

REGISTERED NUMBER: 04340885 (England and Wales)

Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 31st January 2019
for
BREMSEN TECHNIK (UK) LIMITED

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for the Year Ended 31st January 2019**

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BREMSEN TECHNIK (UK) LIMITED

Company Information
for the Year Ended 31st January 2019

DIRECTORS: B R Hall
R J Anderson

SECRETARY: R J Anderson

REGISTERED OFFICE: Unit 6, Easton Way
Colburn
Catterick Garrison
North Yorkshire
DL9 4GA

REGISTERED NUMBER: 04340885 (England and Wales)

SENIOR STATUTORY AUDITOR: Mr Nicholas Vassilounis FCA

AUDITORS: Mitchell Gordon LLP
Accountants and Statutory Auditor
43 Coniscliffe Road
Darlington
Co. Durham
DL3 7EH

Strategic Report
for the Year Ended 31st January 2019

The directors present their strategic report for the year ended 31st January 2019.

REVIEW OF BUSINESS

Net sales increased from £12.8m to £13.8m following organic growth of existing contracts. Purchasing conditions remain a challenge due to continued instability of global exchange rates. Cash generation in the period remained relatively stable during the year. Our European footprint has allowed for the continued development and creation of new European opportunities which we expect to increase significantly over the coming years.

The investment in ancillary operations has continued throughout the year and we are now in a position to capitalise on the infrastructure put in place. We continued significant investments in modernising the company's IT systems and reporting tools, we intend to continue this investment over the coming periods.

Recent newly secured contracts will ensure growth within the company as well as mitigating risk on current contracts.

PRINCIPAL RISKS AND UNCERTAINTIES

Whilst Brexit remains an uncertainty we continue to put measures in place to minimise any detrimental impact it may cause. We monitor global exchange rates on a daily basis and naturally hedge our transactions where possible

ON BEHALF OF THE BOARD:

B R Hall - Director

31st October 2019

Report of the Directors
for the Year Ended 31st January 2019

The directors present their report with the financial statements of the company for the year ended 31st January 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the sale of motor vehicle parts.

DIVIDENDS

The total distribution of dividends for the year ended 31st January 2019 will be £ 590,000 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1st February 2018 to the date of this report.

B R Hall
R J Anderson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Mitchell Gordon LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

B R Hall - Director

31st October 2019

**Report of the Independent Auditors to the Members of
Bremsen Technik (UK) Limited**

Opinion

We have audited the financial statements of Bremsen Technik (UK) Limited (the 'company') for the year ended 31st January 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 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 company's affairs as at 31st January 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Bremsen Technik (UK) Limited

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 or the Report of the Directors.

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 Statement of Directors' Responsibilities set out on page three, 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 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.

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 a Report of the Auditors 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. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Mr Nicholas Vassilounis FCA (Senior Statutory Auditor)
for and on behalf of Mitchell Gordon LLP
Accountants and Statutory Auditor
43 Coniscliffe Road
Darlington
Co. Durham
DL3 7EH

31st October 2019

**Statement of Comprehensive Income
for the Year Ended 31st January 2019**

	Notes	31/1/19 £	£	31/1/18 £	£
TURNOVER	3		13,819,824		12,783,218
Cost of sales			<u>10,418,014</u>		<u>9,116,305</u>
GROSS PROFIT			3,401,810		3,666,913
Distribution costs		88,389		82,553	
Administrative expenses		<u>3,146,424</u>		<u>2,860,820</u>	
			<u>3,234,813</u>		<u>2,943,373</u>
			166,997		723,540
Other operating income			<u>787,462</u>		<u>485,365</u>
OPERATING PROFIT	5		954,459		1,208,905
Interest payable and similar expenses	7		<u>(878)</u>		<u>4,087</u>
PROFIT BEFORE TAXATION			955,337		1,204,818
Tax on profit	8		<u>186,872</u>		<u>205,696</u>
PROFIT FOR THE FINANCIAL YEAR			768,465		999,122
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			<u>768,465</u>		<u>999,122</u>

BREMSEN TECHNIK (UK) LIMITED (REGISTERED NUMBER: 04340885)**Balance Sheet**
31st January 2019

