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**Strategic Report,  
Report of the Directors and  
Financial Statements  
for the Year Ended 31 March 2019  
for  
A. Smith Gt. Bentley Ltd**



**Contents of the Financial Statements  
for the year ended 31 March 2019**

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**A. Smith Gt. Bentley Ltd**  
**Company Information**  
**for the year ended 31 March 2019**

**DIRECTORS:**

S M B Hare  
M B Hare  
D R Newton  
N D Egner  
M H Corduff

**SECRETARY:**

S J L Magnin

**REGISTERED OFFICE:**

Centre Park  
Clacton Road  
Frating  
Essex  
CO7 7DL

**REGISTERED NUMBER:**

01112118 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Jonathon Tile ACA

**AUDITORS:**

Tile & Co  
Warden House  
37 Manor Road  
Colchester  
Essex  
CO3 3LX

**A. Smith Gt. Bentley Ltd**  
**Strategic Report**  
**for the year ended 31 March 2019**

The directors present their strategic report for the year ended 31 March 2019.

**REVIEW OF BUSINESS**

During the Year the transfer of control of Bold Ltd to Mike Corduff was finalised and the company was recapitalised. At the commencement of the period the company was suffering from a dearth of orders which had a direct negative effect of profitability. During the year significant orders have been received in the broadcasting, medical and in particular the generator sectors - giving total order input in the year of >£11m.

Following ownership and management changes the company has embarked on a large scale project to comprehensively design and standardise sub-componentry. Bills of Material and an MRP system are being introduced which will bring cost efficiencies and the ability to scale the business more rapidly through judicious use of outsourcing. This project has taken longer to implement than anticipated and is now approximately 50% completed. The transition is also causing some short-term inefficiencies and bottlenecks.

Each year the Company compiles a comprehensive budget for all aspects of the P&L Account as well as for Cash Flow and the Balance Sheet and it utilises performance against these figures as the main KPI's of the business. As a result of the matters mentioned in the above paragraph the Company has failed to meet the majority of its KPI's. Sales and PBT of the Company have improved modestly from FY2018 to £5.2m and £(114,000) respectively and there is still an order backlog at year end of £10m. The Company expects throughput and sales to increase sharply in FY2020.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Brexit risks**

The Company believed there is still a moderate risk of a No Deal Brexit. It has reviewed the potential risks in some detail and concluded that the risks are low. There are also some upsides as it anticipates that its EU competitors will face higher barriers in the UK market, especially in the medical sector.

**Tariffs**

The external EU tariff on our products is 2.7% which is manageable within the costing process

**Currency**

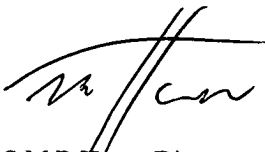
All EU contracts are now priced in EUR - this also permits the Company flexibility to engage more with EU-suppliers, providing a natural currency hedge. Where necessary significant EUR cashflows are hedged.

Type Approval For EU contracts the Company has moved its certification process to a Dutch certifying company.

**Other Risks**

The company ensures that the payment profile for its contracts requires the minimum of working capital - we also ensure that all contracts are fully paid before vehicles are despatched. Except for EUR business mentioned above all contracts are denominated in Sterling. The company expects interest rates to remain low for the foreseeable future.

**ON BEHALF OF THE BOARD:**



S M B Hare - Director

30 December 2019

## **A. Smith Gt. Bentley Ltd**

### **Report of the Directors for the year ended 31 March 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2019.

#### **RESEARCH AND DEVELOPMENT**

As mentioned in the business review above the Company has embarked on a large project to standardise sub-componentry and its generator and pod range. This requires a considerable amount of conceptual redesign and the company now employs 9 engineers to perform research and development activities alongside contract-driven work.

#### **FUTURE DEVELOPMENTS**

As mentioned under Research and Development above the company is in the process of introducing new mid-market product ranges. With emphasis on competitive pricing and quick delivery turnaround. These new ranges will not impact the company's commitment to its high end bespoke range of products for which it is in many cases world famous.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

S M B Hare  
M B Hare  
D R Newton  
N D Egner  
M H Corduff

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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.

