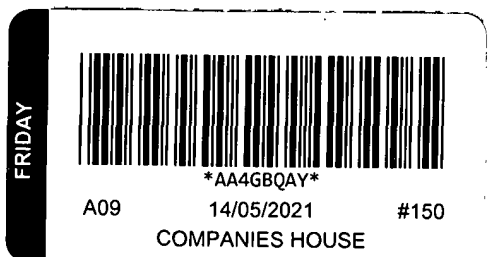


Company Registration No. 00902613 (England and Wales)

SICO EUROPE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 NOVEMBER 2020



SICO EUROPE LIMITED

COMPANY INFORMATION

Directors	H K Wilson C E Wilson S J Trimmer M J Robson K R Steinbauer
Secretary	A G Ferguson
Company number	00902613
Registered office	The Link Park Lympe Industrial Estate Lympe Kent CT21 4LR
Auditor	RSM UK Audit LLP Chartered Accountants 3rd Floor Portland 25 High Street Crawley West Sussex RH10 1BG
Solicitors	Girlings Stourside Place Station Road Ashford Kent TN23 1YB

SICO EUROPE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2020

The directors present their annual report and financial statements for the year ended 30 November 2020.

Principal activities

The principal activity of the company and group continued to be that of manufacture, sale and servicing of mobile folding space efficient products.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

H K Wilson

C E Wilson

M J Bundock

(Resigned 30 November 2020)

S J Trimmer

M J Robson

K R Steinbauer

H K Wilson, C E Wilson and K R Steinbauer are directors and shareholders of the ultimate parent company and own 90.6% of the preferred stock, 9% and 0.4% of the common stock, respectively, in that company.

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



M J Robson

Director

Date: 31st March 2021.

SICO EUROPE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2020

The directors are responsible for preparing the Directors' Report 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SICO EUROPE LIMITED

Opinion

We have audited the financial statements of SICO Europe Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 November 2020 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 November 2020 and of the group's loss 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SICO EUROPE LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

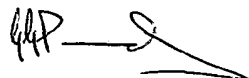
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Gary Purdy B.Soc.Sc FCA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

3rd Floor

Portland

25 High Street

Crawley

West Sussex, RH10 1BG

..31.March.2021

SICO EUROPE LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2020

	2020 £	2019 £
Turnover	7,106,600	9,391,004
Cost of sales	(4,887,266)	(6,298,821)
Gross profit	2,219,334	3,092,183
Distribution costs	(171,882)	(139,473)
Administrative expenses	(2,904,328)	(3,479,229)
Other operating income 2	1,293,325	-
Operating profit/(loss)	436,449	(526,519)
Interest receivable and similar income	1,468	1,456
Interest payable and similar expenses	(49,468)	(43,718)
Other gains and losses	(3,611)	11,802
Profit/(loss) before taxation	384,838	(556,979)
Tax on profit/(loss)	(17,290)	(31,268)
Profit/(loss) for the financial year	367,548	(588,247)
Other comprehensive income net of taxation		
Currency translation differences	1,417	(7,640)
Total comprehensive income for the year	368,965	(595,887)

Profit/(loss) for the financial year is all attributable to the owners of the parent company.

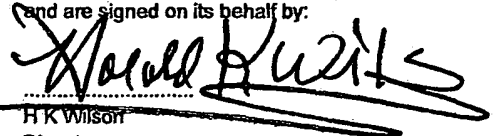
Total comprehensive income for the year is all attributable to the owners of the parent company.

SICO EUROPE LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 NOVEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Total intangible assets	4		-		-
Tangible assets	5		1,636,776		1,729,277
Current assets					
Stocks		1,002,835		996,300	
Debtors	7	927,060		912,532	
Cash at bank and in hand		557,510		386,028	
		2,487,405		2,294,860	
Creditors: amounts falling due within one year	8	(1,821,026)		(2,804,353)	
Net current assets/(liabilities)			666,379		(509,493)
Total assets less current liabilities			2,303,155		1,219,784
Creditors: amounts falling due after more than one year	9		(1,085,255)		(350,849)
Provisions for liabilities			(20,000)		(20,000)
Net assets			1,217,900		848,935
Capital and reserves					
Called up share capital	10		38,940		38,940
Share premium account			149,558		149,558
Profit and loss reserves			1,029,402		660,437
Total equity			1,217,900		848,935

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 31st March 2021 and are signed on its behalf by:


