

# **BERGER CLOSURES LIMITED**

Annual Report and Financial Statements  
for the Year Ended 31 December 2020

# Berger Closures Limited

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# Berger Closures Limited

## Company Information

<b>Directors</b>	Mr C A Petri Mr R J L Swart
<b>Registered office</b>	5 Doxford Drive South West Industrial Estate Peterlee Co Durham SR8 2RL
<b>Auditor</b>	MHA Tait Walker Chartered Accountants & Statutory Auditor 1 Massey Road Thornaby Stockton-on-Tees TS17 6DY

# **Berger Closures Limited**

## **Directors' Report for the Year Ended 31 December 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

### **Directors of the company**

The directors who held office during the year were as follows:

Mr C A Petri

Mr R J L Swart

### **Going concern**

The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations. The company operates in an industry sector which is viewed as essential and has continued to operate throughout the COVID-19 pandemic. The company has remained profitable and cash generative throughout.

The company's forecasts and projections for the next twelve months show that it should have sufficient cash reserves to be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact.

In the directors assessment of possible changes they have considered a fall in demand along with potential cost savings. The company has also made use of available reliefs put forward by HM Government including furloughing of underutilised staff and the deferral of VAT payments.

Although the forecast prepared, taking account of the matters above, support the ability of the company to remain a going concern and to be able to trade and meets its debts as they fall due, the full impact of COVID-19, the continued level of government support and the underlying trading assumptions used in forecasting are extremely judgemental and difficult to predict and could be subject to significant variation.

However, based on the factors set out above the directors believe that there is no material uncertainty in relation to going concern and that the company has adequate financial resources to continue in operational existence for at least twelve months from the date of signing the financial statements and therefore the directors believe it remains appropriate to prepare the financial statements on a going concern basis.

### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### **Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

## **Berger Closures Limited**

### **Directors' Report for the Year Ended 31 December 2020 (continued)**

#### **Small companies' provision statement**

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

Approved by the Board on 25 March 2021 and signed on its behalf by:

.....

Mr R J L Swart

Director

# **Berger Closures Limited**

## **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# **Berger Closures Limited**

## **Independent Auditor's Report to the Members of Berger Closures Limited**

### **Opinion**

We have audited the financial statements of Berger Closures Limited (the 'company') for the year ended 31 December 2020, which comprise the Income Statement, Statement of Financial Position, 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 December 2020 and of its profit 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 Auditor's 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**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Berger Closures Limited**

### **Independent Auditor's Report to the Members of Berger Closures Limited (continued)**

#### **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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

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 4), 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 is 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.



## **Berger Closures Limited**

### **Independent Auditor's Report to the Members of Berger Closures Limited (continued)**

#### **Auditor's 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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management and those charged with governance about any known or suspected instances of non-compliance with laws, regulations or fraud and any potential litigation or claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to stock provisions;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and safety, employment law (including the Working Time Directive) and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available 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 auditor's report.

## **Berger Closures Limited**

### **Independent Auditor's Report to the Members of Berger Closures Limited (continued)**

#### **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 auditor's 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.

.....  
Brian Laidlaw BA CA (Senior Statutory Auditor)  
For and on behalf of MHA Tait Walker  
Chartered Accountants  
Statutory Auditor  
1 Massey Road  
Thornaby  
Stockton-on-Tees  
TS17 6DY

31 March 2021

MHA Tait Walker is a trading name of Tait Walker LLP.

## Berger Closures Limited

### Income Statement for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Turnover	<u>3</u>	2,975,266	2,885,582
Cost of sales		<u>(1,751,865)</u>	<u>(1,563,577)</u>
Gross profit		1,223,401	1,322,005
Administrative expenses		(614,482)	(747,009)
Other operating income	<u>4</u>	<u>145,846</u>	<u>257,590</u>
Operating profit	<u>5</u>	754,765	832,586
Other interest receivable and similar income	<u>6</u>	<u>8,513</u>	<u>1,329</u>
Profit before tax		763,278	833,915
Taxation	<u>10</u>	<u>(148,390)</u>	<u>(161,099)</u>
Profit for the financial year		<u><u>614,888</u></u>	<u><u>672,816</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 12 to 24 form an integral part of these financial statements.

