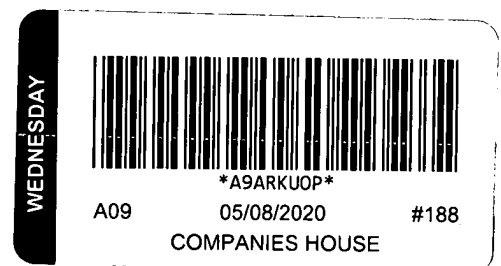


Registered number: 07552877

## **RARUK HOLDINGS LIMITED**

### **DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



---

**RARUK HOLDINGS LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	Robert A Rodriguez Peter M Rodriguez Peter Williamson Luke Barnett
<b>Company secretary</b>	Luke Barnett
<b>Registered number</b>	07552877
<b>Registered office</b>	14 Old Bridge Way Shefford Bedfordshire SG17 5HQ
<b>Independent auditors</b>	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditor Equipoise House Grove Place Bedford MK40 3LE
<b>Bankers</b>	Barclays Bank PLC 4/5 High Street Hitchin Hertfordshire SG5 1BJ  Nationwide Building Society Kings Park Road Moulton Park Northampton NN3 6NW

---

**RARUK HOLDINGS LIMITED**

---

**CONTENTS**

---

	Page
<b>Group Strategic Report</b>	<b>1 - 2</b>
<b>Directors' Report</b>	<b>3 - 4</b>
<b>Independent Auditors' Report</b>	<b>5 - 7</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>8</b>
<b>Consolidated Balance Sheet</b>	<b>9 - 10</b>
<b>Company Balance Sheet</b>	<b>11 - 12</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>13</b>
<b>Company Statement of Changes in Equity</b>	<b>14</b>
<b>Consolidated Statement of Cash Flows</b>	<b>15 - 16</b>
<b>Analysis of Net Debt</b>	<b>17</b>
<b>Notes to the Financial Statements</b>	<b>18 - 34</b>

---

## **RARUK HOLDINGS LIMITED**

---

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

---

#### **Business review**

During the year, the Group made a profit before taxation of £473,427 (2018 - £1,037,046). This has reduced compared to 2018 mainly due to the impact Brexit had on UK businesses during 2019. The constant uncertainty generally across all markets in the UK had a large impact.

Despite the uncertainty in the UK the Group was able to maintain a strong balance sheet and increase cash in the bank to £2,524,797 (2018 - £1,840,007).

During 2019 the Group moved its head office to a newly renovated building in Shefford, Bedfordshire. The new head office will allow for further expansion of the Group and allow RARUK Automation Limited to offer extra services, including robot training and feasibility studies, to its customer base.

New suppliers across both subsidiary companies were added during 2019. A greater range of products is now available to all RARUK's customers adding revenue opportunities and spreading risk.

#### **Principal risks and uncertainties**

As a group of directors, we are constantly reviewing the Group's principle risks and uncertainties. We maintain a risk register which details all the risks we think could affect the company and score them based on their severity and likelihood. The main risks we have identified are as follows:

Loss of a key supplier impacting our ability to access their products and ultimately achieve sales of those products. This is mitigated by having strong relationships with our suppliers and identifying alternative sources to ensure a lack of reliance on any single supplier.

Exchange rate fluctuations impacting on margins. This is mitigated by maintaining currency deposit accounts in different currencies and by buying and selling in the same currency where possible.

Contractual risk in high risk industries, customers and products. This is mitigated by not offering products outside our core competencies, carrying out risk reviews on the high risk contracts, ensuring relevant staff are trained on contractual risks and ensuring all non-standard contracts / parts are reviewed by the Managing Director or Operations Director.

Product non-conformity once a part is received by a customer. This is mitigated by having an approved quality system (AS9120 & ISO9001) and only buying from quality approved suppliers.

A cyber security breach impacting on our ability of continue running as a business or loss of key confidential data. This is mitigated by having very robust antivirus protection and firewalls along with data encryption and password protection on sensitive data. Staff have been issued with a technical data security policy too.