H K Wilson
Director

SICO EUROPE LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2020**

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	5		1,636,776		1,729,277
Investments	6		76,644		76,644
			<u>1,713,420</u>		<u>1,805,921</u>
Current assets					
Stocks		982,310		966,797	
Debtors	7	891,213		883,185	
Cash at bank and in hand		385,987		191,632	
		<u>2,259,510</u>		<u>2,041,614</u>	
Creditors: amounts falling due within one year	8	<u>(1,707,965)</u>		<u>(2,734,341)</u>	
Net current assets/(liabilities)			<u>551,545</u>		<u>(692,727)</u>
Total assets less current liabilities			<u>2,264,965</u>		<u>1,113,194</u>
Creditors: amounts falling due after more than one year	9		(1,065,255)		(350,849)
Provisions for liabilities			<u>(20,000)</u>		<u>(20,000)</u>
Net assets			<u>1,179,710</u>		<u>742,345</u>
Capital and reserves					
Called up share capital	10		38,940		38,940
Share premium account			149,558		149,558
Profit and loss reserves			991,212		553,847
Total equity			<u>1,179,710</u>		<u>742,345</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £437,365 (2019 - £585,861 loss).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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



H K Wilson
Director

31st March 2021

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies

Company information

SICO Europe Limited ("the company") is a private company limited by shares, and is registered, domiciled and incorporated in England and Wales. The registered office is The Link Park, Lymington Industrial Estate, Lymington, Kent, CT21 4LR.

The group consists of SICO Europe Limited and SICO Sistemas SL.

The company's and the group's principal activities and nature of operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate those of SICO Europe Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 30 November 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Going concern

During the year, the group made a net profit of £368,965 (2019: loss of £595,887). At the balance sheet date the group had net current assets of £666,379 (2019: liabilities of £509,493) and net assets of £1,217,900 (2019: £848,935).

The directors are satisfied that the funding facilities in place and which are expected to be renewed in September 2021, along with the support of the ultimate parent company, are sufficient for the group to be able to meet its liabilities as they fall due for at least twelve months from the date of approval of these financial statements. The ultimate parent company, SICO Incorporated, has confirmed its support to the group for a period of at least 12 months from the date of approval of these financial statements.

The financial statements have been prepared on the going concern basis because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the group to continue as a going concern. This review has been extended to consider the impact of COVID-19 on the group, to which the group believe they are well safeguarded against, given the above measures.

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies (Continued)

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

Revenue from contracts for the provision of professional services is recognised when the performance of services takes place in accordance with the contract terms of sales.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	25% per annum
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised on a straight line basis so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land & buildings	2.5% per annum on building costs
Plant & machinery	10% - 33% per annum
Fixtures & fittings	10% - 50% per annum
Motor vehicles	20% and 25% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

In prior periods the group capitalised interest specifically associated with the finance acquired to fund the construction of the new factory and offices.

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies (Continued)

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Stocks

Finished goods

Finished goods are valued at the lower of cost and net realisable value. Cost includes all direct expenditure and production overheads based upon the normal level of activity. Net realisable value is based upon estimated selling price less further costs of completion and disposal.

Raw materials

Raw materials are valued at the lower of cost and net realisable value. Cost includes all direct expenditure.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The group 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 when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, 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.

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 group after deducting all of its liabilities.

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies that are classified as debt, 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.

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

Other financial liabilities

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies (Continued)

Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Warranty Provisions

The group provides product warranty to its customers depending on product type, under which faulty products are repaired or replaced. The amount of provision for the warranty contains uncertainties because it requires management to make assumptions and to apply judgement based on past actual and expected future defective rates of products sold. Any increase or decrease in the actual claims will affect profit or loss in future years.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

The group operates a money purchase (defined contribution) group personal pension scheme for the benefit of its employees. Contributions are calculated by reference to the annual remuneration of the members of the plan and charged to the profit and loss account in the year they are payable. The contributions are invested separately from the group's assets.

Leases

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, and hire purchase contracts, are capitalised in the balance sheet at their fair value and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies (Continued)

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Sistemas SICO SL reports its financial results in Euros. In arriving at the sterling equivalents reported above, the rate of exchange ruling at the year-end has been used to restate the foreign currency values disclosed in its financial statements.

2 Other operating income

	2020 £	2019 £
Other revenue		
Group commissions received	887,351	-
Grants received	405,974	-
	<u> </u>	<u> </u>

Other operating income of £405,974 (2019: £Nil) relates to government grants received, in respect of the Coronavirus Job Retention Scheme (CJRS).

3 Employees

The average monthly number of persons (including directors) employed during the year was:

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Total employees	<u>72</u>	<u>74</u>	<u>71</u>	<u>73</u>

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

4 Intangible fixed assets

Group	Goodwill £	Software £	Total £
Cost			
At 1 December 2019 and 30 November 2020	40,835	1,466	42,301
Amortisation and impairment			
At 1 December 2019 and 30 November 2020	40,835	1,466	42,301
Carrying amount			
At 30 November 2019 and 30 November 2020	-	-	-

The company had no intangible fixed assets at 30 November 2020 or 30 November 2019.

5 Tangible fixed assets

Group	Freehold land & buildings £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 December 2019	2,348,084	1,264,222	236,894	70,638	3,919,838
Additions	-	-	2,492	-	2,492
Disposals	-	-	-	(13,269)	(13,269)
At 30 November 2020	2,348,084	1,264,222	239,386	57,369	3,909,061
Depreciation and impairment					
At 1 December 2019	764,701	1,221,484	173,560	30,816	2,190,561
Depreciation charged in the year	49,304	10,472	23,816	11,401	94,993
Eliminated in respect of disposals	-	-	-	(13,269)	(13,269)
At 30 November 2020	814,005	1,231,956	197,376	28,948	2,272,285
Carrying amount					
At 30 November 2020	1,534,079	32,266	42,010	28,421	1,636,776
At 30 November 2019	1,583,383	42,738	63,334	39,822	1,729,277

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

5 Tangible fixed assets (Continued)

Company	Freehold land & buildings £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 December 2019	2,348,084	1,264,222	228,463	70,638	3,911,407
Additions	-	-	2,492	-	2,492
Disposals	-	-	-	(13,269)	(13,269)
At 30 November 2020	2,348,084	1,264,222	230,955	57,369	3,900,630
Depreciation and impairment					
At 1 December 2019	764,701	1,221,484	165,129	30,816	2,182,130
Depreciation charged in the year	49,304	10,472	23,816	11,401	94,993
Eliminated in respect of disposals	-	-	-	(13,269)	(13,269)
At 30 November 2020	814,005	1,231,956	188,945	28,948	2,263,854
Carrying amount					
At 30 November 2020	1,534,079	32,266	42,010	28,421	1,636,776
At 30 November 2019	1,583,383	42,738	63,334	39,822	1,729,277

6 Fixed asset investments

	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments	-	-	76,644	76,644

7 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	673,471	654,526	636,120	610,206
Amounts owed by group undertakings	55,990	76,006	59,710	94,810
Other debtors	197,599	182,000	195,383	178,169
	927,060	912,532	891,213	883,185

Amounts owed by group undertakings are interest free and repayable on demand.

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

8 Creditors: amounts falling due within one year

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	169,274	343,149	169,274	343,149
Trade creditors	920,491	971,445	878,429	967,220
Amounts owed to group undertakings	239,247	1,175,399	198,518	1,163,183
Corporation tax payable	30,270	53,571	-	-
Other taxation and social security	206,901	80,310	206,901	80,310
Other creditors	254,843	180,479	254,843	180,479
	<u>1,821,026</u>	<u>2,804,353</u>	<u>1,707,965</u>	<u>2,734,341</u>

Amounts owed to group undertakings are repayable on demand.

Included within other creditors are amounts payable under lease obligations which are secured on the assets to which they relate, disclosed in note 5.

Included within bank loans and overdrafts are amounts payable under a term loan which are secured on the freehold building disclosed in note 5.

9 Creditors: amounts falling due after more than one year

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	188,530	298,920	188,530	298,920
Taxation and social security	18,842	-	18,842	-
Amounts owed to group undertakings	828,121	-	828,121	-
Other creditors	29,762	51,929	29,762	51,929
	<u>1,065,255</u>	<u>350,849</u>	<u>1,065,255</u>	<u>350,849</u>

Amounts owed to group undertakings have no fixed repayment terms, however will not be called for a period of at least 12 months.

Included within other creditors are amounts payable under lease obligations which are secured on the assets to which they relate, disclosed in note 5.

Included within bank loans and overdrafts are amounts payable under a term loan which are secured on the freehold building disclosed in note 5.

SICO EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

10 Share capital

	Group and company	
	2020	2019
	£	£
Ordinary share capital Issued and fully paid 38,940 Ordinary shares of £1 each	38,940	38,940

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

11 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Within one year	135,812	141,358	135,812	141,358
Between one and five years	158,514	226,204	158,514	226,204
	<u>294,326</u>	<u>367,562</u>	<u>294,326</u>	<u>367,562</u>

12 Related party transactions

The group and company have taken advantage of the exemptions afforded by FRS 102 Section 33.1a to not disclose transactions entered into between two or more members of the group that are wholly owned by the ultimate parent company (see note 13).

13 Controlling party

The group's ultimate holding company is SICO Incorporated, a company incorporated in the United States of America. Its registered office address is 7525 Cahill Road, Minneapolis, Minnesota, USA.

SICO Incorporated is in turn controlled by H K Wilson, a director of the company, by reason of his 90.6% ownership of the parent's preferred stock. The largest group in which the results of the company and its subsidiaries are consolidated is that headed by SICO Incorporated.