

Company Registration No. 05168030 (England and Wales)

STR HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018



STR HOLDINGS LIMITED

COMPANY INFORMATION

Directors	C J Hutchings R P Crawley
Secretary	R P Crawley
Company number	05168030
Registered office	1 Quay Point Northarbour Road Portsmouth Hampshire PO6 3TD
Auditor	RSM UK Audit LLP Chartered Accountants Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY

STR HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

Introduction

The objectives of this report are to provide shareholders and other users of these statements:

- with the appropriate level of background context for these financial statements;
- with an analysis of the Company's past performance; and
- insight into the Company's main objectives and strategies, and the principal risks it faces and how they might affect future prospects.

Business review

The principal activity of the Company is that of an investment holding company.

During the year the Company received a dividend of £300,000 (2017 - £401,113) from its subsidiary company, STR Limited. A dividend of £300,000 (2017 - £401,113) was paid to STR Group Limited.

Financial risk management objectives and policies

The Directors consider that the only financial risk is that of impairment of the holding value of the investment in STR Limited. This is managed through regular meetings with the Board of Directors of this company and review of all available management information.

On behalf of the board



R P Crawley
Director

Date: 10/9/19

STR HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The company is an intermediate holding company within the STR Group of companies and as such does not actively trade.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C J Hutchings
R P Crawley
M A W Perrett

(Resigned 11 May 2018)

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £300,000 (2017 - £401,113). The directors do not recommend payment of a final dividend.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Strategic report

In accordance with the Companies Act 2006, S414c(11), information in respect of business activities, risk and future developments are shown in the Strategic Report on page 1.

On behalf of the board



R P Crawley
Director

Date: 10/9/19

STR HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the Strategic Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 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 STR HOLDINGS LIMITED

Opinion

We have audited the financial statements of STR Holdings Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STR HOLDINGS LIMITED (CONTINUED)

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 and 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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.

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.

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

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.

RSM UK Audit LLP

Paul Anthony (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TY

11 September 2019

STR HOLDINGS LIMITED

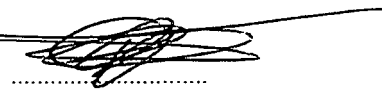
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Interest receivable and similar income	4	300,000	401,113
Other gains and losses	5	-	(3)
Profit before taxation		300,000	401,110
Tax on profit	6	-	-
Profit for the financial year		<u>300,000</u>	<u>401,110</u>

STR HOLDINGS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2018**

	Notes	2018 £	£	2017 £	£
Fixed assets					
Investments	8		202		202
Current assets					
Debtors	10	201,960		201,960	
Creditors: amounts falling due within one year	11	(1,958)		(1,958)	
Net current assets			200,002		200,002
Total assets less current liabilities			200,204		200,204
Capital and reserves					
Called up share capital	12		200		200
Share premium account	13		199,800		199,800
Profit and loss reserves	13		204		204
Total equity			200,204		200,204

The financial statements were approved by the board of directors and authorised for issue on 10 September 2019 and are signed on its behalf by:


 R P Crawley
 Director

STR HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2017		200	199,800	207	200,207
Year ended 31 December 2017:					
Profit and total comprehensive income for the year		-	-	401,110	401,110
Dividends	7	-	-	(401,113)	(401,113)
Balance at 31 December 2017		200	199,800	204	200,204
Year ended 31 December 2018:					
Profit and total comprehensive income for the year		-	-	300,000	300,000
Dividends	7	-	-	(300,000)	(300,000)
Balance at 31 December 2018		200	199,800	204	200,204

STR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

STR Holdings Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 1 Quay Point, Northarbour Road, Portsmouth, Hampshire, PO6 3TD.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

STR Holdings Limited is a wholly owned subsidiary of STR Group Limited and the results of STR Holdings Limited are included in the consolidated financial statements of STR Group Limited which are available from 1 Quay Point, North Harbour Road, Portsmouth, Hampshire, PO6 3TD.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

STR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Financial instruments

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

Financial instruments are recognised 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 amounts owed by group undertakings, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors 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.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

STR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Equity instruments

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

Taxation

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the company.

2 Directors' remuneration

The directors do not receive any remuneration directly from the company, but do receive remuneration from a fellow group company.

3 Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company	2,700	2,625

The auditor's remuneration for the company is paid by a fellow group company.

4 Interest receivable and similar income

	2018	2017
	£	£
Income from fixed asset investments		
Income from shares in group undertakings	300,000	401,113

5 Other gains and losses

	2018	2017
	£	£
Amounts written off investments	-	(3)

STR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Taxation

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	300,000	401,110
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	57,000	77,214
Tax effect of expenses that are not deductible in determining taxable profit	-	1
Dividend income	(57,000)	(77,215)
Taxation charge for the year	-	-

7 Dividends

	2018 £	2017 £
Interim paid	300,000	401,113

8 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	9	202	202

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018 & 31 December 2018	202
Carrying amount	
At 31 December 2018	202
At 31 December 2017	202

The following subsidiaries were dissolved during the financial year on 20 March 2018:
Biovere Resourcing Limited

STR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

9 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Navis Consulting Limited	1 Quay Point, Northarbour Road, Portsmouth, PO6 3TD	Dormant	Ordinary shares	100.00
STR Limited	1 Quay Point, Northarbour Road, Portsmouth, PO6 3TD	Recruitment	Ordinary shares	100.00
Talos Automation Limited	1 Quay Point, Northarbour Road, Portsmouth, PO6 3TD	Dormant	Ordinary shares	100.00

On 20 March 2018, Biovere Resourcing Limited was dissolved.

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	201,960	201,960

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,016	1,016
Other creditors	304	304
Accruals and deferred income	638	638
	1,958	1,958

STR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

12 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
200 Ordinary shares of £1 each	200	200
	<u>200</u>	<u>200</u>

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

13 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Cumulative profit and loss net of distribution to owners.

14 Controlling party

The directors consider the ultimate parent company to be STR Group Limited, a company incorporated in the United Kingdom.

STR Group Limited is the immediate parent, and is the only company for which consolidated accounts including STR Holdings Limited are prepared.