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Company Registration Number 09944217

BETD COMPONENTS LIMITED

UNAUDITED
FINANCIAL STATEMENTS

31 MARCH 2021



ArmstrongWatson®
Accountants, Business & Financial Advisers

BETD COMPONENTS LIMITED

COMPANY INFORMATION

Directors	K J Lewis J D Eeles
Registered number	09944217
Registered office	Millennium Way High Carr Business Park Newcastle Under Lyme Staffordshire ST5 7UF
Accountants	Armstrong Watson LLP Chartered Accountants Number 3 Acorn Business Park Airedale Business Centre Skipton North Yorkshire BD23 2UE
Bankers	HSBC Bank plc Hanley Stoke on Trent Staffordshire ST1 1DA

BETD COMPONENTS LIMITED

CONTENTS

	Page
Statement of Financial Position	1 - 2
Notes to the Financial Statements	3 - 10

BETD COMPONENTS LIMITED
REGISTERED NUMBER: 09944217

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	10,288	13,375
Tangible assets	5	39,806	40,153
		<u>50,094</u>	<u>53,528</u>
Current assets			
Stocks	6	73,494	72,372
Debtors: amounts falling due within one year	7	63,889	34,599
Cash at bank and in hand		88,639	26,294
		<u>226,022</u>	<u>133,265</u>
Creditors: amounts falling due within one year	8	(207,359)	(158,529)
Net current assets/(liabilities)		<u>18,663</u>	<u>(25,264)</u>
Total assets less current liabilities		<u>68,757</u>	<u>28,264</u>
Net assets		<u>68,757</u>	<u>28,264</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		68,657	28,164
		<u>68,757</u>	<u>28,264</u>

BETD COMPONENTS LIMITED
REGISTERED NUMBER: 09944217

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

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

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

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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



J D Eeles

Director

Date: 16 November 2021

The notes on pages 3 to 10 form part of these financial statements.

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The company is a private company limited by shares, incorporated and domiciled in the United Kingdom. The company is a tax resident in the United Kingdom. It trades from its registered office address at Millennium Way, High Carr Business Park, Newcastle Under Lyme, Staffordshire, ST5 7UF.

The principal activity of the company is the design, manufacture and sale of bicycle components.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

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 directors have considered the on-going situation with regard to COVID-19 as part of their going concern assessment. *The view of the directors is that, while they acknowledge the significant disruption that the pandemic has brought and will continue to bring over the coming weeks and months, the directors feel that the company is well placed to negotiate the unique set of conditions currently facing the UK economy.*

In reaching their conclusion, the directors have considered their cash flow from a period of 12 months from the date of sign off, the various financial support measures that have been announced by the UK government, and the availability of funding.

After consideration of all factors, the directors continue to adopt the going concern basis in preparing the financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
Website	-	5	years

2.5 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:

Plant and machinery	- 12.5% straight line
Motor vehicles	-
Fixtures and fittings	- 25% straight line

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.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 Financial instruments

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

2.10 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.

2.11 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.12 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'.

2.13 Finance costs

Finance costs are charged to profit or loss 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.

2.14 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.

2.15 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.17 Taxation

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 reporting date in the countries where the Company operates and generates income.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2020 - 3).

4. Intangible assets

	Website £	Goodwill £	Total £
Cost			
At 1 April 2020	18,688	1,000	19,688
Additions	850	-	850
At 31 March 2021	19,538	1,000	20,538
Amortisation			
At 1 April 2020	6,013	300	6,313
Charge for the year on owned assets	3,837	100	3,937
At 31 March 2021	9,850	400	10,250
Net book value			
At 31 March 2021	9,688	600	10,288
At 31 March 2020	12,675	700	13,375

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2020	74,101	-	10,327	84,428
Additions	2,380	7,200	-	9,580
At 31 March 2021	<u>76,481</u>	<u>7,200</u>	<u>10,327</u>	<u>94,008</u>
Depreciation				
At 1 April 2020	34,369	-	9,906	44,275
Charge for the year on owned assets	9,356	150	421	9,927
At 31 March 2021	<u>43,725</u>	<u>150</u>	<u>10,327</u>	<u>54,202</u>
Net book value				
At 31 March 2021	<u>32,756</u>	<u>7,050</u>	<u>-</u>	<u>39,806</u>
At 31 March 2020	<u>39,732</u>	<u>-</u>	<u>421</u>	<u>40,153</u>

6. Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>73,494</u>	<u>72,372</u>
	<u>73,494</u>	<u>72,372</u>

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. Debtors

	2021 £	2020 £
Trade debtors	17,187	6,665
Other debtors	46,139	24,817
Prepayments and accrued income	563	3,117
	<u>63,889</u>	<u>34,599</u>

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	63,109	3,828
Amounts owed to group undertakings	126,870	147,353
Corporation tax	8,200	-
Other taxation and social security	1,811	1,375
Other creditors	212	223
Accruals and deferred income	7,157	5,750
	<u>207,359</u>	<u>158,529</u>

9. 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. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,051 (2020 - £1,124). Contributions totalling £211 (2020 - £222) were payable to the fund at the reporting date and are included in creditors.

10. Related party transactions

The company has taken advantage of the exemption contained in Section 33 of Financial Reporting Standard 102 'Related Party Disclosures' from disclosing transactions with entities which are part of the group, since 100% of the voting rights in the company are controlled within the group, and the company is included within the group accounts which are publicly available.

BETD COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. Controlling party

The company is a wholly owned subsidiary undertaking of KMF Group Limited, a company registered in England and Wales.

KMF Group Limited is a wholly owned subsidiary undertaking of KMF Group Holdings Limited, a company registered in England and Wales.

KMF Group Holdings Limited is under the control of G M Higgins and his close family members who are interested in 100% of the issued share capital.

The consolidated financial statements of KMF Group Holdings Limited are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.