# Berger Closures Limited

(Registration number: 02280231)

## Statement of Financial Position as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	<u>11</u>	272,263	296,943
<b>Current assets</b>			
Stocks	<u>12</u>	367,920	344,160
Debtors	<u>13</u>	648,627	587,664
Cash at bank and in hand		667,011	546,864
		<u>1,683,558</u>	<u>1,478,688</u>
<b>Creditors:</b> Amounts falling due within one year	<u>15</u>	<u>(768,319)</u>	<u>(530,201)</u>
<b>Net current assets</b>		<u>915,239</u>	<u>948,487</u>
<b>Net assets</b>		<u>1,187,502</u>	<u>1,245,430</u>
<b>Capital and reserves</b>			
Called up share capital	<u>17</u>	250,000	250,000
Profit and loss account		937,502	995,430
<b>Total equity</b>		<u>1,187,502</u>	<u>1,245,430</u>

Approved and authorised by the Board on 25 March 2021 and signed on its behalf by:

.....  
Mr R J L Swart  
Director

The notes on pages 12 to 24 form an integral part of these financial statements.

## Berger Closures Limited

### Statement of Changes in Equity for the Year Ended 31 December 2020

	Share capital £	Profit and loss account £	Total £
At 1 January 2019 (unaudited)	250,000	1,122,614	1,372,614
Profit for the year	-	672,816	672,816
Total comprehensive income	-	672,816	672,816
Dividends	-	(800,000)	(800,000)
At 31 December 2019	250,000	995,430	1,245,430
	Share capital £	Profit and loss account £	Total £
At 1 January 2020	250,000	995,430	1,245,430
Profit for the year	-	614,888	614,888
Total comprehensive income	-	614,888	614,888
Dividends	-	(672,816)	(672,816)
At 31 December 2020	250,000	937,502	1,187,502

The notes on pages 12 to 24 form an integral part of these financial statements.

# **Berger Closures Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **1 General information**

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

The address of its registered office is 5 Doxford Drive, South West Industrial Estate, Peterlee, Co Durham, SR8 2RL.

The principal activity of the company is the manufacture of drum ring closures.

### **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'.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

These financial statements are prepared in sterling which is the functional currency of the entity.

#### **Summary of disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel..

# **Berger Closures Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **2 Accounting policies (continued)**

#### **Going concern**

The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations. The company operates in an industry sector which is viewed as essential and has continued to operate throughout the COVID-19 pandemic. The company has remained profitable and cash generative throughout.

The company's forecasts and projections for the next twelve months show that it should have sufficient cash reserves to be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact.

In the directors assessment of possible changes they have considered a fall in demand along with potential cost savings. The company has also made use of available reliefs put forward by HM Government including furloughing of underutilised staff and the deferral of VAT payments.

Although the forecast prepared, taking account of the matters above, support the ability of the company to remain a going concern and to be able to trade and meets its debts as they fall due, the full impact of COVID-19, the continued level of government support and the underlying trading assumptions used in forecasting are extremely judgemental and difficult to predict and could be subject to significant variation.

However, based on the factors set out above the directors believe that there is no material uncertainty in relation to going concern and that the company has adequate financial resources to continue in operational existence for at least twelve months from the date of signing the financial statements and therefore the directors believe it remains appropriate to prepare the financial statements on a going concern basis.

