

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
FOR
ANCHOR INSERTS LIMITED

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for the year ended 31 August 2022**

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ANCHOR INSERTS LIMITED
COMPANY INFORMATION
for the year ended 31 August 2022

DIRECTORS: Mrs L Fisher
S E J Whitehouse

SECRETARY:

REGISTERED OFFICE: 1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

BUSINESS ADDRESS: 11 Bayton Road
Exhall
Coventry
West Midlands
CV7 9EL

REGISTERED NUMBER: 05448586 (England and Wales)

ACCOUNTANTS: LDP Luckmans
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

BALANCE SHEET
31 August 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>338</u>		<u>804</u>
			338		804
CURRENT ASSETS					
Debtors	6	1,387,424		917,505	
Cash at bank		<u>152,465</u>		<u>272,858</u>	
		1,539,889		1,190,363	
CREDITORS					
Amounts falling due within one year	7	<u>587,754</u>		<u>1,049,229</u>	
NET CURRENT ASSETS			<u>952,135</u>		<u>141,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			952,473		141,938
PROVISIONS FOR LIABILITIES	8		<u>64</u>		<u>153</u>
NET ASSETS			<u>952,409</u>		<u>141,785</u>
CAPITAL AND RESERVES					
Called up share capital	9		205		205
Retained earnings			<u>952,204</u>		<u>141,580</u>
SHAREHOLDERS' FUNDS			<u>952,409</u>		<u>141,785</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2022 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.

BALANCE SHEET - continued
31 August 2022

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 24 May 2023 and were signed on its behalf by:

S E J Whitehouse - Director

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022**

1. STATUTORY INFORMATION

Anchor Inserts 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.

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.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in connection with the manufacture and wholesale of inserts, 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.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably and (d) it is probable that future economic benefits will flow to the entity.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Computer equipment - 33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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). 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 rate 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 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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

2. 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

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 in the period are included in profit or loss.

Cash at bank in hand

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.

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

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was NIL (2021 - NIL).

4. **INTANGIBLE FIXED ASSETS**

Goodwill
£

COST

At 1 September 2021
and 31 August 2022

34,000

AMORTISATION

At 1 September 2021
and 31 August 2022

34,000

NET BOOK VALUE

At 31 August 2022

-

At 31 August 2021

-

5. **TANGIBLE FIXED ASSETS**

Computer
equipment
£

COST

At 1 September 2021
and 31 August 2022

4,348

DEPRECIATION

At 1 September 2021

3,544

Charge for year

466

At 31 August 2022

4,010

NET BOOK VALUE

At 31 August 2022

338

At 31 August 2021

804

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

	2022 £	2021 £
Trade debtors	355,028	396,209
Amounts owed by group undertakings	1,027,719	505,644
VAT	<u>4,677</u>	<u>15,652</u>
	<u>1,387,424</u>	<u>917,505</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	9,928	70,466
Amounts owed to group undertakings	473,428	841,113
Tax	101,398	131,188
Other creditors	-	3,762
Accruals and deferred income	3,000	2,700
	<u>587,754</u>	<u>1,049,229</u>

8. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Deferred tax		
Accelerated capital allowances	<u>64</u>	<u>153</u>
		Deferred tax
		£
Balance at 1 September 2021		153
Credit to Income Statement during year		(89)
Balance at 31 August 2022		<u>64</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
105	Ordinary	£1	105	105
100	A Ordinary	£1	<u>100</u>	<u>100</u>
			<u>205</u>	<u>205</u>

10. PARENT UNDERTAKING

The company is a wholly owned subsidiary of Ernest Engineering Limited, a company registered in England and Wales.

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.