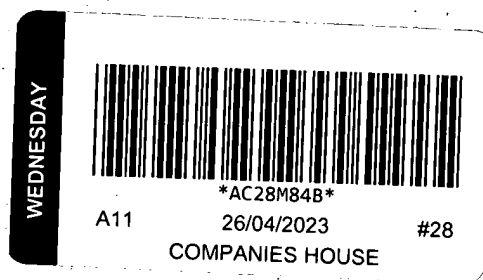


Registered number: 02252955

IREKS U.K. LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



IREKS U.K. LTD

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IREKS U.K. LTD

COMPANY INFORMATION

Directors

S Ertl
N O Lewe
T G Stroebel
T Van Heffen

Registered number

02252955

Registered office

16 Great Queen Street
Covent Garden
London
WC2B 5AH

Independent auditor

Blick Rothenberg Audit LLP
Chartered Accountants & Statutory Auditor
16 Great Queen Street
Covent Garden
London
WC2B 5AH

IREKS U.K. LTD**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	115,176	89,474
Current assets			
Stocks	5	733,752	607,730
Debtors: amounts falling due within one year	6	1,429,964	1,175,255
Cash at bank and in hand		299,265	337,729
		<u>2,462,981</u>	<u>2,120,714</u>
Creditors: amounts falling due within one year	7	(670,352)	(711,770)
Net current assets		<u>1,792,629</u>	<u>1,408,944</u>
Total assets less current liabilities		<u>1,907,805</u>	<u>1,498,418</u>
Net assets		<u>1,907,805</u>	<u>1,498,418</u>
Capital and reserves			
Called up share capital	8	400,000	400,000
Profit and loss account		1,507,805	1,098,418
Total equity		<u>1,907,805</u>	<u>1,498,418</u>

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

The financial statements 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 profit and loss account 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:



N O Lewe
Director



T G Stroebel
Director

Date: 21.04.2023

Date: 21.04.2023

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

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

IREKS U.K. Ltd is a private company limited by shares incorporated in England and Wales. The address of its registered office is 16 Great Queen Street, London, WC2B 5AH.

The financial statements are presented in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

Having considered post year end trading and financial results, cash reserves and the continued support of the ultimate parent undertaking, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they 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.

2.4 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.

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 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:

Plant and machinery	- 2 - 6 years
Motor vehicles	- 4 years
Fixtures and fittings	- 4 years
Computer equipment	- 3 years

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.

2.5 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 first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

2.6 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.7 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and amounts due from group undertakings are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

2.8 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

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 are presented in the profit and loss account within 'administrative expenses'.

2.9 Interest income

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

2.10 Operating leases: the company as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

2.11 Share capital

Ordinary shares are classified as equity.

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

2.13 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.

2.14 Pensions

Defined contribution pension plan

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

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

2.15 Holiday pay accrual

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

2.16 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

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

3. Employees

The average monthly number of employees, including directors, during the year was 16 (2021 - 16).

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2022	423,518	144,390	11,063	578,971
Additions	81,669	-	1,097	82,766
Disposals	(121,445)	-	-	(121,445)
At 31 December 2022	383,742	144,390	12,160	540,292
Depreciation				
At 1 January 2022	366,463	112,827	10,207	489,497
Charge for the year on owned assets	37,332	18,976	756	57,064
Disposals	(121,445)	-	-	(121,445)
At 31 December 2022	282,350	131,803	10,963	425,116
Net book value				
At 31 December 2022	101,392	12,587	1,197	115,176
At 31 December 2021	57,055	31,563	856	89,474

Plant and machinery shown above comprises solely assets held for rental.

5. Stocks

	2022 £	2021 £
Finished goods and goods for resale	733,752	607,730

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. Debtors

	2022 £	2021 £
Trade debtors	998,421	784,406
Amounts owed by group undertakings	377,327	347,100
Other debtors	31,911	27,195
Prepayments and accrued income	22,305	16,554
	<u>1,429,964</u>	<u>1,175,255</u>

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	31,424	102,733
Amounts owed to group undertakings	377,915	215,801
Corporation tax	42,216	-
Other taxation and social security	20,949	20,384
Other creditors	95,010	64,116
Accruals and deferred income	102,838	308,736
	<u>670,352</u>	<u>711,770</u>

Amounts owed to group undertakings are interest free, have no fixed repayment date and are repayable on demand.

8. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
400,000 (2021 - 400,000) Ordinary shares of £1.00 each	<u>400,000</u>	<u>400,000</u>

9. Restatement of comparatives

The comparatives have been restated to reflect the reclassification of £333,969 of administrative expenses to cost of sales in order to better reflect the nature of these expenses. There is no impact on the reported net assets as at 31 December 2021 or on profit for the year then ended as a result of this restatement.

IREKS U.K. LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Commitments under operating leases

At 31 December 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	32,816	18,432
Later than 1 year and not later than 5 years	38,740	-
	<u>71,556</u>	<u>18,432</u>

11. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly-owned part of the group.

12. Parent undertaking

The directors regard IREKS GmbH as being the immediate and ultimate parent company.

The parent undertaking of the only group of entities for which consolidated financial statements are prepared, and of which the company is a member, is IREKS GmbH, whose registered office is Lichtenfelser Str. 20, 95326 Kulmbach, Germany.

13. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 24 April 2023 by Thomas Dickinson (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP.