

Continental Engineering Services Ltd

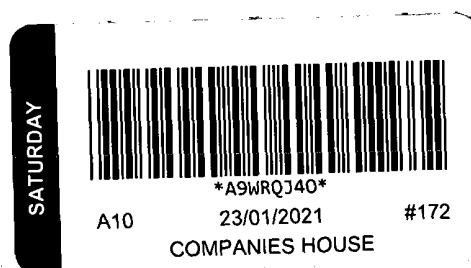
Annual Report and Unaudited

Financial Statements

Year Ended

31 December 2019

Company Number 03467939



Continental Engineering Services Ltd

Company Information

| | |
|--------------------------|---|
| Directors | N R Heslington M C Oener W Lissy |
| Company secretary | M C Oener |
| Registered number | 03467939 |
| Registered office | Zytek House Lancaster Road Fradley Park Lichfield Staffordshire WS13 8RY |
| Accountants | BDO LLP Two Snowhill Birmingham B4 6GA |

Continental Engineering Services Ltd

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Continental Engineering Services Ltd

Strategic Report For the Year Ended 31 December 2019

Business review

The company does not trade, it acts as an intermediate holding company for its subsidiaries.

Principal risks and uncertainties

The company does not trade, so it has minimal risks and uncertainties. The carrying value of the investments is considered to constitute an uncertainty. The ability of the company to meet its liabilities when they fall due is the company's primary risk.

This report was approved by the board and signed on its behalf.



M C Oener
Director

Date: 18 December 2020

Continental Engineering Services Ltd

Directors' Report For the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors

The directors who served during the year were:

M Kieper (resigned 23 October 2020)
B Neitzel (resigned 30 June 2020)
W Lissy
M C Oener (appointed 23 October 2020)
N R Heslington (appointed 23 October 2020)

Directors' responsibilities statement

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 for the Company's financial statements 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.


Future developments

It is expected that the company will remain dormant for the foreseeable future.

Post balance sheet events

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

This report was approved by the board on 18 December 2020 and signed on its behalf.


M C Oener
Director

Continental Engineering Services Ltd

Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of Continental Engineering Services Ltd

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Continental Engineering Services Ltd for the year ended 31 December 2019 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

It is your duty to ensure that Continental Engineering Services Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and result of Continental Engineering Services Ltd. You consider that Continental Engineering Services Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Continental Engineering Services Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of Continental Engineering Services Ltd, as a body, in accordance with the terms of our engagement letter dated 17 April 2019. Our work has been undertaken solely to prepare for your approval the accounts of Continental Engineering Services Ltd and state those matters that we have agreed to state to the board of directors of Continental Engineering Services Ltd, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Continental Engineering Services Ltd and its board of directors as a body for our work or for this report.



BDO LLP
Birmingham
United Kingdom

18 December 2020

Continental Engineering Services Ltd

Profit and Loss Account For the Year Ended 31 December 2019

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

Continental Engineering Services Ltd

Registered number:03467939

Balance Sheet As at 31 December 2019

| | Note | 2019 £ | 2018 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Investments | 4 | 4,036,040 | 4,036,040 |
| Creditors: amounts falling due within one year | 5 | (1,561,322) | (1,561,322) |
| Total assets less current liabilities | | 2,474,718 | 2,474,718 |
| Net assets | | 2,474,718 | 2,474,718 |
| Capital and reserves | | | |
| Called up share capital | 6 | 5,262 | 5,262 |
| Share premium account | 7 | 1,994,732 | 1,994,732 |
| Profit and loss account | 7 | 474,724 | 474,724 |
| | | 2,474,718 | 2,474,718 |

For the year ended 31 December 2019 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M C Oener
Director

Date: 18 December 2020

The notes on pages 6 to 9 form part of these financial statements.

Continental Engineering Services Ltd

Notes to the Financial Statements For the Year Ended 31 December 2019

1. General information

Continental Engineering Services Limited is a private company limited by shares, registered in England and Wales, and incorporated in England. The registered office address is Zyteck House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY. The company's registered number is 03467939.

The company has not traded during the year or during the preceding financial year. The company is an intermediate holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Continental AG as at 31 December 2019 and these financial statements may be obtained from Zyteck House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Continental Engineering Services Ltd

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.5 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

3. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

The Directors remuneration was paid by Zytec Automotive Limited, a subsidiary of Continental Engineering Services Limited

4. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|--|
| Cost or valuation | |
| At 1 January 2019 | 4,036,040 |
| At 31 December 2019 | <u>4,036,040</u> |

The company owns 100% of the issued share capital of Zytec Group Limited. The registered address of Zytec Group Limited Zytec House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY. Zytec Group Limited owns 100% of the issued share capital of Zytec Automotive Limited, which is also incorporated in the UK.

Continental Engineering Services Ltd

Notes to the Financial Statements For the Year Ended 31 December 2019

4. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name | Class of shares | Holding |
|---------------------|----------------------------|---------|
| Zytek Group Limited | Ordinary shares of £1 each | 100% |
| | Ordinary shares of £1 each | 100% |
| | Ordinary shares of £1 each | 100% |
| | Ordinary shares of £1 each | 100% |

5. Creditors: Amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------------|------------------|------------------|
| Amounts owed to group undertakings | 1,555,669 | 1,555,669 |
| Other creditors | 5,653 | 5,653 |
| | <u>1,561,322</u> | <u>1,561,322</u> |

6. Share capital

| | 2019 £ | 2018 £ |
|---|--------------|--------------|
| Allotted, called up and fully paid | | |
| 1,137 (2018 - 1,137) Voting A Ordinary shares of £1.00 each | 1,137 | 1,137 |
| 1,494 (2018 - 1,494) Non-Voting A Ordinary shares of £1.00 each | 1,494 | 1,494 |
| 2,631 (2018 - 2,631) Voting B Ordinary shares of £1.00 each | 2,631 | 2,631 |
| | <u>5,262</u> | <u>5,262</u> |

All shares of the same class have the same right to receive a dividend. Further detail of the rights attaching to each class of share can be found in the company's articles of association.

Continental Engineering Services Ltd

Notes to the Financial Statements For the Year Ended 31 December 2019

7. Reserves

Share premium account

There was no movement on the share premium account in the year. The share premium account represents the premium paid on shares in previous years.

Profit and loss account

There was no movement on the profit and loss account in the year. The profit and loss account represents the accumulated profits less distributions to the company's parent undertaking, arising historically when the company traded.

8. Related party transactions

During the year there were no transactions with Zyte Group Limited (2018 - £Nil) the company's only immediate subsidiary. At the year end £1,555,669 (2018 - £1,555,669) was owed to Zyte Group Limited.

9. Controlling party

The company's immediate parent undertaking is CAS UK Holdings Limited, which owns all of the A ordinary shares and 1,631 of the B ordinary shares. The remaining 1,000 B shares are held by Continental AG. The ultimate parent company is Continental AG, a company incorporated in Germany, which prepares consolidated financial statements. Copies of the group financial statements are available from Zyte House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY.