

**Bauer Springs Limited**

Report and Financial Statements

Year Ended

31 December 2016

Company Number 1415845



# **Bauer Springs Limited**

## **Report and financial statements for the year ended 31 December 2016**

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### **Directors**

A Munz  
R Eberhardt

### **Secretary and registered office**

Patricia Davis  
Bauer Springs Limited  
Eagle Road  
North Moons Moat Industrial Estate  
Redditch  
Worcestershire  
B98 9HE

### **Company number**

1415845

### **Auditors**

BDO LLP, Two Snowhill, Birmingham, B4 6GA

# Bauer Springs Limited

## Balance sheet at 31 December 2016

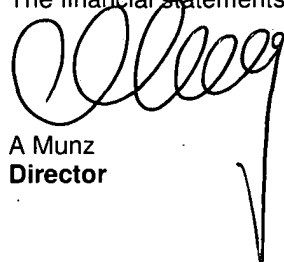
<b>Company number 1415845</b>	<b>Note</b>	<b>2016 £</b>	<b>2016 £</b>	<b>2015 £</b>	<b>2015 £</b>
<b>Fixed assets</b>					
Tangible assets	6		69,344		70,572
<b>Current assets</b>					
Stocks	7	97,127		94,670	
Debtors	8	107,159		51,797	
Cash at bank and in hand		164,760		190,776	
		<u>369,046</u>		<u>337,243</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(91,495)</u>		<u>(31,047)</u>	
<b>Net current assets</b>			<u>277,551</u>		<u>306,196</u>
<b>Net assets</b>			<u>346,895</u>		<u>376,768</u>
<b>Capital and reserves</b>					
Called up share capital	11		354,000		354,000
Profit and loss account			(7,105)		22,768
<b>Shareholders' funds</b>			<u>346,895</u>		<u>376,768</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The company's annual accounts and reports have been delivered to the registrar in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

A copy of the company's profit and loss account has not been delivered to the registrar of companies.

The financial statements were approved by the board of directors and authorised for issue on 25 July 2017

  
A Munz  
Director

The notes on pages 3 to 9 form part of these financial statements.

## Bauer Springs Limited

### Statement of changes in equity for the year ended 31 December 2016

	Share capital £	Retained earnings £	Total equity £
<b>At 1 January 2016</b>	354,000	22,768	376,768
Loss for year	-	(29,873)	(29,873)
<b>Total comprehensive income</b>	-	(29,873)	(29,873)
<b>At 31 December 2016</b>	354,000	(7,105)	346,895

### Statement of changes in equity for the year ended 31 December 2015

	Share capital £	Retained earnings £	Total equity £
<b>At 1 January 2015</b>	354,000	54,804	408,804
Loss for year	-	(32,036)	(32,036)
<b>Total comprehensive income</b>	-	(32,036)	(32,036)
<b>At 31 December 2015</b>	354,000	22,768	376,768

The purpose of each reserve within equity is as follows:

Share capital	The nominal value of allotted and fully paid up ordinary share capital
Retained earnings	Cumulative net gains and losses recognised in the statement of comprehensive income, net of dividends.

The notes on pages 3 to 9 form part of these financial statements.

# Bauer Springs Limited

## Notes forming part of the financial statements for the year ended 31 December 2016

### 1 Accounting policies

Bauer Springs Limited is a company incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given in the contents page and the company's principal activity is to distribute manufacturing springs. The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland; under the historical cost convention and in accordance with the Companies Act 2006.

The accounts have been prepared in the company's functional currency, pounds sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires company management to exercise judgement in applying the company's accounting policies as further explained in note 2.

The financial statements have been prepared using the reduced disclosure exemptions as permitted by FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. They do not therefore include the requirements of:

- Section 7 'Statement of Cash Flows'
- Section 3 'Financial Statement Presentation' paragraph 3.17(d)
- Section 11 'Financial Instruments' paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- Section 33 'Related Party Disclosures' paragraph 33.7

The following principal accounting policies have been consistently applied:

#### *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax. Revenue is recognised from the sale of goods when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods. This occurs when the buyer, or their agent, takes possession of the goods.

