

**ZÜHLKE ENGINEERING LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

WEDNESDAY



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## ZÜHLKE ENGINEERING LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	Dr W Emmerich F Ferrandina M Reimer
<b>Company secretary</b>	S D Purr
<b>Registered number</b>	04103211
<b>Registered office</b>	25 Moorgate London EC2R 6AY
<b>Independent auditor</b>	Nexia Smith & Williamson Chartered Accountants & Statutory Auditor Onslow House Onslow Street Guildford GU1 4TL

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**ZÜHLKE ENGINEERING LIMITED**

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## ZÜHLKE ENGINEERING LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present their report and the financial statements for the year ended 31 December 2020.

#### Directors

The directors who served during the year were:

Dr W Emmerich  
F Ferrandina  
M Reimer

#### 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.

#### Auditor

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### Small companies' note

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

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



**Dr W Emmerich**  
Director

Date: 11/03/2021

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## **ZÜHLKE ENGINEERING LIMITED**

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### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors are responsible for preparing 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; and
- 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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZÜHLKE ENGINEERING LIMITED**

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**Opinion**

We have audited the financial statements of Zühlke Engineering Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Income and Retained Earnings, the Balance sheet and the 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 FRS 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 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 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 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.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZÜHLKE ENGINEERING LIMITED (CONTINUED)

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### **Other information**

The other information comprises the information included in the Directors' Report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 Directors' Report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZÜHLKE ENGINEERING 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 obtained a general understanding of the Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Company's industry and regulation. We understand that the Company complies with the framework through:

- Outsourcing payroll, accounts preparation and tax compliance to external experts
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Company's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

The areas identified in this discussion were:

- Payment of bonuses based on profits, which creates an incentive for management to manipulate results
- Manipulation of the financial statements, especially revenue, via fraudulent journal entries.

The procedures we carried out to gain evidence in the above areas included:

- Challenging management regarding the assumptions used in the estimates identified above, and
- Substantive work on material areas affecting profits
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with companies operating in this sector.

A further description of our responsibilities is available 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.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZÜHLKE ENGINEERING 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.

*Jeffrey Selden*

Jeffrey Selden (Senior Statutory Auditor)

for and on behalf of

**Nexia Smith & Williamson**

Chartered Accountants

Statutory Auditor

Onslow House

Onslow Street

Guildford

GU1 4TL

Date: 11 March 2021

# ZÜHLKE ENGINEERING LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover		17,238,800	7,538,580
Cost of sales		(10,059,884)	(3,888,430)
<b>Gross profit</b>		<b>7,178,916</b>	<b>3,650,150</b>
Distribution costs		(66,330)	(239,227)
Administrative expenses		(4,777,353)	(3,707,929)
<b>Operating profit/(loss)</b>		<b>2,335,233</b>	<b>(297,006)</b>
Interest receivable and similar income		1,277	5,963
<b>Profit/(loss) before tax</b>		<b>2,336,510</b>	<b>(291,043)</b>
Tax on profit/(loss)	4	(66,129)	328,076
<b>Profit after tax</b>		<b>2,270,381</b>	<b>37,033</b>
Retained earnings at the beginning of the year		1,753,268	2,216,235
		1,753,268	2,216,235
Profit for the year		2,270,381	37,033
Dividends declared and paid		-	(500,000)
<b>Retained earnings at the end of the year</b>		<b>4,023,649</b>	<b>1,753,268</b>

The notes on pages 9 to 17 form part of these financial statements.

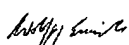
**ZÜHLKE ENGINEERING LIMITED**  
**REGISTERED NUMBER:04103211**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	5	379,841	339,631
		<u>379,841</u>	<u>339,631</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	6	181,926	181,925
Debtors: amounts falling due within one year	6	5,679,905	614,731
Cash at bank and in hand		1,371,767	1,269,771
		<u>7,233,598</u>	<u>2,066,427</u>
Creditors: amounts falling due within one year	7	(3,545,895)	(642,790)
<b>Net current assets</b>		<u>3,687,703</u>	<u>1,423,637</u>
<b>Total assets less current liabilities</b>		<u>4,067,544</u>	<u>1,763,268</u>
<b>Provisions for liabilities</b>			
Deferred tax	8	(33,895)	-
<b>Net assets</b>		<u><u>4,033,649</u></u>	<u><u>1,763,268</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	10,000	10,000
Retained earnings	10	4,023,649	1,753,268
<b>Shareholders' funds</b>		<u><u>4,033,649</u></u>	<u><u>1,763,268</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



**Dr W Emmerich**  
Director

Date: 11/03/2021

The notes on pages 9 to 17 form part of these financial statements.

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## ZÜHLKE ENGINEERING LIMITED

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

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#### 1. General information

Zühlke Engineering Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 04103211). The registered office address is 25 Moorgate, London, EC2R 6AY.

#### 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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The financial statements have been prepared on a going concern basis.