#### **Financial risk management**

A. Smith Gt. Bentley Limited has an active policy of reducing its financial risk and optimising cash flow. The directors review the strategic plan and budget to ensure that the risk of over-leverage is minimised. The company negotiates the best staged project payment terms with its customers and ensures that for large projects cash is collected pre product despatch. For all such projects a deposit is received at the commencement of work.

The company generates regular cash flow forecasts and ensures it has an optimal level of headroom. A portion of its debt is at a fixed interest rate. It has limited foreign currency exposure as the majority of its contracts are denominated in Sterling.

**A. Smith Gt. Bentley Ltd**

**Report of the Directors  
for the year ended 31 March 2019**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Tile & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to be 'S M B Hare', written over a horizontal line.

S M B Hare - Director

30 December 2019

**Independent Auditors' Report to the Members of  
A. Smith Gt. Bentley Ltd**

**Opinion**

We have audited the financial statements of A. Smith Gt. Bentley Ltd (the 'company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Independent Auditors' Report to the Members of  
A. Smith Gt. Bentley Ltd**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

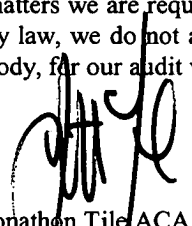
**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathon Tile ACA (Senior Statutory Auditor)  
for and on behalf of Tile & Co  
Warden House  
Colchester  
Essex  
CO3 3LX

30 December 2019



**A. Smith Gt. Bentley Ltd**

**Statement of Comprehensive Income  
for the year ended 31 March 2019**

	Notes	2019 £'000	2018 £'000
<b>TURNOVER</b>	4	5,227	4,431
Cost of sales		4,262	4,034
<b>GROSS PROFIT</b>		965	397
Administrative expenses		1,057	1,166
<b>OPERATING LOSS</b>	7	(92)	(769)
Interest payable and similar expenses	8	(102)	(100)
<b>LOSS BEFORE TAXATION</b>		(194)	(869)
Tax on loss	9	(80)	(98)
<b>LOSS FOR THE FINANCIAL YEAR</b>		(114)	(771)
<b>OTHER COMPREHENSIVE INCOME</b>			
Gains arising on revaluation of tangible fixed assets		-	408
Income tax relating to other comprehensive income		-	(52)
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		-	356
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<u>(114)</u>	<u>(415)</u>

The notes form part of these financial statements

**Balance Sheet**  
**31 March 2019**

	Notes	2019 £'000	£'000	2018 £'000	£'000
<b>FIXED ASSETS</b>					
Intangible assets	10		247		32
Tangible assets	11		3,821		3,801
			<u>4,068</u>		<u>3,833</u>
<b>CURRENT ASSETS</b>					
Stocks	12	610		507	
Debtors	13	2,958		3,325	
Cash at bank and in hand		3		3	
		<u>3,571</u>		<u>3,835</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	2,417		2,274	
<b>NET CURRENT ASSETS</b>			<u>1,154</u>		<u>1,561</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>5,222</u>		<u>5,394</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		(1,372)		(1,460)
<b>PROVISIONS FOR LIABILITIES</b>	18		<u>(55)</u>		<u>(25)</u>
<b>NET ASSETS</b>			<u><u>3,795</u></u>		<u><u>3,909</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		6		6
Share premium	20		5		5
Revaluation reserve	20		1,653		1,653
Retained earnings	20		2,131		2,245
<b>SHAREHOLDERS' FUNDS</b>	24		<u><u>3,795</u></u>		<u><u>3,909</u></u>

The financial statements were approved by the Board of Directors on 30 December 2019 and were signed on its behalf by:



S M B Hare - Director

**A. Smith Gt. Bentley Ltd**

**Statement of Changes in Equity  
for the year ended 31 March 2019**

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Revaluation reserve £'000	Total equity £'000
<b>Balance at 1 April 2017</b>	6	3,016	5	1,297	4,324
<b>Changes in equity</b>					
Total comprehensive loss	-	(771)	-	356	(415)
<b>Balance at 31 March 2018</b>	6	2,245	5	1,653	3,909
<b>Changes in equity</b>					
Total comprehensive loss	-	(114)	-	-	(114)
<b>Balance at 31 March 2019</b>	6	2,131	5	1,653	3,795

The notes form part of these financial statements

## **A. Smith Gt. Bentley Ltd**

### **Notes to the Financial Statements for the year ended 31 March 2019**

#### **1. COMPANY INFORMATION**

A. Smith Gt. Bentley Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act.

The Company is a private Company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The principal activities of the Company are set out in the strategic report.

