

**REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
STARRAG GROUP HOLDINGS LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020

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STARRAG GROUP HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTOR: C Walti

SECRETARY: P Whistance

REGISTERED OFFICE: 43-45 Phoenix Park
Avenue Close
Nechells
Birmingham
West Midlands
B7 4NU

REGISTERED NUMBER: 03331233 (England and Wales)

AUDITORS: DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents his report with the financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

DIRECTORS

C Walti has held office during the whole of the period from 1 January 2020 to the date of this report.

Other changes in directors holding office are as follows:

G Brutsch - resigned 19 November 2020

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is 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 he 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.

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2020**

AUDITORS

The auditors, DNG Dove Naish LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

SIGNED BY ORDER OF THE DIRECTORS:

P Whistance - Secretary

22 September 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STARRAG GROUP HOLDINGS LIMITED

Opinion

We have audited the financial statements of Starrag Group Holdings Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, 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;
- 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

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 are authorised for issue.

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

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 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.

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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STARRAG GROUP HOLDINGS LIMITED

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 Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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 a Report of the Auditors 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:

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of commercial income, posting of unusual journals along with complex transactions and manipulating the Company's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of commercial revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

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. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STARRAG GROUP HOLDINGS LIMITED

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 a Report of the Auditors 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.

Robyn Favill (Senior Statutory Auditor)
for and on behalf of DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

22 September 2021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
TURNOVER		-	-
OPERATING PROFIT		-	-
Income from shares in group undertakings		-	2,885,000
PROFIT BEFORE TAXATION		-	2,885,000
Tax on profit	4	-	-
PROFIT FOR THE FINANCIAL YEAR		-	2,885,000
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-	2,885,000

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Investments	6		2,617,690		2,617,690
CURRENT ASSETS					
Debtors	7	<u>185,000</u>		<u>185,000</u>	
NET CURRENT ASSETS			<u>185,000</u>		<u>185,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,802,690</u>		<u>2,802,690</u>
CAPITAL AND RESERVES					
Called up share capital	8		50,000		50,000
Share premium	9		23,900		23,900
Retained earnings	9		<u>2,728,790</u>		<u>2,728,790</u>
SHAREHOLDERS' FUNDS			<u>2,802,690</u>		<u>2,802,690</u>

The financial statements were approved by the director and authorised for issue on 22 September 2021 and were signed by:

C Walti - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2019	50,000	2,728,790	23,900	2,802,690
Changes in equity				
Dividends	-	(2,885,000)	-	(2,885,000)
Total comprehensive income	-	2,885,000	-	2,885,000
Balance at 31 December 2019	<u>50,000</u>	<u>2,728,790</u>	<u>23,900</u>	<u>2,802,690</u>
Changes in equity				
Balance at 31 December 2020	<u>50,000</u>	<u>2,728,790</u>	<u>23,900</u>	<u>2,802,690</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Starrag Group Holdings Limited 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. 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.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption 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 7 Statement of Cash Flows.

Preparation of consolidated financial statements

The financial statements contain information about Starrag Group Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Starrag AG, .

Significant judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020
2. ACCOUNTING POLICIES - continued
Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2020 nor for the year ended 31 December 2019.

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

	2020	2019
Management	<u>2</u>	<u>2</u>
	2020	2019
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. TAXATION
Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

4. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is the same as the standard rate of corporation tax in the UK.

	2020 £	2019 £
Profit before tax	-	2,885,000
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	-	548,150
Effects of:		
Income from shares in group	-	(548,150)
Total tax charge	-	-

5. DIVIDENDS

	2020 £	2019 £
Interim	-	2,885,000

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2020 and 31 December 2020	2,617,690
NET BOOK VALUE	
At 31 December 2020	2,617,690
At 31 December 2019	2,617,690

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Starrag UK Limited

Registered office: 43-45 Phoenix Park, Avenue Close, Birmingham, B7 4NU

Nature of business: Distribution of machine tools

	% holding	2020 £	2019 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1,742,918	1,304,464
Profit for the year		438,454	300,463

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 20206. **FIXED ASSET INVESTMENTS - continued****Indexexpert Holdings Limited**

Registered office: Unit 1a/B Haddenham Business Park, Pegasus Way, Haddenham, Aylesbury, Buckinghamshire, HP17 8LJ

Nature of business: Holding company

Class of shares:	%
Ordinary	holding 100.00

Toolroom Technology Limited

Registered office: Unit 1 A/B, Haddenham Business Park, Pegasus Way Haddenham, Aylesbury, Buckinghamshire, HP17 8LJ

Nature of business: Computer programming and design

Class of shares:	%
Ordinary	holding 100.00

	2020 £	2019 £
Aggregate capital and reserves	1,591,322	1,315,700
Profit for the year	<u>275,622</u>	<u>596,967</u>

In the previous year, a dividend in specie was declared by Indexexpert Holdings Limited to transfer 100% of its the investment in Toolroom Technology Limited to Starrag Group Holdings Limited.

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

	2020 £	2019 £
Amounts owed by group undertakings	<u>185,000</u>	<u>185,000</u>

8. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
50,000	Ordinary Shares	£1	<u>50,000</u>	<u>50,000</u>

9. **RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 January 2020	2,728,790	23,900	2,752,690
Profit for the year	-	-	-
At 31 December 2020	<u>2,728,790</u>	<u>23,900</u>	<u>2,752,690</u>

10. **RELATED PARTY DISCLOSURES**

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. ULTIMATE CONTROLLING PARTY

The company's ultimate parent company is Starrag Group Holding AG, a company registered in Switzerland.

The largest and smallest group in to which the company's results are consolidated is Starrag Group Holding AG. A copy of the group accounts can be obtained from Starrag Group Holding AG, whose registered office is Seebleichstrasse 6, 9404 Rorschacherberg, Switzerland.

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.