison  
Director

# THERMON (U.K.) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

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	Share capital	Profit and loss reserves	Total
	£	£	£
<b>Balance at 1 April 2020</b>	240,000	3,184,852	3,424,852
<b>Year ended 31 March 2021:</b>			
Profit and total comprehensive income for the year	-	312,758	312,758
<b>Balance at 31 March 2021</b>	240,000	3,497,610	3,737,610
<b>Year ended 31 March 2022:</b>			
Profit and total comprehensive income for the year	-	81,657	81,657
Dividends	-	(2,000,000)	(2,000,000)
<b>Balance at 31 March 2022</b>	<u>240,000</u>	<u>1,579,267</u>	<u>1,819,267</u>

# THERMON (U.K.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

#### Company information

Thermon (U.K.) Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Seventh Avenue, Team Valley Trading Estate, Gateshead, Tyne & Wear, NE11 0JW.

#### 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 £1.

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

#### Going concern

The directors have prepared detailed forecasts which have been updated to consider the impact of the ongoing worldwide political and economic uncertainties. The Directors are of the opinion that, whilst the current climate has reduced the number of active projects, cash reserves and the balance sheet remain strong and the company has no external debt. The Directors, with reference to these forecasts believe that the entity has adequate resources to continue in operational existence for at least twelve months from date of approval of the financial statements.

#### Turnover

Turnover represents amounts receivable, net of VAT, for services provided during the year. Turnover is recognised at the fair value of the consideration receivable for sale of goods and services in the ordinary nature of the business.

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 services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Improvements to leasehold land and buildings	over the term of the lease
Fixtures, fittings and equipment	3 to 5 years
Computer equipment	3 to 5 years

# THERMON (U.K.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies (Continued)

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

#### **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 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 trade and other debtors, and amounts owed by fellow group undertakings 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **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 trade creditors, other creditors, and amounts owed to fellow group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

#### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs.

#### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

# THERMON (U.K.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

#### 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### Retirement benefits

The company operates two defined contribution schemes for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	17	17

# THERMON (U.K.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 3 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	94,132	100,088
Company pension contributions to defined contribution schemes	6,644	8,164
	<u>100,776</u>	<u>108,252</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

### 4 Tangible fixed assets

	Improvements to leasehold land and buildings	Fixtures, fittings and equipment	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2021	6,982	73,825	-	80,807
Additions	-	16,323	-	16,323
Transfers	-	(37,923)	37,923	-
At 31 March 2022	<u>6,982</u>	<u>52,225</u>	<u>37,923</u>	<u>97,130</u>
<b>Depreciation and impairment</b>				
At 1 April 2021	6,982	66,900	-	73,882
Depreciation charged in the year	-	15,405	-	15,405
Transfers	-	(30,080)	30,080	-
At 31 March 2022	<u>6,982</u>	<u>52,225</u>	<u>30,080</u>	<u>89,287</u>
<b>Carrying amount</b>				
At 31 March 2022	<u>-</u>	<u>-</u>	<u>7,843</u>	<u>7,843</u>
At 31 March 2021	<u>-</u>	<u>6,925</u>	<u>-</u>	<u>6,925</u>

### 5 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,203,030	1,338,902
Corporation tax recoverable	-	90,825
Amounts owed by group undertakings	44,843	1,373,791
Other debtors	699,977	771,305
	<u>1,947,850</u>	<u>3,574,823</u>

Included in other debtors are amounts recoverable on contracts of £408,238 (2021: £195,150).

# THERMON (U.K.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

	2022 £	2021 £
Trade creditors	293,219	362,043
Amounts owed to group undertakings	174,684	305,203
Corporation tax	6,060	-
Other taxation and social security	112,585	119,146
Other creditors	264,346	242,947
	<u>850,894</u>	<u>1,029,339</u>

Included in other creditors are payments on account of £69,153 (2021: £13,989).

### 7 Provisions for liabilities

	2022 £	2021 £
Deferred tax liabilities	1,727	1,343
	<u>1,727</u>	<u>1,343</u>

### 8 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of £1 each	30,000	30,000	30,000	30,000
	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
<b>Preference share capital Issued and fully paid</b>				
10% non-voting cumulative preference shares of £1 each	210,000	210,000	210,000	210,000
	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>

Each ordinary share has full rights in the company with respect to voting, dividends and distributions.

The preference shares have waived all dividend rights and are only redeemable in the event of a winding up.

# THERMON (U.K.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 9 Operating lease commitments

#### Lessee

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

	2022	2021
	£	£
Within one year	13,578	14,269
Between one and five years	16,161	1,709
	<u>29,739</u>	<u>15,978</u>

### 10 Parent company

The company's immediate parent is Thermon Europe B.V. a company incorporated in The Netherlands. The registered office address of Thermon Europe B.V. is Boezemweg 25, Pijnacker 2641 KG, The Netherlands. Thermon Europe B.V. is the parent undertaking of the smallest group which includes the company and for which group accounts are prepared.

### 11 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 Steven Cleugh FCCA.  
The auditor was RSM UK Audit LLP.