

Viking Industrial Products Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 October 2020

Viking Industrial Products Limited

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Viking Industrial Products Limited

Strategic Report for the Year Ended 31 October 2020

The directors present their strategic report for the year ended 31 October 2020.

Principal activity

The principal activity of the company is distribution of industrial tapes, adhesive abrasives and packaging materials

Fair review of the business

Despite the challenges of the last three quarters of our financial year due to Covid, taking everything into account we have had a positive year with growth in both turnover and operating profit percentage. We remained open and trading throughout the pandemic and turnover benefited from our broad product offering and the ability to trade online.

During the fourth quarter we undertook a major re-design of our transactional web site which improved the CX (Customer Experience) and added further streamlining to the handling of on line orders.

We have successfully implemented an effective digital strategy which supports and promotes our web site and our Social platforms.

As part of the Goldman Sachs 10KSB Alumni we were invited to take part in their Reimagining Business and The Resilient Leader programmes which were invaluable support in navigating the changing Business landscape.

Our core values and the tenacity of our team enabled us to continue to drive our business during unprecedented times as reflected in our results. The wellbeing of our team was in the forefront of our minds throughout this challenging time.

Future Plans

Future plans involve adding to our conversion facility and an additional machine is planned for late 2020. This is a major investment and will improve our lead times and offer more flexibility to our Customers. This will also generate a job opportunity. Wellbeing within the workplace will continue to be at the forefront of everything we do and we will develop and add to the initiatives we already have in place.

During the end of the first quarter we plan to recruit 2.5 additional staff.

The Goldman Sachs 10KSB support will continue during early 2021 with two additional programmes. The alumni is acknowledged as a leading growth incubator globally.

Taking into account the uncertainty surrounding a likely last minute Brexit deal, increased raw material costs and the continuation of the pandemic the Directors feel the Business is robust enough to react to the ever-changing landscape.

Directors

The Directors shown below have held office during the whole of the period from 1989 to the date of this report

M L Bennett

C M Bennett

P L Bennett

Viking Industrial Products Limited

Strategic Report for the Year Ended 31 October 2020

Approved by the Board on 12 May 2021 and signed on its behalf by:

.....

C M Bennett
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Viking Industrial Products Limited
for the Year Ended 31 October 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Viking Industrial Products Limited for the year ended 31 October 2020 as set out on pages 4 to 13 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Viking Industrial Products Limited, as a body, in accordance with the terms of our engagement letter dated 21 November 2019. Our work has been undertaken solely to prepare for your approval the accounts of Viking Industrial Products Limited and state those matters that we have agreed to state to the Board of Directors of Viking Industrial Products Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Viking Industrial Products Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Viking Industrial Products Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Viking Industrial Products Limited. You consider that Viking Industrial Products Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Viking Industrial Products Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Watson Buckle Limited
Chartered Accountants
Bradford

12 May 2021

Viking Industrial Products Limited

(Registration number: 02385727)
Balance Sheet as at 31 October 2020

	Note	2020		2019	
		£	£	£	£
Fixed assets					
Intangible assets	<u>5</u>		-		-
Tangible assets	<u>6</u>		13,722		22,101
Other financial assets	<u>7</u>		1,000		1,000
			<u>14,722</u>		<u>23,101</u>
Current assets					
Stocks		305,557		306,797	
Debtors	<u>8</u>	1,330,053		1,302,379	
Cash at bank and in hand		<u>9,087</u>		<u>344</u>	
		1,644,697		1,609,520	
Creditors: Amounts falling due within one year	<u>9</u>	<u>(1,002,022)</u>		<u>(1,017,015)</u>	
Net current assets			<u>642,675</u>		<u>592,505</u>
Total assets less current liabilities			657,397		615,606
Creditors: Amounts falling due after more than one year	<u>9</u>		(270,076)		(316,260)
Provisions for liabilities			<u>(350)</u>		<u>(1,600)</u>
Net assets			<u>386,971</u>		<u>297,746</u>
Capital and reserves					
Called up share capital	<u>11</u>	5,000		5,000	
Profit and loss account		<u>381,971</u>		<u>292,746</u>	
Total equity			<u>386,971</u>		<u>297,746</u>

Viking Industrial Products Limited

(Registration number: 02385727)
Balance Sheet as at 31 October 2020

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

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 12 May 2021 and signed on its behalf by:

.....
C M Bennett
Director

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

1 General information

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

The address of its registered office is:

Unit 1
Coronation Business Park
Hard Ings Road
Keighley
BD21 3ND

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.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The company's functional and presentation currency is pound sterling.

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.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

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 corporation 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.

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet 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
Plant, machinery and office equipment	20% straight line basis and 25% straight line basis
Motor vehicles	25% straight line basis

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% Straight line basis

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.

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

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.

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, 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 for a similar asset. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss and any subsequent reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest for a similar debt instrument.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 17 (2019 - 16).

4 Government grants

During the year the company has received grant income of £68,172 in respect of the Coronavirus Job Retention Scheme.

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

5 Intangible assets

	Goodwill	Total
	£	£
Cost or valuation		
At 1 November 2019	67,971	67,971
Disposals	(67,971)	(67,971)
	-	-
At 31 October 2020	-	-
Amortisation		
At 1 November 2019	67,971	67,971
Amortisation eliminated on disposals	(67,971)	(67,971)
	-	-
At 31 October 2020	-	-
Carrying amount		
At 31 October 2019	-	-

6 Tangible assets

	Plant and machinery	Furniture, fittings and equipment	Office equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 November 2019	66,240	13,688	41,369	31,136	152,433
At 31 October 2020	66,240	13,688	41,369	31,136	152,433
Depreciation					
At 1 November 2019	54,477	12,545	34,940	28,370	130,332
Charge for the year	2,941	286	2,386	2,766	8,379
At 31 October 2020	57,418	12,831	37,326	31,136	138,711
Carrying amount					
At 31 October 2020	8,822	857	4,043	-	13,722
At 31 October 2019	11,763	1,143	6,429	2,766	22,101

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

7 Other financial assets (current and non-current)

	Financial assets at cost less impairment	Total
	£	£
Non-current financial assets		
Cost or valuation		
At 1 November 2019	1,000	1,000
At 31 October 2020	1,000	1,000
Carrying amount		
At 31 October 2020	1,000	1,000

8 Debtors

	2020	2019
	£	£
Trade debtors	430,038	537,717
Other debtors	894,582	760,563
Prepayments	5,433	4,099
	1,330,053	1,302,379

9 Creditors

		2020	2019
	Note	£	£
Due within one year			
Loans and borrowings	<u>10</u>	6,282	30,387
Trade creditors		472,693	465,380
Taxation and social security		144,365	78,144
Accruals and deferred income		7,100	7,685
Other creditors		371,582	435,419
		1,002,022	1,017,015

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £2,115 (2019 - £2,115).

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>10</u>	45,118	2,115
Other creditors		224,958	314,145
		270,076	316,260
		270,076	316,260

		2020 £	2019 £
Due after more than five years			
After more than five years by instalments		5,118	-
		5,118	-
		5,118	-

10 Loans and borrowings

		2020 £	2019 £
Current loans and borrowings			
Bank borrowings		4,167	-
Bank overdrafts		-	28,272
Hire purchase contracts		2,115	2,115
		6,282	30,387
		6,282	30,387

		2020 £	2019 £
Non-current loans and borrowings			
Bank borrowings		45,118	-
Hire purchase contracts		-	2,115
		45,118	2,115
		45,118	2,115

Viking Industrial Products Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

11 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	5,000	5,000	5,000	5,000

12 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £179,802 (2019 - £271,725).

Amounts disclosed in the balance sheet

Included in the balance sheet are financial commitments of £314,145 (2019 - £397,320). This is in relation to long term pension loans which are secured by fixed and floating charges over assets of the company.

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.