#### **2. STATUTORY INFORMATION**

A. Smith Gt. Bentley Ltd 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.

#### **3. 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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements are presented in Sterling (£).

##### **Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

##### **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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**Notes to the Financial Statements - continued  
for the year ended 31 March 2019**

**3. ACCOUNTING POLICIES - continued**

**Significant judgements and estimates**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors calculate the value of the work in progress in such a way that they are forecasting the anticipated profit or loss on each major project at the end of the financial year. Any forecast losses on such projects are provided for within the financial statements but are dependant upon the judgements and estimates of the responsible directors.

**Turnover**

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

The attributable profits on long-term contracts are recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the cost of work done to date and the estimate of costs to complete, with revenue recognised in the same proportion.

Full provision is made for all losses on contracts in the year in which losses are first foreseen.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of nil years.

**Development costs**

Capitalised development costs are stated at cost or valuation less amortisation. Amortisation is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives. This period is between 3 and 5 years. Provision is made for any impairment.

Amortisation is charged to administrative expenses in the income statement.

Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss.

**Tangible fixed assets**

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

Freehold property	- 2% on valuation, 20% on additions
Long leasehold	- Over the period of the lease
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 33% on reducing balance and 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Other fixed assets	- 33% on cost and 20% on cost

Freehold properties are revalued to fair value every year with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account.

**Notes to the Financial Statements - continued  
for the year ended 31 March 2019**

**3. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**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.

**Financial instruments**

Short term debtors are measured at transaction price less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**Notes to the Financial Statements - continued**  
**for the year ended 31 March 2019**

**3. ACCOUNTING POLICIES - continued**

**Provisions**

Provisions for the expected cost of warranty obligations under local sale of goods legislation and the company's standard sales terms are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Company's obligation.

**Going Concern**

The financial statements have been prepared on a going concern basis which assumes that the company will continue to trade for the foreseeable future. Management has prepared a detailed cashflow forecast for the 12 months to 31 December 2020 and this shows sufficient headroom throughout the period based on a number of key assumptions. Whilst there will always be inherent uncertainties in these assumptions, management is confident in its ability to deliver the forecast based on the current trading and new business wins together with its historical forecasting accuracy.

**4. TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2019	2018
	£'000	£'000
Sales of goods	5,226	4,406
Rental Income	-	25
	<u>5,226</u>	<u>4,431</u>

An analysis of turnover by geographical market is given below:

	2019	2018
	£'000	£'000
United Kingdom	3,230	2,291
Other EEA countries	849	177
CIS	110	575
Middle East / Africa	111	-
Far East / Oceania	926	1,388
	<u>5,226</u>	<u>4,431</u>

**5. EMPLOYEES AND DIRECTORS**

	2019	2018
	£'000	£'000
Wages and salaries	2,492	2,492
Social security costs	243	241
Other pension costs	94	113
	<u>2,829</u>	<u>2,846</u>

Notes to the Financial Statements - continued  
for the year ended 31 March 2019

5. **EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	2019	2018
Production staff	61	63
Administrative staff	19	20
	<u>80</u>	<u>83</u>

6. **DIRECTORS' EMOLUMENTS**

	2019	2018
	£	£
Directors' remuneration	205,957	181,580
Directors' pension contributions to money purchase schemes	<u>11,706</u>	<u>5,778</u>

Information regarding the highest paid director for the year ended 31 March 2019 is as follows:

	2019
	£
Emoluments etc	69,860
Pension contributions to money purchase schemes	<u>3,272</u>

7. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2019	2018
	£'000	£'000
Other operating leases	12	20
Depreciation - owned assets	81	84
Loss on disposal of fixed assets	-	3
Development costs amortisation	14	10
Auditors' remuneration	12	10
Foreign exchange differences	<u>(1)</u>	<u>-</u>

8. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2019	2018
	£'000	£'000
Bank interest	78	68
Other loans	11	24
Other interest	<u>13</u>	<u>8</u>
	<u>102</u>	<u>100</u>



**Notes to the Financial Statements - continued  
for the year ended 31 March 2019**

**9. TAXATION****Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	2019 £'000	2018 £'000
Current tax:		
UK corporation tax	(80)	(46)
Deferred tax	-	(52)
Tax on loss	<u>(80)</u>	<u>(98)</u>

**Tax effects relating to effects of other comprehensive income**

There were no tax effects for the year ended 31 March 2019.