Business continuity in the event of a disaster, for example premises fire. This is mitigated by remote workers being able to continue selling unaffected, server backups being taken off site daily and the majority of the stock being easy to replace on short lead times.

---

**RARUK HOLDINGS LIMITED**

---

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**Financial key performance indicators**

The Group's key performances indicators include:

**Financial**

- Turnover
- Gross profit margin
- Net profit margin
- Stock turnover days
- Stock provision percentage

**Quality**

- Non conformance reports v total orders
- Delivery performance
- Sales – lead conversion percentage

During the year the group made improvement in performance across the majority and broadly met targets set.

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



.....  
**Luke Barnett**  
Director

Date: 20/07/2020

---

## **RARUK HOLDINGS LIMITED**

---

### **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.

#### **Results and dividends**

The profit for the year, after taxation and minority interests, amounted to £117,205 (2018 - £706,465).

The directors paid a dividends of £50,000 to non-controlling interests.

#### **Directors**

The directors who served during the year were:

Robert A Rodriguez  
Peter M Rodriguez  
Peter Williamson  
Luke Barnett

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group'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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

---

**RARUK HOLDINGS LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**Future developments**

Before the current Coronavirus pandemic, the Directors expected the level turnover to increase in the forthcoming year compared to 2019. This is as a result of less uncertainty in the economy now Brexit has been resolved and because of increased sales in the new product lines that were put in place during 2019.

Following the recent developments around the world, the Directors are now expecting turnover to be around a similar level to 2019. Whilst the Group has been 'business as usual' during the pandemic up until now, there is still lots of uncertainty surrounding the future of the economy and how industry will adapt to the new world we now live in.

The Directors are always looking for the next opportunity to add to the group's portfolio. Early discussions are underway to find the next market to invest in. Over time, it is hoped this will compliment our current portfolio and increase the turnover and profit of the Group.

**Disclosure of information to auditors**

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 and the Group's auditors are 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 and the Group's auditors are aware of that information.

**Post balance sheet events**

Since the year end, there has been the COVID-19 pandemic in which there has been a significant impact on the worldwide economy and the UK construction industry market. Consideration has been given with the highest priority to meeting customer demands and maintaining the ability to effect payments on time to our suppliers.

**Auditors**

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



.....  
**Luke Barnett**  
Director

Date: 20/07/2020

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RARUK HOLDINGS LIMITED**

---

**Opinion**

We have audited the financial statements of RARUK Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2019, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company 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 Group's and of the parent Company's affairs as at 31 December 2019 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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.

**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 Group's or the parent 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 directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RARUK HOLDINGS LIMITED (CONTINUED)**

---

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.

**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 Group 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 Group 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RARUK HOLDINGS LIMITED (CONTINUED)**

---

**Auditors' 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 Auditors' 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.



Andrew J Moyser FCCA ACA (Senior Statutory Auditor)  
for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants

Statutory Auditor

Equipoise House

Grove Place

Bedford

MK40 3LE

Date: 31 July 2020

# RARUK HOLDINGS LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	4	11,218,753	12,299,764
Cost of sales		(7,753,538)	(8,514,405)
<b>Gross profit</b>		<b>3,465,215</b>	<b>3,785,359</b>
Distribution costs		(416,429)	(400,124)
Administrative expenses		(2,429,404)	(2,335,964)
Other operating income		25,986	15,794
Fair value movements		(156,249)	(36,662)
<b>Operating profit</b>		<b>489,119</b>	<b>1,028,403</b>
Interest receivable and similar income		11,537	10,329
Interest payable and expenses	8	(27,229)	(1,686)
<b>Profit before taxation</b>		<b>473,427</b>	<b>1,037,046</b>
Tax on profit	9	(125,778)	(206,323)
<b>Profit for the financial year</b>		<b>347,649</b>	<b>830,723</b>
Dividends paid to non-controlling interests		(50,000)	(62,500)
<b>Other comprehensive income for the year</b>		<b>(50,000)</b>	<b>(62,500)</b>
<b>Total comprehensive income for the year</b>		<b>297,649</b>	<b>768,223</b>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		101,325	124,258
Owners of the parent Company		246,324	706,465
		<b>347,649</b>	<b>830,723</b>
<b>Total comprehensive income for the year attributable to:</b>			
Non-controlling interest		101,325	124,258
Owners of the parent Company		196,324	643,965
		<b>297,649</b>	<b>768,223</b>

The notes on pages 18 to 34 form part of these financial statements.

CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	11		775,571		503,033
Investment property	13		2,054,000		1,985,000
			<u>2,829,571</u>		<u>2,488,033</u>
<b>Current assets</b>					
Stocks	14	1,140,820		1,086,386	
Debtors: amounts falling due after more than one year	15	-		70,351	
Debtors: amounts falling due within one year	15	1,997,844		3,192,879	
Cash at bank and in hand	16	2,524,797		1,840,007	
		<u>5,663,461</u>		<u>6,189,623</u>	
Creditors: amounts falling due within one year	17	(2,109,855)		(2,570,078)	
<b>Net current assets</b>			<u>3,553,606</u>		<u>3,619,545</u>
<b>Total assets less current liabilities</b>			<u>6,383,177</u>		<u>6,107,578</u>
Creditors: amounts falling due after more than one year	18		(865,170)		(918,280)
<b>Provisions for liabilities</b>					
Deferred taxation	21	(67,647)		(36,587)	
			<u>(67,647)</u>		<u>(36,587)</u>
<b>Net assets</b>			<u>5,450,360</u>		<u>5,152,711</u>
<b>Capital and reserves</b>					
Called up share capital	22		99		99
Capital redemption reserve	23		1		1
Profit and loss account	23		5,331,108		5,084,784
<b>Equity attributable to owners of the parent Company</b>			<u>5,331,208</u>		<u>5,084,884</u>
Non-controlling interests			119,152		67,827
			<u>5,450,360</u>		<u>5,152,711</u>

---

**RARUK HOLDINGS LIMITED**  
**REGISTERED NUMBER: 07552877**

---

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

---

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



.....  
**Luke Barnett**  
Director

Date: 20/07/2020

The notes on pages 18 to 34 form part of these financial statements.

**RARUK HOLDINGS LIMITED**  
**REGISTERED NUMBER: 07552877**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Investments	12		850		850
Investment property	13		2,054,000		1,985,000
			<u>2,054,850</u>		<u>1,985,850</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	15	634,476		1,248,726	
Cash at bank and in hand	16	1,147,597		676,619	
		<u>1,782,073</u>		<u>1,925,345</u>	
Creditors: amounts falling due within one year	17	(393,295)		(450,835)	
<b>Net current assets</b>			<u>1,388,778</u>		<u>1,474,510</u>
<b>Total assets less current liabilities</b>			<u>3,443,628</u>		<u>3,460,360</u>
Creditors: amounts falling due after more than one year	18		(865,170)		(918,280)
<b>Net assets</b>			<u><u>2,578,458</u></u>		<u><u>2,542,080</u></u>
<b>Capital and reserves</b>					
Called up share capital	22		99		99
Capital redemption reserve	23		1		1
Profit and loss account brought forward		2,541,980		1,877,253	
Profit for the year		36,378		664,727	
Profit and loss account carried forward			<u>2,578,358</u>		<u>2,541,980</u>
			<u><u>2,578,458</u></u>		<u><u>2,542,080</u></u>

---

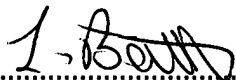
**RARUK HOLDINGS LIMITED**  
**REGISTERED NUMBER: 07552877**

---

**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

---

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



.....  
**Luke Barnett**  
Director

Date: 20/07/2020

The notes on pages 18 to 34 form part of these financial statements.

