

COMPANY REGISTRATION NUMBER: 03231657

Holdtrade (UK) Limited
Filleted Unaudited Financial Statements
31st December 2020

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COMPANIES HOUSE

McBRIDES BUSINESS ADVISERS LIMITED

Chartered Accountants

Nexus House

2 Cray Road

Sidcup, Kent

DA14 5DA

Holdtrade (UK) Limited
Financial Statements
Year ended 31st December 2020

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Holdtrade (UK) Limited
Statement of Financial Position
31st December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	8,176	10,902
Investments	6	210,108	210,108
		<u>218,284</u>	<u>221,010</u>
Current assets			
Stocks		695,377	548,133
Debtors	7	162,508	753,905
Cash at bank and in hand		326,096	317,880
		<u>1,183,981</u>	<u>1,619,918</u>
Creditors: amounts falling due within one year	8	<u>640,505</u>	<u>1,229,420</u>
Net current assets		<u>543,476</u>	<u>390,498</u>
Total assets less current liabilities		<u>761,760</u>	<u>611,508</u>
Provisions			
Taxation including deferred tax		1,190	1,629
Net assets		<u>760,570</u>	<u>609,879</u>
Capital and reserves			
Called up share capital		3,000	3,000
Capital redemption reserve		7,000	7,000
Profit and loss account		750,570	599,879
Shareholders funds		<u>760,570</u>	<u>609,879</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

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

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

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

Holdtrade (UK) Limited

Statement of Financial Position *(continued)*

31st December 2020

These financial statements were approved by the board of directors and authorised for issue on 1/9/21, and are signed on behalf of the board by:



M B Burrow
Director

Company registration number: 03231657

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

Holdtrade (UK) Limited
Notes to the Financial Statements
Year ended 31st December 2020

1. General information

The company is a private company limited by shares, registered in England and Wales.

The address of the registered office is Nexus House, 2 Cray Road, Sidcup, Kent, DA14 5DA.

The principal activities of the company during the year was that of import, export and manufacturer's representatives in railways and mining industry.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

The turnover shown in the profit and loss account represents revenue earned during the period exclusive of VAT.

Holdtrade (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31st December 2020

3. Accounting policies *(continued)*

Deferred tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to property	- 10% straight line
Plant and machinery	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Equipment	- 25% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Holdtrade (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31st December 2020

3. Accounting policies *(continued)*

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Holdtrade (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31st December 2020

3. Accounting policies *(continued)*

Government grants *(continued)*

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Holdtrade (UK) Limited

Notes to the Financial Statements (continued)

Year ended 31st December 2020

3. Accounting policies (continued)

Financial instruments (continued)

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 7 (2019: 9).

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1st January 2020					
and					
31st December 2020	<u>185,188</u>	<u>77,158</u>	<u>11,596</u>	<u>85,569</u>	<u>359,511</u>
Depreciation					
At 1st January 2020	185,187	70,195	11,005	82,222	348,609
Charge for the year	<u>—</u>	<u>1,741</u>	<u>148</u>	<u>837</u>	<u>2,726</u>
At 31st December 2020	<u>185,187</u>	<u>71,936</u>	<u>11,153</u>	<u>83,059</u>	<u>351,335</u>
Carrying amount					
At 31st December 2020	<u>1</u>	<u>5,222</u>	<u>443</u>	<u>2,510</u>	<u>8,176</u>
At 31st December 2019	<u>1</u>	<u>6,963</u>	<u>591</u>	<u>3,347</u>	<u>10,902</u>

Holdtrade (UK) Limited

Notes to the Financial Statements (continued)

Year ended 31st December 2020

6. Investments

	Shares in group undertakings £
Cost	
At 1st January 2020 and 31st December 2020	<u>210,108</u>
Impairment	
At 1st January 2020 and 31st December 2020	<u>-</u>
Carrying amount	
At 31st December 2020	<u>210,108</u>
At 31st December 2019	<u>210,108</u>

7. Debtors

	2020 £	2019 £
Trade debtors	101,016	653,612
Other debtors	<u>61,492</u>	<u>100,293</u>
	<u>162,508</u>	<u>753,905</u>

8. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	127,678	357,002
Trade creditors	109,937	509,134
Corporation tax	25,940	4,689
Social security and other taxes	40,296	11,486
Other creditors	<u>336,654</u>	<u>347,109</u>
	<u>640,505</u>	<u>1,229,420</u>

On 14 March 2006, the Company created a Debenture agreement with the bank to secure its overdrafts facility.

9. Events after the end of the reporting period

The company continues to monitor the development of the Covid-19 outbreak and assess the potential exposure. Currently, the impact on the entity is expected to be manageable. Nonetheless, the entity will review business continuity plans as appropriate.

Holdtrade (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31st December 2020

10. Director's advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2020		
	Balance brought forward £	Advances/ (credits) to the director £	Balance outstanding £
M B Burrow	—	—	—

	2019		
	Balance brought forward £	Advances/ (credits) to the director £	Balance outstanding £
M B Burrow	(9,808)	9,808	—

11. Related party transactions

During the year the company received the management fee amounting to £Nil (2019: £10,000) from the Holdtrade Mining Limited, a fellow group company and paid management fee £100,000 (2019: £47,000) to GB Rail Ltd where Mr M Burrow is a shareholder and the director of the company.

Included in other creditors an amount of £2,874 (2019: £101,000) was due to the Holdtrade Mining Limited a fellow group company and £306,904 (2019: £239,109) was due to the GB Rail Ltd where Mr M Burrow is a shareholder and the director of the company.

Included in other debtors an amount of £7,681 (2019: £55,814) was due from the Holdtrade Ghana Ltd where M Burrow is a director of the company.

12. Controlling party

The company was under the control of Mr M. Burrow throughout the current and previous year. Mr Burrow is the managing director of the company.