

REGISTERED NUMBER: 08249178 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
EUROCRAFT TECHNOLOGIES LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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EUROCRAFT TECHNOLOGIES LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTOR: P Mehta

REGISTERED OFFICE: Cinderbank
Dudley
West Midlands
DY2 9AE

REGISTERED NUMBER: 08249178 (England and Wales)

AUDITORS: DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents his strategic report for the year ended 31 December 2020.

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

REVIEW OF BUSINESS

Turnover has increased by 1.8% this year, from £12,289,501 to £12,514,774.

Gross profit margin has decreased by 0.7% from 23.0% to 22.3%, largely as a result of rising subcontractor and labour costs.

Profit before tax decreased by 6.4% to £720,276, and as a percentage of turnover, has decreased from 6.3% to 5.8%.

Given the economic difficulties caused by the worldwide Covid-19 pandemic, the Directors are pleased with the financial performance of the company for the year.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk is a key element of the company's strategic management, whereby it addresses the risks attached to each of its activities. This is reflected in the company's Business Continuity plan, which incorporates Risk Tolerance Matrices, Business Impact Analyses and Action Plans.

Regular reviews of the company's Business Continuity plan, policies, quality control and health and safety procedures are undertaken as part of the company's risk management process.

In common with many manufacturing businesses in the UK the company continues to be exposed to the effects of global competition but focuses on providing quality products and solutions for its customers.

Brexit and the Covid-19 pandemic risk

The company has proved to be resilient to both Brexit and the worldwide Covid-19 pandemic. Nevertheless, ongoing uncertainties arising from Brexit, exacerbated by the added complications arising from the Covid-19 pandemic on supply and shipping, do both remain a risk to the business.

KEY PERFORMANCE INDICATORS

The company operates with a range of key performance indicators, the principal measures fall within the following categories; profitability, sales & customer service, resource & cost effectiveness. These are reviewed at regular QMS meetings.

SIGNED BY ORDER OF THE DIRECTORS:

P Mehta - Director

28 September 2021

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents his report with the financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the design, manufacture and sale of enclosure systems for use in the communications industries in both internal and external environments.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

RESEARCH AND DEVELOPMENT

The company will continue to support its customers' design and technical authorities by developing new product sets that meet their application specific requirements. The company has again invested in research and development to achieve product approvals in a new product range.

FUTURE DEVELOPMENTS

The company continues to work in partnership with its major customers ensuring that its products and solutions meet the demands of evolving technologies within the telecommunications sector.

DIRECTOR

P Mehta held office during the whole of the period from 1 January 2020 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 director is 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 he 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.

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2020**

AUDITORS

The auditors, DNG Dove Naish LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

SIGNED BY ORDER OF THE DIRECTORS:

P Mehta - Director

28 September 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EUROCRAFT TECHNOLOGIES LIMITED

Opinion

We have audited the financial statements of Eurocraft Technologies Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 31 December 2020 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, 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 this gives rise to a material misstatement in the financial statements themselves. 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 Director 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 Director have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EUROCRAFT TECHNOLOGIES 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 Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Company's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of commercial revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EUROCRAFT TECHNOLOGIES LIMITED**

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.

Andrew Clifford (Senior Statutory Auditor)
for and on behalf of DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

29 September 2021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
TURNOVER	3	12,514,774	12,289,501
Cost of sales		<u>9,722,410</u>	<u>9,460,177</u>
GROSS PROFIT		2,792,364	2,829,324
Administrative expenses		<u>2,069,887</u>	<u>2,053,335</u>
		722,477	775,989
Other operating income		<u>3,387</u>	<u>3,387</u>
OPERATING PROFIT	5	725,864	779,376
Interest receivable and similar income		<u>-</u>	<u>2</u>
		725,864	779,378
Interest payable and similar expenses	6	<u>5,588</u>	<u>10,079</u>
PROFIT BEFORE TAXATION		720,276	769,299
Tax on profit	7	<u>103,145</u>	<u>138,475</u>
PROFIT FOR THE FINANCIAL YEAR		617,131	630,824
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>617,131</u>	<u>630,824</u>