# RARUK HOLDINGS LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
<b>At 1 January 2018</b>	<b>99</b>	<b>1</b>	<b>4,378,319</b>	<b>4,378,419</b>	<b>30,844</b>	<b>4,409,263</b>
Profit for the year	-	-	706,465	706,465	124,258	830,723
NCI acquisition of subsidiary shares	-	-	-	-	(87,500)	(87,500)
NCI on new issue of subsidiary shares	-	-	-	-	225	225
<b>At 1 January 2019</b>	<b>99</b>	<b>1</b>	<b>5,084,784</b>	<b>5,084,884</b>	<b>67,827</b>	<b>5,152,711</b>
Profit for the year	-	-	246,324	246,324	101,325	347,649
Dividends paid to non- controlling interests	-	-	-	-	(50,000)	(50,000)
<b>At 31 December 2019</b>	<b>99</b>	<b>1</b>	<b>5,331,108</b>	<b>5,331,208</b>	<b>119,152</b>	<b>5,450,360</b>

The notes on pages 18 to 34 form part of these financial statements.



---

**RARUK HOLDINGS LIMITED**

---

---

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 January 2018</b>	<b>99</b>	<b>1</b>	<b>1,877,253</b>	<b>1,877,353</b>
Profit for the year	-	-	664,727	664,727
<b>At 1 January 2019</b>	<b>99</b>	<b>1</b>	<b>2,541,980</b>	<b>2,542,080</b>
Profit for the year	-	-	36,378	36,378
<b>At 31 December 2019</b>	<b>99</b>	<b>1</b>	<b>2,578,358</b>	<b>2,578,458</b>

The notes on pages 18 to 34 form part of these financial statements.

---

**RARUK HOLDINGS LIMITED**

---

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	347,649	830,723
<b>Adjustments for:</b>		
Depreciation of tangible assets	206,984	144,532
Loss on disposal of tangible assets	3,795	(3,246)
Interest paid	37,464	1,686
Interest received	(21,772)	(10,329)
Taxation charge	222,815	206,323
(Increase) in stocks	(54,434)	(120,696)
Decrease/(increase) in debtors	1,377,095	(1,410,368)
Decrease in amounts owed by groups	-	621,549
(Decrease)/increase in creditors	(443,111)	914,941
(Decrease)/increase in amounts owed to groups	(30,026)	7,141
Net fair value losses recognised in P&L	156,249	36,662
Corporation tax (paid)	(193,513)	(246,368)
<b>Net cash generated from operating activities</b>	<b>1,609,195</b>	<b>972,550</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(573,638)	(210,097)
Sale of tangible fixed assets	90,321	16,332
Purchase of investment properties	(225,249)	(2,021,662)
Interest received	21,772	10,329
<b>Net cash from investing activities</b>	<b>(686,794)</b>	<b>(2,205,098)</b>
<b>Cash flows from financing activities</b>		
New secured loans	-	1,000,000
Repayment of loans	(53,110)	-
Interest paid	(37,464)	(1,686)
Dividends paid to non controlling interests	(50,000)	(87,275)
<b>Net cash used in financing activities</b>	<b>(140,574)</b>	<b>911,039</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>781,827</b>	<b>(321,509)</b>
Cash and cash equivalents at beginning of year	1,840,007	2,161,516
<b>Cash and cash equivalents at the end of year</b>	<b>2,621,834</b>	<b>1,840,007</b>

---

**RARUK HOLDINGS LIMITED**

---

---

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

---

	2019 £	2018 £
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u>2,524,797</u>	<u>1,840,007</u>
	<u><u>2,524,797</u></u>	<u><u>1,840,007</u></u>

The notes on pages 18 to 34 form part of these financial statements.

---

**RARUK HOLDINGS LIMITED**

---

**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	1,840,007	684,790	2,524,797
Debt due after 1 year	(918,280)	53,110	(865,170)
Debt due within 1 year	(81,720)	-	(81,720)
	<u>840,007</u>	<u>737,900</u>	<u>1,577,907</u>

The notes on pages 18 to 34 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**1. General information**

RARUK Holdings Limited is a private company incorporated in England

The registered office and principal place of business address is 14 Old Bridge Way, Shefford, Bedfordshire, SG17 5HQ.