# **Berger Closures Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **2 Accounting policies (continued)**

#### **Judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

**Assessing indicators of impairment** - In assessing whether there have been indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

**Assessing nature of lease** - The Company has entered into commercial leases and as a lessee it obtains use of property, plant and equipment. The classification as operating or finance lease requires the Company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

**Taxation** - Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

#### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

**Useful economic lives of tangible assets** - The annual depreciation charge is sensitive to changes in the estimated useful lives of the assets. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates, future investments and economic utilisation. The carrying amount is £272,263 (2019 - £296,943).

**Stock provision** - The company has made an assumption of writing down the value of stock on items in which they expect the cost to exceed the net realisable value before it is fully sold/utilised. This assumption has involved looking at the historic sales patterns and expected sales in future years. The carrying amount is £Nil (2019 - £Nil).

**Impairment of debtors** - The company makes an estimate of the recoverable value of the trade and other debtors. When assessing impairment of trade and other debtor, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. The carrying amount is £Nil (2019 - £6,611).



# **Berger Closures Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **2 Accounting policies (continued)**

#### **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 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 rates prevailing on the initial transaction dates.

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 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 is also recognised directly in other comprehensive income.

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 in the countries where the company operates and generates taxable income.

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 statement of financial position 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:

# Berger Closures Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

### 2 Accounting policies (continued)

Asset class	Depreciation method and rate
Freehold Land and Buildings	2% straight line
Plant and Machinery	15% straight line
Fixtures and Fittings	15% straight line

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### 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.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

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

#### 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.

#### 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.

# **Berger Closures Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **2 Accounting policies (continued)**

#### **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.

## Berger Closures Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2020 £	2019 £
Sale of goods	2,975,266	2,885,582

The analysis of the company's turnover for the year by market is as follows:

	2020 £	2019 £
UK	2,060,254	2,473,038
Europe	822,059	412,544
Rest of world	92,953	-
	2,975,266	2,885,582

#### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2020 £	2019 £
Miscellaneous other operating income	10,395	-
Management charges receivable	135,451	257,590
	145,846	257,590

#### 5 Operating profit

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	27,098	29,216
Operating lease expense - plant and machinery	6,620	-

#### 6 Other interest receivable and similar income

	2020 £	2019 £
Interest income on bank deposits	205	1,329
Other finance income	8,308	-
	8,513	1,329

# Berger Closures Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

### 7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2020 £	2019 £
Wages and salaries	614,888	670,281
Social security costs	61,987	66,090
Pension costs, defined contribution scheme	11,913	13,066
	<u>688,788</u>	<u>749,437</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2020 No.	2019 No.
Production	17	16
Administration and support	3	3
Management	1	2
	<u>21</u>	<u>21</u>

### 8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	<u>226,265</u>	<u>234,372</u>

In respect of the highest paid director:

	2020 £	2019 £
Remuneration	<u>226,265</u>	<u>234,372</u>

### 9 Auditor's remuneration

	2020 £	2019 £
Audit of the financial statements	<u>9,000</u>	<u>9,000</u>

# Berger Closures Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

### 10 Taxation

Tax charged/(credited) in the income statement

	2020 £	2019 £
<b>Current taxation</b>		
UK corporation tax	148,231	161,720
UK corporation tax adjustment to prior periods	159	642
	<u>148,390</u>	<u>162,362</u>
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>-</u>	<u>(1,263)</u>
Tax expense in the income statement	<u>148,390</u>	<u>161,099</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2019 - higher than the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	<u>763,278</u>	<u>833,915</u>
Corporation tax at standard rate	145,023	158,444
Tax increase from effect of capital allowances and depreciation	<u>3,367</u>	<u>2,655</u>
Total tax charge	<u>148,390</u>	<u>161,099</u>

# Berger Closures Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

### 11 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Total £
<b>Cost or valuation</b>				
At 1 January 2020	508,114	120,746	905,340	1,534,200
Additions	-	2,418	-	2,418
At 31 December 2020	508,114	123,164	905,340	1,536,618
<b>Depreciation</b>				
At 1 January 2020	264,274	105,281	867,702	1,237,257
Charge for the year	10,162	3,584	13,352	27,098
At 31 December 2020	274,436	108,865	881,054	1,264,355
<b>Carrying amount</b>				
At 31 December 2020	233,678	14,299	24,286	272,263
At 31 December 2019	243,840	15,465	37,638	296,943