	Gross £'000	2018 Tax £'000	Net £'000
Gains arising on revaluation of tangible fixed assets	408	(52)	356
	<u>408</u>	<u>(52)</u>	<u>356</u>

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 18% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 20%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

Due to the recent announcement by the Government that the reductions in CT may be reversed it has been deemed prudent to leave the rate at which the deferred tax may unwind at 20%.

**10. INTANGIBLE FIXED ASSETS**

	Development costs £'000
<b>COST</b>	
At 1 April 2018	49
Additions	229
At 31 March 2019	<u>278</u>
<b>AMORTISATION</b>	
At 1 April 2018	17
Amortisation for year	14
At 31 March 2019	<u>31</u>
<b>NET BOOK VALUE</b>	
At 31 March 2019	<u>247</u>
At 31 March 2018	<u>32</u>

Notes to the Financial Statements - continued  
for the year ended 31 March 2019

## 11. TANGIBLE FIXED ASSETS

	Freehold property £'000	Long leasehold £'000	Plant and machinery £'000
<b>COST OR VALUATION</b>			
At 1 April 2018	3,600	53	1,071
Additions	37	-	15
At 31 March 2019	3,637	53	1,086
<b>DEPRECIATION</b>			
At 1 April 2018	-	52	915
Charge for year	45	-	25
Eliminated on disposal	-	-	-
At 31 March 2019	45	52	940
<b>NET BOOK VALUE</b>			
At 31 March 2019	3,592	1	146
At 31 March 2018	3,600	1	156

	Fixtures and fittings £'000	Motor vehicles £'000	Other fixed assets £'000	Totals £'000
<b>COST OR VALUATION</b>				
At 1 April 2018	410	33	9	5,176
Additions	38	11	-	101
Disposals	-	(6)	-	(6)
At 31 March 2019	448	38	9	5,271
<b>DEPRECIATION</b>				
At 1 April 2018	378	22	8	1,375
Charge for year	7	3	1	81
Eliminated on disposal	-	(6)	-	(6)
At 31 March 2019	385	19	9	1,450
<b>NET BOOK VALUE</b>				
At 31 March 2019	63	19	-	3,821
At 31 March 2018	32	11	1	3,801

Included in cost or valuation of land and buildings is freehold land of £1,071,000 (2018 - £1,071,000) which is not depreciated.

**Notes to the Financial Statements - continued**  
**for the year ended 31 March 2019**

**11. TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 March 2019 is represented by:

	Freehold property £'000	Long leasehold £'000	Plant and machinery £'000
Valuation in 2014	152	-	-
Valuation in 2015	458	-	-
Valuation in 2016	240	-	-
Valuation in 2018	320	-	-
Cost	2,467	53	1,086
	<u>3,637</u>	<u>53</u>	<u>1,086</u>

	Fixtures and fittings £'000	Motor vehicles £'000	Other fixed assets £'000	Totals £'000
Valuation in 2014	-	-	-	152
Valuation in 2015	-	-	-	458
Valuation in 2016	-	-	-	240
Valuation in 2018	-	-	-	320
Cost	448	38	9	4,101
	<u>448</u>	<u>38</u>	<u>9</u>	<u>5,271</u>

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2019 £'000	2018 £'000
Cost	2,390	2,390
Aggregate depreciation	<u>(585)</u>	<u>(585)</u>
Value of land in freehold land and buildings	<u>56</u>	<u>56</u>

Freehold land and buildings were valued on an open market basis on 31 March 2019 by the directors of the company.