The financial statements have been rounded to the nearest £1.

**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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

**Parent Company disclosure exemptions**

In preparing the separate financial statements of the parent *Company*, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Disclosures in respect of the parent *Company's* financial instruments have not been presented as equivalent disclosures have been provided in respect of the Company as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent *Company* as their remuneration is included in the totals for the Company as a whole.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The Group financial statements consolidate the results of RARUK Holdings Limited and all its subsidiary undertakings drawn up to 31 December each year. Acquisitions are accounted for under the acquisition method. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the Consolidated Statement of Comprehensive Income from or to the date on which control has passed.

In the Company's financial statements, investments in subsidiary undertakings are stated at cost, including a proportion of the acquisition costs.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.3 Turnover**

Turnover is recognised at the fair value of consideration received or receivable for goods provided in the normal course of the business, 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rental income from operating leases is recognised on a straight line basis over the period of the lease.

Commissions receivable are shown separately as other operating income and relate to monies due to the Group for sales their suppliers make directly to customers that would usually be sales made by the Group.

**2.4 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 the Consolidated Statement of Comprehensive Income 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 Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

**2.5 Operating leases: the Group as lessor**

Rentals income from operating leases is credited to the Consolidated Statement of Comprehensive Income on a straight line basis over the term of the relevant lease.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

**2.7 Interest income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

**2.9 Borrowing costs**

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

**2.10 Pensions**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income 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 Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

**2.12 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.12 Tangible fixed assets (continued)**

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 property	- over the remaining period of the lease
Plant and machinery	- over 4-30 years based on cost
Motor vehicles	- over 5 years based on cost
Fixtures and fittings	- over 4 years based on cost
Other fixed assets	- over 4 years based on cost

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 the Consolidated Statement of Comprehensive Income.

**2.13 Investment property**

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Statement of Comprehensive Income.

**2.14 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.15 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

**2.16 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.17 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.18 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.

**2.19 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2.20 Financial instruments**

The Group 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 Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an outgoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**a) Critical judgments in applying accounting policies**

There are no judgments (apart from those involving estimates) that have had a significant effect on amounts recognised in the Financial Statements.

**b) Key accounting estimates and assumptions**

The useful economic lives used by the Group in respect of tangible fixed assets are set out in the accounting policies. These estimates are the best estimate based on past experience and expected performance and are regularly reviewed to ensure they remain appropriate. The net book value of tangible fixed assets as at 31 December 2019 was £775,571 after a depreciation charge in the year of £206,984.

**4. Turnover**

	2019 £	2018 £
Total sales	<b>11,218,753</b>	12,299,764

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	<b>8,419,946</b>	9,407,863
Rental income	<b>66,473</b>	2,320
Rest of the world	<b>2,732,334</b>	2,889,581
	<b>11,218,753</b>	12,299,764

**5. Auditors' remuneration**

	2019 £	2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<b>21,700</b>	20,650

---

**RARUK HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**6. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Wages and salaries	<b>1,562,887</b>	1,590,756	<b>594,500</b>	722,410
Social security costs	<b>161,947</b>	158,983	<b>38,300</b>	46,695
Cost of defined contribution scheme	<b>86,380</b>	73,997	-	-
	<b>1,811,214</b>	1,823,736	<b>632,800</b>	769,105

The average monthly number of employees, including the directors, during the year was as follows:

	<b>Group 2019 No.</b>	<b>Group 2018 No.</b>	<b>Company 2019 No.</b>	<b>Company 2018 No.</b>
Employees	<b>27</b>	23	4	4

**7. Directors' remuneration**

	<b>2019 £</b>	<b>2018 £</b>
Directors' emoluments	<b>594,500</b>	722,410

The highest paid director received remuneration of £240,098 (2018 - £285,993).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £14,687.

