

Company Registration No. 03394741 (England and Wales)

KINETECO INTERNATIONAL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019
PAGES FOR FILING WITH REGISTRAR

KINETECO INTERNATIONAL LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 7

KINETECO INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		1		1
Tangible assets	4		33,452		5,976
			<u>33,453</u>		<u>5,977</u>
Current assets					
Stocks		105,944		81,068	
Debtors	5	91,845		69,771	
Cash at bank and in hand		13,420		23,420	
		<u>211,209</u>		<u>174,259</u>	
Creditors: amounts falling due within one year	6	(465,732)		(428,167)	
Net current liabilities			<u>(254,523)</u>		<u>(253,908)</u>
Total assets less current liabilities			<u>(221,070)</u>		<u>(247,931)</u>
Provisions for liabilities			<u>(6,119)</u>		<u>-</u>
Net liabilities			<u>(227,189)</u>		<u>(247,931)</u>
Capital and reserves					
Called up share capital	7		13,936		13,936
Share premium account			813,788		813,788
Profit and loss reserves			(1,054,913)		(1,075,655)
Total equity			<u>(227,189)</u>		<u>(247,931)</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

KINETECO INTERNATIONAL LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2019

The financial statements were approved and signed by the director and authorised for issue on 9 December 2019

Mr T F Clarke

Director

Company Registration No. 03394741

KINETECO INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Kineteco International Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 10, Willesborough Industrial Park, Kennington Road, Willesborough, Ashford, Kent, TN24 0TD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the balance sheet date, the company is in a net current liability position. The director has assessed trading forecasts and availability of future funding sources, including the continued financial support of the sole shareholder and deems it appropriate to prepare the financial statements on the going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received for the manufacture of specialist starter motors, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance
Fixtures and fittings	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

KINETECO INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

KINETECO INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

KINETECO INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 6).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 August 2018 and 31 July 2019	1
Amortisation and impairment	
At 1 August 2018 and 31 July 2019	-
Carrying amount	
At 31 July 2019	1
At 31 July 2018	1

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 August 2018	28,734
Additions	37,349
At 31 July 2019	66,083
Depreciation and impairment	
At 1 August 2018	22,758
Depreciation charged in the year	9,873
At 31 July 2019	32,631
Carrying amount	
At 31 July 2019	33,452
At 31 July 2018	5,976

KINETECO INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

5 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	42,179	27,217
Corporation tax recoverable	24,348	21,050
Other debtors	25,318	21,504
	<u>91,845</u>	<u>69,771</u>
	<u><u>91,845</u></u>	<u><u>69,771</u></u>
 6 Creditors: amounts falling due within one year	 2019	 2018
	£	£
Trade creditors	77,919	63,923
Taxation and social security	3,227	2,198
Other creditors	384,586	362,046
	<u>465,732</u>	<u>428,167</u>
	<u><u>465,732</u></u>	<u><u>428,167</u></u>
 7 Called up share capital	 2019	 2018
	£	£
Ordinary share capital		
Issued and fully paid		
1,393,598 Ordinary shares of 1p each	<u>13,936</u>	<u>13,936</u>
	<u><u>13,936</u></u>	<u><u>13,936</u></u>

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.