

Registered number: 03377355

# **Bernex UK Limited**

**Annual report**

**31 March 2022**

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## **Bernex UK Limited**

### **Company information**

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<b>Directors</b>	J F M Landsbergen J D Ostman C P Constable
<b>Company secretary</b>	A G Frost
<b>Registered number</b>	03377355
<b>Registered office</b>	Unit 36 No.1 Industrial Estate Medomsley Road Consett Co Durham DH8 6TS
<b>Independent auditor</b>	UNW LLP Chartered Accountants Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
<b>Solicitors</b>	Muckle LLP 32 Gallowgate Newcastle upon Tyne NE1 4BF

## **Bernex UK Limited**

### **Contents**

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	Page
Strategic report	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditor's report to the members of Bernex UK Limited	5 - 8
Statement of comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes to the financial statements	12 - 18

## **Bernex UK Limited**

### **Strategic report Year ended 31 March 2022**

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#### **Introduction**

The directors present their strategic report for the year ended 31 March 2022.

#### **Principal activity**

The principal activity of the company is to act as a holding company.

#### **Business review**

The company is a holding company and does not trade. Due to the nature of the business the directors do not consider there to be any financial or other key performance indicators.

#### **Financial risk management policy**

The company's principal financial instruments comprise group borrowings. Other financial assets and liabilities arise directly from the company's transactions with other group companies.

The main risks associated with the company's financial assets and liabilities are set out below. The company does not undertake any hedging activity.

#### **Interest rate risk**

Financial assets, liabilities, interest expense and cash flows can be affected by movements in interest rates. Going forward there remains an intercompany loan payable with interest chargeable at a fixed rate of 2.15% (2021: 2.80%).

#### **Liquidity risk**

The company aims to mitigate liquidity risk by managing cash generated at group level. Flexibility is maintained by managing the company's inter-company financing.

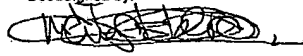
#### **Foreign currency risk**

The company's principal transactions are denominated in GBP and as such the company has no exposure to movements in exchange rates.

#### **Impairment risk**

The company holds an investment in a group company (note 10) with a cost and carrying value of £5.7m. The carrying value of this investment depends upon its recoverable amount and, should this fall below the carrying value then an impairment would be required. No impairment has been recorded to date.

This report was approved by the board on 21 April 2022 and signed on its behalf by:

DocuSigned by:  
  
JFM Landsbergen  
Director

## **Bernex UK Limited**

### **Directors' report Year ended 31 March 2022**

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The directors present their report and the financial statements for the year ended 31 March 2022.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,111,388 (2021 - loss £192,853).

The directors do not recommend the payment of a final dividend (2021: £nil).

#### **Directors**

The directors who served during the year were:

J F M Landsbergen  
J D Ostman  
C P Constable

#### **Future developments**

The company is expected to continue to act as a holding company for the foreseeable future.

#### **Going Concern**

The company does not trade and acts as a holding company for its trading subsidiary. The only expense of the company is interest payable on a loan from a group undertaking. After making enquiries, taking into account the trading performance of the company's subsidiary and obtaining a letter of support from its parent undertaking confirming its assistance to the company for the foreseeable future, the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The company has received a letter of support from IHI Ionbond AG, its parent undertaking, in which IHI Ionbond AG agrees to provide financial support to assist the company in meeting its liabilities as and when they fall due, to the extent that such funds are not otherwise available to the company to meet such liabilities. The directors have considered the financial results of IHI Ionbond AG and have concluded that it has sufficient financial resources to provide such financial support where required. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

#### **Matters covered in the strategic report**

The directors have chosen, in accordance with section 414C(11) of the Companies Act 2006 to include in the strategic report matters otherwise required to be disclosed in the directors report as the directors consider these are of strategic importance to the company, including the fair review of the company's business and the principal risks and uncertainties facing the company.

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

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

## **Bernex UK Limited**

### **Directors' report (continued)** **Year ended 31 March 2022**

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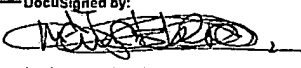
#### **Post balance sheet events**

There have been no significant events affecting the company since the year end.

#### **Auditor**

Pursuant to section 487(2) of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW LLP will therefore continue in office.

This report was approved by the board on 21 April 2022 and signed on its behalf by:

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**J F M Landsbergen**  
Director

## **Bernex UK Limited**

### **Directors' responsibilities statement Year Ended 31 March 2021**

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The directors are responsible for preparing the strategic report, the directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to 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.



## **Independent auditor's report to the members of Bernex UK Limited**

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### **Opinion**

We have audited the financial statements of Bernex UK Limited ('the company') for the year ended 31 March 2022, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 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 United Kingdom, including the Financial Reporting Council'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.

### **Conclusion relating going concern**

In auditing the financial statements, we have concluded that the directors' 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 directors with respect to going concern are described in the relevant sections of this report.





## **Independent auditor's report to the members of Bernex UK Limited (continued)**

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### **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.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement 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.