**8. Interest payable and similar expenses**

	<b>2019 £</b>	<b>2018 £</b>
Bank interest payable	<b>27,229</b>	1,381
Other interest payable	-	305
	<b>27,229</b>	1,686

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

9. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	(12,567)	191,755
	<u>(12,567)</u>	<u>191,755</u>
Group taxation relief	107,285	-
	<u>94,718</u>	<u>191,755</u>
<b>Total current tax</b>	<u>94,718</u>	<u>191,755</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	31,060	14,568
<b>Total deferred tax</b>	<u>31,060</u>	<u>14,568</u>
<b>Taxation on profit on ordinary activities</b>	<u>125,778</u>	<u>206,323</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>473,427</u>	<u>1,037,046</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	89,951	197,039
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	143,112	9,284
Group relief	(107,285)	-
<b>Total tax charge for the year</b>	<u>125,778</u>	<u>206,323</u>

**Factors that may affect future tax charges**

There are no factors affecting the future tax charge.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**10. Parent company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £36,378 (2018 - £664,727).

**11. Tangible fixed assets**

**Group**

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
<b>Cost or valuation</b>						
At 1 January 2019	60,989	271,207	424,000	149,654	10,451	916,301
Additions	-	153,759	296,948	122,931	-	573,638
Disposals	(60,989)	(44,856)	(184,743)	(82,162)	-	(372,750)
At 31 December 2019	-	380,110	536,205	190,423	10,451	1,117,189
<b>Depreciation</b>						
At 1 January 2019	60,989	72,804	146,072	122,952	10,451	413,268
Charge for the year on owned assets	-	82,192	98,661	26,131	-	206,984
Disposals	(60,989)	(23,426)	(113,289)	(80,930)	-	(278,634)
At 31 December 2019	-	131,570	131,444	68,153	10,451	341,618
<b>Net book value</b>						
At 31 December 2019	-	248,540	404,761	122,270	-	775,571
At 31 December 2018	-	198,403	277,928	26,702	-	503,033

---

**RARUK HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**12. Fixed asset investments****Company**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 January 2019	<b>850</b>
At 31 December 2019	<b>850</b>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
R A Rodriguez (UK) Limited	14 Old Bridge Way, Shefford, Bedfordshire, SG17 5HQ	Ordinary	100%
RARUK Automation Limited	14 Old Bridge Way, Shefford, Bedfordshire, SG17 5HQ	Ordinary	75%

The aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves £</b>	<b>Profit £</b>
R A Rodriguez (UK) Limited	<b>2,396,142</b>	<b>555,971</b>
RARUK Automation Limited	<b>476,608</b>	<b>405,300</b>

---

**RARUK HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**13. Investment property****Group**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 January 2019	1,985,000
Additions at cost	225,249
Surplus on revaluation	(156,249)
<b>At 31 December 2019</b>	<b>2,054,000</b>

The 2019 valuations were made by Kirby Diamond on 31 December 2019, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

**Company**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 January 2019	1,985,000
Additions at cost	225,249
Surplus on revaluation	(156,249)
<b>At 31 December 2019</b>	<b>2,054,000</b>

The 2019 valuations were made by Kirby Diamond on 31 December 2019, on an open market value for existing use basis.



---

**RARUK HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**14. Stocks**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>
Finished goods and goods for resale	<b>1,140,820</b>	<b>1,086,386</b>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

**15. Debtors**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
<b>Due after more than one year</b>				
Other debtors	-	70,351	-	-

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
<b>Due within one year</b>				
Trade debtors	<b>1,763,392</b>	2,275,678	-	2,784
Amounts owed by group undertakings	-	-	<b>621,976</b>	861,639
Other debtors	<b>121,711</b>	453,490	<b>10,000</b>	382,337
Prepayments and accrued income	<b>112,741</b>	463,711	<b>2,500</b>	1,966
	<b>1,997,844</b>	3,192,879	<b>634,476</b>	1,248,726

**16. Cash and cash equivalents**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Cash at bank and in hand	<b>2,524,797</b>	1,840,007	<b>1,147,597</b>	676,619