	Notes	31/1/19 £	£	31/1/18 £	£
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		75,895		93,067
Investments	12		102		102
			<u>75,997</u>		<u>93,169</u>
CURRENT ASSETS					
Stocks	13	4,152,860		3,349,892	
Debtors	14	8,360,008		8,173,487	
Cash at bank and in hand		<u>976,441</u>		<u>232,466</u>	
		13,489,309		11,755,845	
CREDITORS					
Amounts falling due within one year	15	<u>8,941,639</u>		<u>7,391,109</u>	
NET CURRENT ASSETS			<u>4,547,670</u>		<u>4,364,736</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,623,667		4,457,905
CREDITORS					
Amounts falling due after more than one year	16		(18,642)		(28,611)
PROVISIONS FOR LIABILITIES	21		<u>(14,420)</u>		<u>(17,154)</u>
NET ASSETS			<u>4,590,605</u>		<u>4,412,140</u>
CAPITAL AND RESERVES					
Called up share capital	22		102		102
Retained earnings	23		<u>4,590,503</u>		<u>4,412,038</u>
SHAREHOLDERS' FUNDS			<u>4,590,605</u>		<u>4,412,140</u>

The financial statements were approved by the Board of Directors on 31st October 2019 and were signed on its behalf by:

B R Hall - Director

Statement of Changes in Equity
for the Year Ended 31st January 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st February 2017	102	3,902,916	3,903,018
Changes in equity			
Dividends	-	(490,000)	(490,000)
Total comprehensive income	-	999,122	999,122
Balance at 31st January 2018	<u>102</u>	<u>4,412,038</u>	<u>4,412,140</u>
Changes in equity			
Dividends	-	(590,000)	(590,000)
Total comprehensive income	-	768,465	768,465
Balance at 31st January 2019	<u>102</u>	<u>4,590,503</u>	<u>4,590,605</u>

**Cash Flow Statement
for the Year Ended 31st January 2019**

	Notes	31/1/19 £	31/1/18 £
Cash flows from operating activities			
Cash generated from operations	1	2,062,544	2,458,110
Interest paid		(1,658)	(2,678)
Interest element of hire purchase payments paid		2,536	(1,409)
Tax paid		(400,581)	(193,817)
Net cash from operating activities		<u>1,662,841</u>	<u>2,260,206</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(47,418)	(55,730)
Sale of tangible fixed assets		15,800	-
Net cash from investing activities		<u>(31,618)</u>	<u>(55,730)</u>
Cash flows from financing activities			
Movement in group balances		(258,775)	(1,735,299)
Capital repayments in year		(9,240)	(9,946)
Equity dividends paid		(590,000)	(490,000)
Net cash from financing activities		<u>(858,015)</u>	<u>(2,235,245)</u>
Increase/(decrease) in cash and cash equivalents		<u>773,208</u>	<u>(30,769)</u>
Cash and cash equivalents at beginning of year	2	203,233	234,002
Cash and cash equivalents at end of year	2	<u>976,441</u>	<u>203,233</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31st January 2019

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31/1/19	31/1/18
	£	£
Profit before taxation	955,337	1,204,818
Depreciation charges	48,499	41,404
Loss on disposal of fixed assets	291	-
Finance costs	(878)	4,087
	<u>1,003,249</u>	<u>1,250,309</u>
Increase in stocks	(802,968)	(1,320,425)
Decrease/(increase) in trade and other debtors	72,254	(1,732,550)
Increase in trade and other creditors	<u>1,790,009</u>	<u>4,260,776</u>
Cash generated from operations	<u><u>2,062,544</u></u>	<u><u>2,458,110</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st January 2019

	31/1/19	1/2/18
	£	£
Cash and cash equivalents	976,441	232,466
Bank overdrafts	-	(29,233)
	<u>976,441</u>	<u>203,233</u>

Year ended 31st January 2018

	31/1/18	1/2/17
	£	£
Cash and cash equivalents	232,466	234,002
Bank overdrafts	(29,233)	-
	<u>203,233</u>	<u>234,002</u>

Notes to the Financial Statements
for the Year Ended 31st January 2019

1. **STATUTORY INFORMATION**

Bremesen Technik (UK) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared under the going concern basis of accounting.

Preparation of consolidated financial statements

The financial statements contain information about Bremesen Technik (UK) Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken the option under Section 402 of the Companies Act 2006 not to prepare consolidated financial statements on the grounds that the subsidiary undertaking is dormant and is therefore not material for the purpose of giving a true and fair view.

Critical accounting judgements 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 ongoing 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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2011, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 33% on cost, 25% on cost and 20% on cost
Motor vehicles	- 40% on reducing balance
Computer and office equipment	- at varying rates on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

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

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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 debtors and cash and bank balances, 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

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.