**12. STOCKS**

	2019 £'000	2018 £'000
Raw materials	263	210
Work-in-progress	347	297
	<u>610</u>	<u>507</u>

**Notes to the Financial Statements - continued  
for the year ended 31 March 2019**

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

	2019	2018
	£'000	£'000
Trade debtors	489	176
Amounts owed by group undertakings	2,292	2,892
Amounts recoverable on contract	-	104
Tax	148	82
Deferred tax asset	16	16
Prepayments and accrued income	13	55
	<u>2,958</u>	<u>3,325</u>

**Deferred tax asset**

	2019	2018
	£'000	£'000
Accelerated capital allowances	16	(27)
Tax losses carried forward	-	273
Other timing differences	-	(230)
	<u>16</u>	<u>16</u>

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

	2019	2018
	£'000	£'000
Bank loans and overdrafts (see note 16)	440	793
Payments on account	926	31
Trade creditors	456	268
Social security and other taxes	84	287
VAT	160	66
Other creditors - loss provns	169	-
Pension control	14	39
Other loans	-	600
Loan: Mr M B Hare	80	120
Accruals and deferred income	88	70
	<u>2,417</u>	<u>2,274</u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019	2018
	£'000	£'000
Bank loans (see note 16)	<u>1,372</u>	<u>1,460</u>

**16. LOANS**

An analysis of the maturity of loans is given below:

	2019	2018
	£'000	£'000
Amounts falling due within one year or on demand:		
Bank overdrafts	352	705
Bank loans	88	88
	<u>440</u>	<u>793</u>

**Notes to the Financial Statements - continued  
for the year ended 31 March 2019**

**16. LOANS - continued**

	2019 £'000	2018 £'000
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>1,372</u>	<u>88</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>1,365</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>7</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	2019 £'000	2018 £'000
Bank loans	<u>1,460</u>	<u>1,548</u>

The bank loan is secured by fixed and floating charges over the company and all its property and assets. The loan is repayable initially in equal monthly instalments of £7,333 with a final instalment of £1,327,334 due on the final repayment date 30th September 2020 and interest is charged at 2.95% per annum above the Royal Bank of Scotland's base rate.

The hire purchase liability is secured on the asset to which it relates.

The loan from Mr M B Hare amounting to £80,000 was repaid in April 2019.

**18. PROVISIONS FOR LIABILITIES**

	2019 £'000	2018 £'000
Other provisions - Warranty	<u>55</u>	<u>25</u>
	Deferred tax	Warranty provision
	£'000	£'000
Balance at 1 April 2018	<u>(16)</u>	<u>25</u>
Balance at 31 March 2019	<u>(16)</u>	<u>25</u>

The warranty provision covers the cost of any future repairs on recent sales in line with standard sales terms.

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019 £'000	2018 £'000
121,944	Ordinary	£0.05	<u>6</u>	<u>6</u>

**Notes to the Financial Statements - continued  
for the year ended 31 March 2019**

**20. RESERVES**

	Retained earnings £'000	Share premium £'000	Revaluation reserve £'000	Totals £'000
At 1 April 2018	2,245	5	1,653	3,903
Deficit for the year	(114)			(114)
At 31 March 2019	<u>2,131</u>	<u>5</u>	<u>1,653</u>	<u>3,789</u>

**21. ULTIMATE PARENT COMPANY**

Bold Limited is regarded by the directors as being the company's ultimate parent company.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Bold Limited. Copies of the group accounts can be obtained from Companies House.

**22. RELATED PARTY DISCLOSURES**

There were transactions between the group and companies controlled by the managing director of the group as set out below:-

Sales to Streamline Industries Ltd	£191,657
Sales to Mersea Trailers Ltd	£15,755
Purchases from Mersea Trailers Ltd	£ 1,166
Purchases from Streamline Industries Ltd	£ 61,310

Furthermore, Mr M B Hare has a loan outstanding amounting to £80,000 (2018£120,000) which was repaid in full in April 2019.

**23. ULTIMATE CONTROLLING PARTY**

The controlling party is M H Corduff.

**24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2019 £'000	2018 £'000
Loss for the financial year	(114)	(771)
Other comprehensive income relating to the year (net)	-	356
<b>Net reduction of shareholders' funds</b>	<b>(114)</b>	<b>(415)</b>
Opening shareholders' funds	3,909	4,324
<b>Closing shareholders' funds</b>	<b><u>3,795</u></b>	<b><u>3,909</u></b>