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**17. Creditors: Amounts falling due within one year**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Bank loans	<b>81,720</b>	81,720	<b>81,720</b>	81,720
Trade creditors	<b>962,073</b>	841,907	-	2,334
Amounts owed to parent company	<b>84,843</b>	114,869	-	-
Corporation tax	<b>87,332</b>	74,416	-	-
Other taxation and social security	<b>495,191</b>	549,949	<b>6,000</b>	-
Other creditors	<b>13,577</b>	7,702	-	-
Accruals and deferred income	<b>385,119</b>	899,515	<b>305,575</b>	366,781
	<b>2,109,855</b>	2,570,078	<b>393,295</b>	450,835

**18. Creditors: Amounts falling due after more than one year**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Bank loans	<b>865,170</b>	918,280	<b>865,170</b>	918,280

Security over the loan exists whereby Barclays Security Trustee Ltd has a legal charge fixed over the property in form and substance satisfactory to the bank.

**19. Financial instruments**

All assets and liabilities of the Group and Company are held at amortised cost.

---

**RARUK HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**20. Loans**

Analysis of the maturity of loans is given below:

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
<b>Amounts falling due within one year</b>				
Bank loans	<b>81,720</b>	81,720	<b>81,720</b>	81,720
<b>Amounts falling due 2-5 years</b>				
Bank loans	<b>326,879</b>	326,879	<b>326,879</b>	326,879
<b>Amounts falling due after more than 5 years</b>				
Bank loans	<b>538,291</b>	591,401	<b>538,291</b>	591,401
	<b>946,890</b>	1,000,000	<b>946,890</b>	1,000,000

Security over the loan exists whereby Barclays Security Trustee Ltd has a legal charge fixed over the property in form and substance satisfactory to the bank.

**21. Deferred taxation****Group**

	<b>2019 £</b>	<b>2018 £</b>
At beginning of year	<b>(36,587)</b>	(22,019)
Charged to profit or loss	<b>(31,060)</b>	(14,568)
<b>At end of year</b>	<b>(67,647)</b>	(36,587)

The provision for deferred taxation is made up as follows:

	<b>Group 2019 £</b>	<b>Group 2018 £</b>
Accelerated capital allowances	<b>67,647</b>	36,587

---

**RARUK HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**22. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
99 (2018 - 99) Ordinary shares of £1.00 each	<u>99</u>	<u>99</u>

**23. Reserves****Capital redemption reserve**

Capital redemption reserve includes all current and previous reserves.

**Profit and loss account**

Profit and loss account reserves includes all current and previous profit and losses.

**24. Contingent liabilities**

A cross composite guarantee agreement exists between the Company, RARUK Automation Limited and R A Rodriguez (UK) Limited whereby each company has guaranteed the bank accounts of the others held at Barclays Bank.

**25. Pension commitments**

The total contributions for the year were £94,277 (2018: £78,677). There were no outstanding or prepaid contributions at the year end (2018: £nil).

**26. Commitments under operating leases**

At 31 December 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	Group 2018 £
Not later than 1 year	4,969	5,678
Later than 1 year and not later than 5 years	15,850	18,918
Later than 5 years	106	1,471
	<u>20,925</u>	<u>26,067</u>

**27. Related party transactions**

The Company has taken advantage under Financial Reporting Standard 102, not to disclose transactions with other 100% Group Companies since Consolidated Financial Statements are prepared by the Parent Company.

---

**RARUK HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**28. Post balance sheet events**

Since the year end, there has been the COVID-19 pandemic in which there has been a significant impact on the worldwide economy and has affected the Company's business activities. Consideration has been given with the highest priority to meeting customer demands within business essential market sectors and maintaining the ability to effect payments on time to our suppliers.

**29. Controlling party**

The company's immediate and ultimate parent entity is R.A.Rodriguez International Inc., a company incorporated in the United States of America.

Robert A Rodriguez and Peter M Rodriguez hold the controlling interest equally in R.A.Rodriguez International Inc.

Copies of the ultimate parent undertaking's financial statements are not publicly available.