The directors have carefully reviewed the future prospects of the Company and its future cash flows, including an assessment of the potential impact of the COVID-19 pandemic. The full impact of the COVID-19 pandemic on our business remains uncertain and as a result unquantifiable at this stage. Nevertheless, having assessed this the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

##### 2.3 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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

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2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	10%
Other fixed assets	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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

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**2. Accounting policies (continued)**

**2.8 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.9 Financial instruments**

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured on initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Amounts paid to landlords for rental deposits are accounted for as basic financial instruments. The directors consider the market interest rate on such deposits to be 0%, and accordingly no discount is recognised in applying the amortised cost and effective interest method. The deposits are shown within other debtors.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

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## ZÜHLKE ENGINEERING LIMITED

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

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## 2. Accounting policies (continued)

### 2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## 3. Employees

The average monthly number of employees, including directors, during the year was 90 (2019: 72).

# ZÜHLKE ENGINEERING LIMITED

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

### 4. Taxation

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	389,112	(1,587)
Adjustments in respect of previous periods in respect of R&D claim	(379,087)	(277,329)
<b>Total current tax</b>	<b>10,025</b>	<b>(278,916)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	58,717	(49,160)
Changes to tax rates	(2,613)	-
<b>Total deferred tax</b>	<b>56,104</b>	<b>(49,160)</b>
<b>Taxation on profit/(loss) on ordinary activities</b>	<b>66,129</b>	<b>(328,076)</b>

### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019: *lower than*) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Profit/(loss) on ordinary activities before tax	2,336,510	(291,043)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	443,937	(55,298)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,024	-
Fixed asset differences	2,619	2,910
Adjustments to tax charge in respect of prior periods	(379,087)	(277,329)
Adjust closing deferred tax to average rate of 19%	-	2,613
Adjust opening deferred tax to average rate of 19%	-	3,171
Other short-term timing differences	(2)	(4,143)
Remeasurement of deferred tax for changes in tax rates	(4,648)	-
Deferred tax not recognised	2,286	-
<b>Total tax charge/(credit) for the year</b>	<b>66,129</b>	<b>(328,076)</b>



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**ZÜHLKE ENGINEERING LIMITED**

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

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**4. Taxation (continued)**

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**5. Tangible fixed assets**

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>				
At 1 January 2020	460,095	182,487	131,751	774,333
Additions	-	-	140,253	140,253
Disposals	-	-	(22,550)	(22,550)
At 31 December 2020	<u>460,095</u>	<u>182,487</u>	<u>249,454</u>	<u>892,036</u>
<b>Depreciation</b>				
At 1 January 2020	188,461	182,487	63,754	434,702
Charge for the year	48,939	-	51,042	99,981
Disposals	-	-	(22,488)	(22,488)
At 31 December 2020	<u>237,400</u>	<u>182,487</u>	<u>92,308</u>	<u>512,195</u>
<b>Net book value</b>				
At 31 December 2020	<u>222,695</u>	<u>-</u>	<u>157,146</u>	<u>379,841</u>
At 31 December 2019	<u>271,634</u>	<u>-</u>	<u>67,997</u>	<u>339,631</u>

# ZÜHLKE ENGINEERING LIMITED

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

### 6. Debtors

	2020 £	2019 £
<b>Due after more than one year</b>		
Other debtors	<u>181,926</u>	<u>181,925</u>
	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	4,881,639	93,021
Amounts owed by group undertakings	41,393	-
Other debtors	10,113	23,697
Prepayments and accrued income	746,760	475,539
Tax recoverable	-	265
Deferred taxation	-	22,209
	<u>5,679,905</u>	<u>614,731</u>

### 7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	69,623	22,473
Amounts owed to group undertakings	510,697	311,625
Corporation tax	250,377	-
Other taxation and social security	1,357,050	164,007
Other creditors	948,771	7,314
Accruals and deferred income	409,377	137,371
	<u>3,545,895</u>	<u>642,790</u>

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**ZÜHLKE ENGINEERING LIMITED**

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

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**8. Deferred taxation**

	2020 £	2019 £
At beginning of year	(22,209)	26,950
Credited to profit or loss	56,104	(49,159)
<b>At end of year</b>	<b>33,895</b>	<b>(22,209)</b>

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	47,001	32,711
Tax losses carried forward	-	(47,453)
Short-term timing differences	(13,106)	(7,467)
	<b>33,895</b>	<b>(22,209)</b>

**9. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
10,000 (2019 - 10,000) Ordinary shares of £1.00 each	10,000	10,000

**10. Reserves**

**Retained earnings**

This reserve related to the cumulative profits and losses less amounts distributed to shareholders.

**11. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions totalling £68,978 (2019: £43,929) were payable to the fund at the balance sheet date and are included in creditors.

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## ZÜHLKE ENGINEERING LIMITED

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

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#### 12. Commitments under operating leases

At 31 December the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	496,154	350,812
Later than 1 year and not later than 5 years	1,493,291	1,381,422
Later than 5 years	-	282,435
	<u>1,989,445</u>	<u>2,014,669</u>

#### 13. Related party transactions

The Company has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly owned group entities.

There are no other transactions with related parties which require disclosure.

#### 14. Controlling party

The immediate and ultimate parent undertaking is Zuhlke Technology Group AG, a company registered in Switzerland.

The largest and smallest group of undertakings for which group accounts for the year ended 31 December 2020 have been drawn up, is that headed by Zuhlke Technology Group AG. Copies of the group accounts are available from Zuhlke Technology Group AG, Wiesenstrasse 10a, Schlieren, 8952, Switzerland.

The directors do not consider there to be an ultimate controlling party.