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 loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

2. **ACCOUNTING POLICIES - continued**

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31/1/19	31/1/18
	£	£
UK sales	4,959,367	4,673,630
EC sales	7,941,240	7,296,588
Rest of world sales	919,217	813,000
	<u>13,819,824</u>	<u>12,783,218</u>

4. EMPLOYEES AND DIRECTORS

	31/1/19	31/1/18
	£	£
Wages and salaries	1,614,545	1,237,642
Social security costs	138,816	113,029
Other pension costs	36,947	28,839
	<u>1,790,308</u>	<u>1,379,510</u>

The average number of employees during the year was as follows:

	31/1/19	31/1/18
Directors	2	2
Sales	3	4
Distribution	4	3
Administration	25	21
	<u>34</u>	<u>30</u>

	31/1/19	31/1/18
	£	£
Directors' remuneration	130,247	109,144
Directors' pension contributions to money purchase schemes	<u>4,843</u>	<u>4,050</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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5. OPERATING PROFIT

The operating profit is stated after charging:

	31/1/19	31/1/18
	£	£
Depreciation - owned assets	33,508	26,412
Depreciation - assets on hire purchase contracts	14,991	14,992
Loss on disposal of fixed assets	291	-
Rentals under operating leases	<u>57,680</u>	<u>41,468</u>

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

6. AUDITORS' REMUNERATION

	31/1/19	31/1/18
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>6,200</u>	<u>6,200</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31/1/19	31/1/18
	£	£
Bank interest	-	359
Interest payable	1,658	2,319
Hire purchase interest	<u>(2,536)</u>	<u>1,409</u>
	<u>(878)</u>	<u>4,087</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31/1/19	31/1/18
	£	£
Current tax:		
UK corporation tax	-	209,205
Prior year over/underprovision	5,099	(6,168)
Tax effect of group relief	<u>184,507</u>	<u>-</u>
Total current tax	189,606	203,037
Deferred tax	<u>(2,734)</u>	<u>2,659</u>
Tax on profit	<u>186,872</u>	<u>205,696</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31/1/19	31/1/18
	£	£
Profit before tax	<u>955,337</u>	<u>1,204,818</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	181,514	228,915
Effects of:		
Expenses not deductible for tax purposes	512	434
Capital allowances in excess of depreciation	-	(2,838)
Depreciation in excess of capital allowances	2,733	-
Adjustments to tax charge in respect of previous periods	5,099	(6,168)
Amounts arising from changing tax rates during the year	-	1,538
Group loss relief	(186,028)	(18,317)
Deferred tax movement	(2,734)	2,659
Pension creditor movement	1,269	(527)
Payments made to group company for tax losses	<u>184,507</u>	<u>-</u>
Total tax charge	<u>186,872</u>	<u>205,696</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st January 2019**

9. DIVIDENDS

	31/1/19	31/1/18
	£	£
Ordinary shares of £1 each		
Paid during the year	500,000	400,000
Ordinary A share of £1		
Paid during the year	<u>90,000</u>	<u>90,000</u>
	<u>590,000</u>	<u>490,000</u>

10. INTANGIBLE FIXED ASSETS

COST

At 1st February 2018 and 31st January 2019	<u>1,678,810</u>
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AMORTISATION

At 1st February 2018 and 31st January 2019	<u>1,678,810</u>
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NET BOOK VALUE

At 31st January 2019	<u>-</u>
At 31st January 2018	<u>-</u>

11. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Computer and office equipment £	Totals £
COST				
At 1st February 2018	91,399	42,675	165,017	299,091
Additions	17,718	16,695	13,005	47,418
Disposals	<u>-</u>	<u>(16,695)</u>	<u>-</u>	<u>(16,695)</u>
At 31st January 2019	<u>109,117</u>	<u>42,675</u>	<u>178,022</u>	<u>329,814</u>
DEPRECIATION				
At 1st February 2018	59,025	25,323	121,676	206,024
Charge for year	11,299	12,172	25,028	48,499
Eliminated on disposal	<u>-</u>	<u>(604)</u>	<u>-</u>	<u>(604)</u>
At 31st January 2019	<u>70,324</u>	<u>36,891</u>	<u>146,704</u>	<u>253,919</u>
NET BOOK VALUE				
At 31st January 2019	<u>38,793</u>	<u>5,784</u>	<u>31,318</u>	<u>75,895</u>
At 31st January 2018	<u>32,374</u>	<u>17,352</u>	<u>43,341</u>	<u>93,067</u>

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

11. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1st February 2018 and 31st January 2019	<u>17,118</u>	<u>32,925</u>	<u>50,043</u>
DEPRECIATION			
At 1st February 2018	6,304	15,573	21,877
Charge for year	<u>3,423</u>	<u>11,568</u>	<u>14,991</u>
At 31st January 2019	<u>9,727</u>	<u>27,141</u>	<u>36,868</u>
NET BOOK VALUE			
At 31st January 2019	<u>7,391</u>	<u>5,784</u>	<u>13,175</u>
At 31st January 2018	<u>10,814</u>	<u>17,352</u>	<u>28,166</u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1st February 2018 and 31st January 2019	<u>102</u>
NET BOOK VALUE	
At 31st January 2019	<u>102</u>
At 31st January 2018	<u>102</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Braking Solutions Limited

Registered office: Unit 6 Easton Way, Colburn, Catterick Garrison, North Yorkshire, DL9 4GA

Nature of business: Dormant

	%		
	holding		
Class of shares:			
Ordinary	100.00		
Ordinary A & Ordinary B	100.00		
		31/1/19	31/1/18
		£	£
Aggregate capital and reserves		<u>102</u>	<u>102</u>

13. STOCKS

	31/1/19	31/1/18
	£	£
Finished goods	<u>4,152,860</u>	<u>3,349,892</u>

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

14.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31/1/19	31/1/18
		£	£
	Trade debtors	1,911,281	1,993,798
	Amounts owed by group undertakings	4,169,213	3,910,438
	Other debtors	1,993,976	1,884,115
	VAT	143,247	153,888
	Prepayments and accrued income	142,291	231,248
		<u>8,360,008</u>	<u>8,173,487</u>
15.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31/1/19	31/1/18
		£	£
	Bank loans and overdrafts (see note 17)	-	29,233
	Hire purchase contracts (see note 18)	9,969	9,240
	Trade creditors	6,986,127	5,588,515
	Tax	(7,935)	203,040
	Social security and other taxes	46,535	27,866
	Other creditors	1,906,943	1,533,215
		<u>8,941,639</u>	<u>7,391,109</u>
16.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
		31/1/19	31/1/18
		£	£
	Hire purchase contracts (see note 18)	<u>18,642</u>	<u>28,611</u>
17.	LOANS		
	An analysis of the maturity of loans is given below:		
		31/1/19	31/1/18
		£	£
	Amounts falling due within one year or on demand:		
	Bank overdrafts	<u>-</u>	<u>29,233</u>
18.	LEASING AGREEMENTS		
	Minimum lease payments under hire purchase fall due as follows:		
		31/1/19	31/1/18
		£	£
	Net obligations repayable:		
	Within one year	9,969	9,240
	Between one and five years	18,642	28,611
		<u>28,611</u>	<u>37,851</u>

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

19. SECURED DEBTS

The following secured debts are included within creditors:

	31/1/19	31/1/18
	£	£
Bank overdraft	-	29,233
Hire purchase contracts	28,611	37,851
Other creditors	<u>1,275,769</u>	<u>1,124,278</u>
	<u>1,304,380</u>	<u>1,191,362</u>

The hire purchase liabilities are secured via the assets to which they relate. Bank overdrafts and invoice financing liabilities, included in other creditors, are secured by the assets of the company.

20. FINANCIAL INSTRUMENTS

	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>9,050,911</u>	<u>8,020,817</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>8,921,783</u>	<u>7,188,916</u>

21. PROVISIONS FOR LIABILITIES

	31/1/19	31/1/18
	£	£
Deferred tax	<u>14,420</u>	<u>17,154</u>
		Deferred tax
		£
Balance at 1st February 2018		17,154
Accelerated capital allowances		<u>(2,734)</u>
Balance at 31st January 2019		<u>14,420</u>

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31/1/19	31/1/18
Number:	Class:	Nominal Value:	£	£
100	Ordinary	£1	100	100
1	Ordinary A	£1	1	1
1	Ordinary B	£1	<u>1</u>	<u>1</u>
			<u>102</u>	<u>102</u>

All class of shares are entitled to dividends as the directors see fit and distributions upon winding up however only 'Ordinary' shares have voting rights attached.

Notes to the Financial Statements - continued
for the Year Ended 31st January 2019

23. **RESERVES**

	Retained earnings £
At 1st February 2018	4,412,038
Profit for the year	768,465
Dividends	<u>(590,000)</u>
At 31st January 2019	<u><u>4,590,503</u></u>

24. **ULTIMATE PARENT COMPANY**

Bremesen Technik Holdings Ltd is regarded by the directors as being the company's ultimate parent company.

25. **RELATED PARTY DISCLOSURES**

Entities with control, joint control or significant influence over the entity

	31/1/19 £	31/1/18 £
Dividends paid to related party	500,000	400,000
Amount due from related party	<u>2,509,383</u>	<u>3,047,693</u>

Key management personnel of the entity or its parent (in the aggregate)

	31/1/19 £	31/1/18 £
Compensation	<u>130,247</u>	<u>113,194</u>

Other related parties

	31/1/19 £	31/1/18 £
Dividends paid to related party	90,000	90,000
Recharges	787,035	485,365
Amount due from related party	3,616,136	2,467,040
Amount due to related party	<u>357,080</u>	<u>-</u>

26. **ULTIMATE CONTROLLING PARTY**

The controlling party is B R Hall.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.