## **Independent auditor's report to the members of Bernex UK Limited (continued)**

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### **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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We have communicated identified laws and regulations within our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of company legislation, recognising the nature of the company's activities. Auditing Standards limit the required audit procedures to identify non compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance material to the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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



## **Independent auditor's report to the members of Bernex UK Limited (continued)**

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### **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.

A handwritten signature in black ink, appearing to read 'David Redhead'.

**David Redhead (Senior Statutory Auditor)**  
**for and on behalf of UNW LLP (Statutory Auditor)**  
Chartered Accountants  
Newcastle upon Tyne

21 April 2022

## Bernex UK Limited

### Statement of comprehensive income Year ended 31 March 2022

	Note	2022 £	2021 £
<b>Profit and loss account</b>			
Income from fixed assets investments	7	1,250,000	-
Interest payable and similar expenses	8	(138,612)	(192,853)
<b>Profit/(loss) before tax on ordinary activities</b>		<b>1,111,388</b>	<b>(192,853)</b>
Tax on profit/(loss) on ordinary activities	9	-	-
<b>Profit/(loss) for the financial year</b>		<b>1,111,388</b>	<b>(192,853)</b>

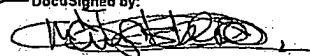
There was no other comprehensive income for 2022 (2021: £nil).

The notes on pages 12 to 18 form part of these financial statements.

**Bernex UK Limited****Balance sheet  
At 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	10	5,700,000	5,700,000
		<u>5,700,000</u>	<u>5,700,000</u>
Creditors: due within one year	11	(6,094,745)	(7,206,133)
<b>Net current liabilities</b>		<u>(6,094,745)</u>	<u>(7,206,133)</u>
<b>Total assets less current liabilities</b>		<u>(394,745)</u>	<u>(1,506,133)</u>
<b>Net liabilities</b>		<u>(394,745)</u>	<u>(1,506,133)</u>
<b>Capital and reserves</b>			
Called up share capital	12	2,101,000	2,101,000
Capital contribution reserve	13	844,259	844,259
Profit and loss account	13	(3,340,004)	(4,451,392)
<b>Total equity</b>		<u>(394,745)</u>	<u>(1,506,133)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 April 2022.

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**J F M Landsbergen**  
 Director

Company registered number: 03377355

The notes on pages 12 to 18 form part of these financial statements.

## Bernex UK Limited

### Statement of changes in equity Year ended 31 March 2022

	Called up share capital £	Capital contribution reserve £	Profit and loss account £	Total equity £
At 1 April 2020	2,101,000	844,259	(4,258,539)	(1,313,280)
Loss and total comprehensive income for the year	-	-	(192,853)	(192,853)
At 1 April 2021	2,101,000	844,259	(4,451,392)	(1,506,133)
Profit and total comprehensive income for the year	-	-	1,111,388	1,111,388
At 31 March 2022	2,101,000	844,259	(3,340,004)	(394,745)

The notes on pages 12 to 18 form part of these financial statements.

## **Bernex UK Limited**

### **Notes to the financial statements Year ended 31 March 2022**

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#### **1. General information**

Bernex UK Limited ('the company') is a holding company and does not trade.

The company is a private company limited by shares, incorporated and domiciled in England in the United Kingdom. The address of the registered office is given in the company information page of this annual report.

#### **2. Statement of compliance**

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

#### **3. Accounting policies**

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 periods presented, unless otherwise stated.

##### **3.1 Basis of preparation of financial statements**

These financial statements are the company's separate financial statements. The company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the basis that it is itself a subsidiary undertaking and is included in the consolidated financial statements of its ultimate parent undertaking, IHI Corporation, which are prepared in accordance with International Financial Reporting Standards (IFRS), are available to the public, and may be obtained from TOYOSU IHI BUILDING, 1-1 Toyosu 3-chome, Koto-ku, Tokyo 135-8710, Japan.

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling and rounded to the nearest £.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

##### **3.2 Reduced disclosures**

FRS 102 allows a qualifying entity certain disclosure exemptions. The company meets the definition of a qualifying entity and has taken advantage of the exemptions relating to the preparation of a cash flow statement and related notes and key management personnel compensation. The equivalent disclosures, on a consolidated basis, are included in the group financial statements of IHI Corporation which are prepared in accordance with International Financial Reporting Standards (IFRS), are available to the public, and may be obtained from TOYOSU IHI BUILDING, 1- 1 Toyosu 3-chome, Koto-ku, Tokyo 135-8710, Japan.

## Bernex UK Limited

### Notes to the financial statements Year ended 31 March 2022

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#### 3. Accounting policies (continued)

##### 3.3 Going concern

The company does not trade and acts as a holding company for its trading subsidiary. At the year end the company had net current liabilities of £6,094,745 and net liabilities of £394,745 including an amount of £6,094,745 due to group undertakings. After making enquiries, taking into account the trading performance of the company's subsidiary and other group undertakings, the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The company has received a letter of support from IHI Ionbond AG, its parent undertaking, in which IHI Ionbond AG agrees to provide financial support to assist the company in meeting its liabilities as and when they fall due, to the extent that such funds are not otherwise available to the company to meet such liabilities. The directors have considered the financial results of IHI Ionbond AG and have concluded that it has sufficient financial resources to provide such financial support where required. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

##### 3.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 3.5 Taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods, and arises from 'timing differences' (where transactions or events are included in the financial statements in periods different from those in which they are assessed for tax). Deferred tax is recognised in respect of all timing differences, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing differences.

##### 3.6 Fixed asset investments

Investments in subsidiary undertakings are measured at cost less accumulated impairment losses.



## Bernex UK Limited

### Notes to the financial statements Year ended 31 March 2022

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#### 3. Accounting policies (continued)

##### 3.7 Financial instruments

The company only enters into financial instruments transactions that result in the recognition of basic debt financial liabilities like loans to or from related parties, including fellow group companies.

Debt instruments due within one year are measured, initially and subsequently at the transaction price. Debt instruments due after one year are measured initially at the transaction price and subsequently at amortised cost using the effective interest method.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

#### 4. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Significant judgments in applying the entity's accounting policies

In preparing these financial statements, the directors do not consider that any significant judgments were required in the process of applying the company's accounting policies.

##### Key sources of estimation uncertainty

Estimates included within these financial statements include the carrying value of investments. None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 5. Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor for the audit of these financial statements	<u>1,300</u>	<u>1,250</u>

#### 6. Employees

The company has no employees other than the directors, who did not receive any remuneration (2021: £nil). The directors of the company are paid by the ultimate holding company and fellow subsidiaries.

## Bernex UK Limited

### Notes to the financial statements Year ended 31 March 2022

#### 7. Income from fixed asset investments

	2022 £	2021 £
Dividends received	<u>1,250,000</u>	<u>-</u>

#### 8. Interest payable

	2022 £	2021 £
Interest payable to group companies	<u>138,612</u>	<u>192,853</u>

## Bernex UK Limited

### Notes to the financial statements Year ended 31 March 2022

#### 9. Taxation

##### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	1,111,388	(192,853)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	211,164	(36,642)
Effects of:		
Non-taxable income	(237,500)	-
Group relief surrendered at £nil proceeds	26,336	36,642
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

##### Deferred tax

There is an unprovided deferred tax asset of £680,766 (2021: £517,832) in relation to tax losses carried forward. This deferred tax asset has not been provided for due to the uncertainty of the recoverability of these losses in the foreseeable future.

The increase in the deferred tax asset is wholly related to the increase in UK corporation tax rate.

##### Factors that may affect future tax charges

The rate of corporation tax in the UK throughout the period was 19% and this was the enacted rate of corporation tax at the balance sheet date. Accordingly, the group's profits for this period are taxed at an effective rate of 19% (2021: 19%).

In the Spring Budget 2021, the Government announced that from 1 April 2023 the main rate of corporation tax would increase from 19% to 25%. This new law was substantively enacted on 24 May 2021. Accordingly, closing deferred taxation has been calculated based on a rate of 25% (2021: 19%).

## Bernex UK Limited

### Notes to the financial statements Year ended 31 March 2022

#### 10. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost and net book value</b>	
At 1 April 2021 and 31 March 2022	<b>5,700,000</b>

The company holds 100% of the £1 ordinary shares of Ionbond UK Limited, a company incorporated in England and Wales whose registered address is Unit 36 No 1 Industrial Estate, Medomsley Road, Consett, Co. Durham, DH8 6TS. The principal activity of Ionbond UK Limited is the coating of cutting tools, form tools and wear parts with a wear resistant coating.

During the year the company recorded and received dividends from group undertakings of £1,250,000 (2021: £nil).

#### 11. Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	6,094,745	7,206,133
	<u>6,094,745</u>	<u>7,206,133</u>

Included within amounts owed to group undertakings is a loan balance of £5,992,670 (2021: £6,722,799) which is unsecured and incurs interest at a rate of 2.15% (2021: 2.80%) per annum. At the balance sheet date the loan was repayable on 31 March 2023, subject to automatic extension for a further 12 months in the absence of at least 90 days notice of termination.

## Bernex UK Limited

### Notes to the financial statements Year ended 31 March 2022

#### 12. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
2,101,000 (2021: 2,101,000) Ordinary shares of £1 each	<u>2,101,000</u>	<u>2,101,000</u>

#### 13. Reserves

##### Capital contribution reserve

The capital contribution reserve arose in 2010 when the company received an equity injection from another group company in the form of intercompany loan waivers.

##### Profit and loss account

The profit and loss account reserve represents cumulative profits and losses, net of cumulative dividends paid and other adjustments.

#### 14. Related party transactions

Key management personnel comprise the executive directors, whose remuneration is disclosed in note 6.

As permitted by section 33 of FRS 102, details of transactions and balances with other wholly-owned group companies are not disclosed.

#### 15. Controlling parties

The immediate parent undertaking of Bernex UK Limited is IHI Ionbond AG, incorporated in Switzerland.

The company's ultimate parent undertaking, IHI Corporation, includes the company in its consolidated financial statements. The consolidated financial statements of IHI Corporation are prepared in accordance with International Financial Reporting Standards (IFRS), are available to the public and may be obtained from TOYOSU IHI BUILDING, 1-1, Toyosu 3-chome, Koto-ku, Tokyo 35-8710, Japan.