#### *Tangible fixed assets*

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

#### *Depreciation*

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The depreciated rates are as follows:

Land and buildings	- 2% on cost
Fixtures and fittings	- 20% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the statement of comprehensive income.

# Bauer Springs Limited

## Notes forming part of the financial statements for the year ended 31 December 2016 (*continued*)

### 1 Accounting policies (*continued*)

#### *Impairment of fixed assets*

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its net realisable value. The impairment loss is recognised immediately in the statement of comprehensive income.

#### *Leased assets*

All leases are treated as operating leases. Their annual rentals are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

#### *Pension costs*

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

#### *Current and deferred taxation*

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax balances are not discounted.

# Bauer Springs Limited

## Notes forming part of the financial statements for the year ended 31 December 2016 (*continued*)

### 1 Accounting policies (*continued*)

#### *Foreign currency translation*

Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

#### *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement has accrued at the balance sheet date and has been carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement.

#### *Financial instruments*

##### *Basic financial instruments*

##### *Financial assets*

Financial assets comprise cash at bank and in hand, trade debtors and other debtors; these are initially recorded at cost on the date they originate and are subsequently recorded at cost less provisions for impairment. The company considers evidence of impairment for all individual trade and other debtors and amounts owed by group undertakings, and any subsequent impairment is recognised in the statement of comprehensive income.

##### *Impairment of financial assets*

Impairment provisions are recognised when there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulties of the counterparty, default or significant delays in payment.

Impairment provisions represent the difference between the net carrying amount of a financial asset and the value of the expected future cash receipts from that asset.

##### *Financial liabilities*

Financial liabilities comprise trade creditors, other creditors, and amounts due to group undertakings; these are initially recorded, and subsequently carried, at cost on the date they originate.

# Bauer Springs Limited

## Notes forming part of the financial statements for the year ended 31 December 2016 (continued)

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income expenses.

The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities and are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have a significant risk of material adjustment to the carrying amount of assets and liabilities are:

- **Tangible fixed assets**

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of these assets are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

- **Stock provisions**

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

- **Trade debtors**

At each reporting date, trade debtors are assessed for recoverability. If there is any evidence of impairment, the carrying amount is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income.

### 3 Directors' remuneration

The directors have not received any emolument from the company during the fiscal year.

### 4 Taxation

Subject to agreement by H M Inspector of Taxes there are tax losses of £261,000 (2015 - £209,000) to be carried forward to offset against future profits. No deferred tax asset has been recognised because of the uncertainty regarding future taxable profits.

### 5 Intangible assets

	Purchased Goodwill £
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	4,000
<b>Amortisation</b>	
At 1 January 2016 and 31 December 2016	4,000
<b>Net book value</b>	
At 31 December 2015 and 31 December 2016	-



# Bauer Springs Limited

Notes forming part of the financial statements  
for the year ended 31 December 2016 (continued)

## 6 Tangible fixed assets

	Freehold land and buildings £	Fixtures and Fittings £	Total £
<i>Cost</i>			
At 1 January 2016	142,130	33,916	176,046
Additions	-	2,675	2,675
	<hr/>	<hr/>	<hr/>
At 31 December 2016	<b>142,130</b>	<b>36,591</b>	<b>178,721</b>
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 January 2016	75,314	30,160	105,474
Charge for year	2,283	1,620	3,903
	<hr/>	<hr/>	<hr/>
At 31 December 2016	<b>77,597</b>	<b>31,780</b>	<b>109,377</b>
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 2016	<b>64,533</b>	<b>4,811</b>	<b>69,344</b>
	<hr/>	<hr/>	<hr/>
At 31 December 2015	<b>66,816</b>	<b>3,756</b>	<b>70,572</b>
	<hr/>	<hr/>	<hr/>

## 7 Stocks

	2016 £	2015 £
Finished goods and goods for resale	<b>97,127</b>	94,670
	<hr/>	<hr/>

There is no material difference between the replacement cost of stocks and the amounts stated above.

The cost of inventories expensed in the year and included within cost of sales was £284,518 (2015 - £193,334). Impairment losses relating to damaged or obsolete inventories and included within the statement of comprehensive income amounted to £4,324 (2015 - £5,517).

## 8 Debtors

	2016 £	2015 £
Trade debtors	<b>87,013</b>	39,262
Other debtors	<b>20,146</b>	12,535
	<hr/>	<hr/>
	<b>107,159</b>	<b>51,797</b>
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

The impairment loss recognised in the statement of comprehensive income for the year in respect of bad and doubtful trade debtors was £21 (2015 - £47).

# Bauer Springs Limited

Notes forming part of the financial statements  
for the year ended 31 December 2016 (*continued*)

## 9 Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	17,628	1,621
Amounts owed to group undertakings	57,599	10,613
Taxation and social security	10,357	12,773
Other creditors	5,911	6,040
	<u>91,495</u>	<u>31,047</u>

## 10 Financial instruments

The Company's financial instruments may be analysed as follows:

	2016 £	2015 £
<b>Financial assets</b>		
Financial assets measured at cost less provisions for impairment	<u>271,919</u>	<u>242,573</u>
<b>Financial liabilities</b>		
Financial liabilities measured at cost	<u>(81,138)</u>	<u>(18,274)</u>

Financial assets measured at cost less provision for impairment comprise cash at bank and in hand, trade debtors and other debtors.

Financial liabilities measured at cost comprise trade creditors, amounts owed to group undertakings, and other creditors.

# Bauer Springs Limited

## Notes forming part of the financial statements for the year ended 31 December 2016 (*continued*)

### 11 Share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
150,000 Preference shares of £1 per share	150,000	150,000
200,000 Class A shares of £1 per share	200,000	200,000
4,000 Class B shares of £1 per share	4,000	4,000
	<hr/>	<hr/>
	354,000	354,000
	<hr/>	<hr/>

The preference shares are redeemable at par at the company's option at any time after 10 December 1987. All rights to the dividend payable on the 3% cumulative redeemable preference shares have been waived. Rights to the shares are as follows:

Income: Preference shares receive a cash dividend of 3p per share, and such dividend shall accrue from day to day and be paid yearly on the 1st January in each year, and be in respect of the period commencing on that date upon which the company first issued the shares and ending on the first date of payment thereafter. The balance of the income is to be distributed by way of a dividend among "A" and "B" shareholders.

Capital: Upon liquidation of the company any surplus assets remaining after payment of all liabilities are applied as follows: Preference shareholders, an amount equal to the subscription price paid for each share plus any arrears, deficiency or accrual of the fixed preference dividends. The balance of the assets to be divided between the holders of "A" and "B" shares in relation to the amounts held.

### 12 Controlling party

The ultimate holding company is Christian Bauer KG, a company registered in Germany. There is no one ultimate controlling party.

### 13 Related party transactions

The company is a wholly owned subsidiary of Christian Bauer KG and has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related party disclosures' not to disclose transactions with Christian Bauer KG or other wholly owned subsidiaries within the group.

Key management personnel include all directors and other senior management of the company. The total compensation paid to key management personnel for services provided to the company was £25,447 (2015 - £25,447).

### 14 Post balance sheet events

The ultimate holding company and the wholly owner of Bauer Springs Limited changed on 18 April 2017 from Christian Bauer KG to Christian Bauer GmbH + Co. KG.

### 15 Audit report

An audit of the company's financial statements was carried out by BDO LLP as statutory auditor who reported to the company's members on 4 August 2017.

The auditor's report was signed by Teresa Darby as senior statutory auditor and was unqualified.