### 12 Stocks

	2020 £	2019 £
Raw materials and consumables	318,594	240,493
Finished goods and goods for resale	49,326	103,667
	367,920	344,160

### 13 Debtors

	2020 £	2019 £
Trade debtors	411,833	307,053
Amounts owed by group undertakings	222,506	269,358
Prepayments	14,288	11,253
	648,627	587,664

# Berger Closures Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

### 14 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	3,966	4,269
Cash at bank	663,045	542,595
	<u>667,011</u>	<u>546,864</u>

### 15 Creditors

	2020 £	2019 £
<b>Due within one year</b>		
Trade creditors	327,798	199,292
Amounts due to related parties	56,124	-
Social security and other taxes	146,896	106,267
Accrued expenses	9,684	25,214
Corporation tax liability	227,817	199,428
	<u>768,319</u>	<u>530,201</u>

### 16 Pension and other schemes

#### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £11,913 (2019 - £13,066).

### 17 Share capital

#### Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Ordinary shares of £0.33 each	750,000	250,000	750,000	250,000
	<u>750,000</u>	<u>250,000</u>	<u>750,000</u>	<u>250,000</u>



# Berger Closures Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

### 18 Obligations under leases and hire purchase contracts

#### Operating leases

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	6,150	11,323
Later than one year and not later than five years	10,688	16,838
	<u>16,838</u>	<u>28,161</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £11,323 (2019 - £11,584).

### 19 Dividends

	2020 £	2019 £
Interim dividend of £1 (2019 - £1) per ordinary share	672,816	800,000
	<u>672,816</u>	<u>800,000</u>

### 20 Related party transactions

During the year the company purchased goods in the normal course of business totalling £28,088 (2019 - £12,395), paid a management charge of £46,032 (2019 - £46,366) and incurred recharged costs of £936 (2019 - £284) from August Berger Metallwarenfabrik GmbH & Co.KG, the immediate parent company. In addition, the company made sales of goods in the normal course of business totalling £nil (2019 - £8,015), and received a management fee of £135,451 (2019 - £257,590). At the balance sheet date amounts owed by August Berger Metallwarenfabrik GmbH & Co.KG totalled £7,506 (2019 - £54,351).

Additionally, during the previous year the company advanced a loan of £215,000 to August Berger Metallwarenfabrik GmbH & Co.KG, this loan, repayable within one year of drawdown, remains outstanding at the year end. Interest is payable on this loan at a rate of 3.75% and interest received in the year in respect of this loan amounted to £8,308 (2019 - £640).

During the year the company purchased goods in the normal course of business totalling £283,013 (2019 - £119,310) from Berger Italia, a company under common control. At the balance sheet date amounts owed to Berger Italia were £56,124 (2019 - £Nil).

During the year the company purchased goods in the normal course of business totalling £2,225 (2019 - £1,053) from S.G.T. S.r.l., a company under common control. At the balance sheet date no liability exists (2019 - £Nil).

# **Berger Closures Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **21 Parent and ultimate parent undertaking**

The company's immediate parent is August Berger Metallwarenfabrik GmbH, incorporated in Germany.

The ultimate parent is Ringmetall AG, incorporated in Germany.

These financial statements are available upon request from [www.ringmetall.de](http://www.ringmetall.de)

The parent of the largest group in which these financial statements are consolidated is Ringmetall AG, incorporated in Germany.

The address of Ringmetall AG is:

Innere Wiener Strasse 9, 81667, Munich.

### **22 Non adjusting events after the financial period**

On 18 February 2021 the directors voted an interim dividend of £0.82 per share.

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.