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		377,478		528,471
Tangible assets	9		898,654		910,486
			<u>1,276,132</u>		<u>1,438,957</u>
CURRENT ASSETS					
Stocks	10	2,877,198		2,082,374	
Debtors	11	2,729,113		2,708,741	
Cash at bank and in hand		158,658		54,759	
		<u>5,764,969</u>		<u>4,845,874</u>	
CREDITORS					
Amounts falling due within one year	12	<u>2,391,802</u>		<u>2,272,988</u>	
NET CURRENT ASSETS			<u>3,373,167</u>		<u>2,572,886</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,649,299		4,011,843
PROVISIONS FOR LIABILITIES	14		<u>210,702</u>		<u>190,377</u>
NET ASSETS			<u>4,438,597</u>		<u>3,821,466</u>
CAPITAL AND RESERVES					
Called up share capital	15		10,000		10,000
Merger reserve	16		120,316		120,316
Retained earnings	16		4,308,281		3,691,150
SHAREHOLDERS' FUNDS			<u>4,438,597</u>		<u>3,821,466</u>

The financial statements were approved by the director and authorised for issue on 28 September 2021 and were signed by:

P Mehta - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Merger reserve £	Total equity £
Balance at 1 January 2019	10,000	3,060,326	120,316	3,190,642
Changes in equity				
Total comprehensive income	-	630,824	-	630,824
Balance at 31 December 2019	10,000	3,691,150	120,316	3,821,466
Changes in equity				
Total comprehensive income	-	617,131	-	617,131
Balance at 31 December 2020	10,000	4,308,281	120,316	4,438,597

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Eurocraft Technologies 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.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 33.7.

Significant judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

Turnover

Turnover represents the value, net of Value Added Tax, of goods sold and services provided to customers.

Turnover is generally recognised when the goods have been dispatched, and title passes to the customer. There are occasions where the customer does not require immediate dispatch but the company has earned the right to consideration. These are treated as bill and hold arrangements and turnover is recognised at the point the right to consideration is reached.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2013, is being amortised evenly over its estimated useful life of ten years.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

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 - over 3 to 15 years straight line
Fixtures and fittings - over 3 to 8 years straight line
Leasehold improvements - over the period of the lease

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The selection of these residual values and estimated lives requires the exercise of judgement. The directors are required to assess whether there is an indication of impairment to the carrying value of assets. In making that assessment, judgements are made in estimating value in use. The directors consider that the individual carrying values of assets are supportable by their value in use.

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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 statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

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.

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:

	2020	2019
	£	£
United Kingdom	12,430,011	12,222,955
Europe	81,158	17,798
United States of America	3,605	37,666
Rest of the world	-	11,082
	<u>12,514,774</u>	<u>12,289,501</u>

4. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	3,079,112	2,796,948
Social security costs	224,057	191,123
Other pension costs	91,973	71,550
	<u>3,395,142</u>	<u>3,059,621</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 20204. **EMPLOYEES AND DIRECTORS - continued**

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

	2020	2019
Office and management	8	7
Manufacturing	105	86
	<u>113</u>	<u>93</u>
	2020	2019
	£	£
Director's remuneration	<u>-</u>	<u>-</u>

5. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	177,396	172,660
Loss/(profit) on disposal of fixed assets	90	(109)
Goodwill amortisation	150,993	150,993
Auditors' remuneration	14,000	13,600
Foreign exchange differences	<u>45,891</u>	<u>30,615</u>

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2020	2019
	£	£
Other interest payable	<u>5,588</u>	<u>10,079</u>

7. **TAXATION****Analysis of the tax charge**

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	82,819	136,676
Over/under provision in prior year	-	(19)
Total current tax	<u>82,819</u>	<u>136,657</u>
Deferred tax	<u>20,326</u>	<u>1,818</u>
Tax on profit	<u>103,145</u>	<u>138,475</u>

UK corporation tax has been charged at 19% (2019 - 19%).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2020	2019
	£	£
Profit before tax	<u>720,276</u>	<u>769,299</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	136,852	146,167
Effects of:		
Expenses not deductible for tax purposes	1,167	5,764
Depreciation in excess of capital allowances	26,681	27,376
Adjustments to tax charge in respect of previous periods	-	(19)
Deferred tax	20,325	1,818
Group relief	(81,880)	(42,631)
Total tax charge	<u>103,145</u>	<u>138,475</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 January 2020 and 31 December 2020	<u>1,509,925</u>
AMORTISATION	
At 1 January 2020	981,454
Amortisation for year	150,993
At 31 December 2020	<u>1,132,447</u>
NET BOOK VALUE	
At 31 December 2020	<u>377,478</u>
At 31 December 2019	<u>528,471</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

9. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2020	192,396	2,325,455	429,716	2,947,567
Additions	-	85,227	80,427	165,654
Disposals	(7,288)	(80,994)	(56,543)	(144,825)
At 31 December 2020	<u>185,108</u>	<u>2,329,688</u>	<u>453,600</u>	<u>2,968,396</u>
DEPRECIATION				
At 1 January 2020	180,647	1,556,136	300,298	2,037,081
Charge for year	5,881	126,156	45,359	177,396
Eliminated on disposal	(7,288)	(80,994)	(56,453)	(144,735)
At 31 December 2020	<u>179,240</u>	<u>1,601,298</u>	<u>289,204</u>	<u>2,069,742</u>
NET BOOK VALUE				
At 31 December 2020	<u>5,868</u>	<u>728,390</u>	<u>164,396</u>	<u>898,654</u>
At 31 December 2019	<u>11,749</u>	<u>769,319</u>	<u>129,418</u>	<u>910,486</u>

10. STOCKS

	2020 £	2019 £
Raw materials	1,430,309	849,295
Work-in-progress	990,543	778,905
Finished goods	456,346	454,174
	<u>2,877,198</u>	<u>2,082,374</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	2,428,562	2,440,442
Amounts owed by group undertakings	76,069	56,146
Other debtors	50,006	50,006
Tax	19,269	12,088
Prepayments and accrued income	155,207	150,059
	<u>2,729,113</u>	<u>2,708,741</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	1,734,427	1,618,939
Amounts owed to group undertakings	-	20,474
Tax	-	136,674
Social security and other taxes	59,111	50,446
VAT	433,051	318,713
Other creditors	19,649	14,294
Accruals and deferred income	145,564	113,448
	<u>2,391,802</u>	<u>2,272,988</u>

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	177,218	345,701
Between one and five years	68,473	245,676
	<u>245,691</u>	<u>591,377</u>

14. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Deferred tax	125,379	105,054
Other provisions	85,323	85,323
	<u>210,702</u>	<u>190,377</u>
	Deferred tax	Dilap. provision
	£	£
Balance at 1 January 2020	105,054	85,323
Provided during year	20,325	-
Balance at 31 December 2020	<u>125,379</u>	<u>85,323</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

16. RESERVES

	Retained earnings £	Merger reserve £	Totals £
At 1 January 2020	3,691,150	120,316	3,811,466
Profit for the year	617,131		617,131
At 31 December 2020	<u>4,308,281</u>	<u>120,316</u>	<u>4,428,597</u>

17. PENSION COMMITMENTS

The company offers all qualifying employees a fully insured personal pension scheme run by an external, independent administrator.

Contribution rates to the personal pension scheme are at rates ranging from 5% to 10% for the company and within Government-approved stakeholder terms for employees.

The pension cost charge represents contributions payable by the company and amounted to £94,973 (2019: £71,550). Contributions totalling £15,533 (2019: £12,890) were payable to the scheme at the year end and are included in creditors.

18. ULTIMATE PARENT COMPANY

Kelta Inc (incorporated in USA) is regarded by the director as being the company's ultimate parent company.

The parent undertaking of the smallest group within which the company belongs, and for which group accounts are prepared, is Kelta Limited, Eagle House, 28 Billing Road, Northampton, NN1 5AJ.

The consolidated accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

19. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

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.