

Registration number: 00912230

BALL ROLLER & TRANSMISSION BEARINGS LIMITED
STRATEGIC REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018



CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
COMPANY INFORMATION

Directors	P D Clarke	-	Managing Director
	S D Clarke	-	Managing Director (Automotive)
	G Allen	-	Sales Director (Pneumatics)
	A G Clarke	-	Finance Director
	L J Lowery	-	Group Finance Director
Company Number	00912230		
Registered Office	21 – 24 Regal Road Wisbech Cambridgeshire PE13 2RQ		
Auditors	Leftley Rowe & Company Second Floor 87 Kenton Road Harrow Middlesex HA3 0AH		
Bankers	Barclays Bank Plc Wisbech Branch 12 Old Market Wisbech Cambridgeshire PE13 1NN		

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**

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CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

Principal activities and review of the business

The principal activities of the group are divided over two main sectors.

1. The supply of Engineering Components to both OEM and MRO customers throughout the UK and Europe.
2. The supply to the Automotive Aftermarket of a leading range of Quality Products.

The directors consider service levels, turnover, gross profit margins and net profitability to be the main key performance indicators for the business.

Turnover for the year has decreased to £17,290,393 from £17,935,105 in 2017 as the market continued to be an extremely difficult and competitive place in which to operate. "Brexit" and the extension to Article 50 whereby the UK is scheduled to leave the EU continues to cause significant uncertainty in the market place. The directors continue to monitor all costs of the business as a priority. A slight increase in gross profit margins coupled with continued control and monitoring in overheads has meant the directors are able to report a profit before tax for the year in an amount of £177,557 (2017: £245,509). The directors continue to explore strategies to grow the business and look to the future positively.

Financial risk management objectives and policies

The group relies on the support of its bankers and maintains an open dialogue with them to ensure suitable finance facilities are available.

The group continues to have available a large debtor base well spread over many accounts.

The group operates throughout both the UK and mainland Europe and is continuing to monitor and tackle the opportunities and challenges arising from the Brexit decision.

Exchange rate risk

A significant proportion of the group's trading involves the Euro and US dollar. Consequently, the group is vulnerable to sharp movements in these exchange rates. The directors continuously monitor this situation and consider the use of forward contracts to reduce this risk.

Interest rate risk


The group's risk is from higher than anticipated interest rate rises; however the directors do not consider this to be significant in recent years, and in the event of large increases modify the group's liquid resources to reduce any impact.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

Liquidity risk

The majority of debtor balances relate to good quality short term monies due from customers. Tight credit control procedures coupled with control of stock and creditors ensure a healthy liquidity. The directors consider the liquidity ratio to be acceptable to ensure the long-term future of the group.

This report was approved by the Board on 10 May 2019 and signed on it's behalf by


A. G. Clarke
Director

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The directors present their report and the consolidated financial statements of the company and its subsidiaries for the year ended 31 August 2018.

Results and dividends

The profit for the year amounted to £144,662 (2017: £207,887).

No dividend was paid during the year (2017: £10,000).

Directors

The directors who served during the year are as stated below:

P D Clarke
S D Clarke
G Allen
A G Clarke
L J Lowery

Statement of Directors' responsibilities

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

- select suitable accounting policies and apply them consistently;
- make judgements and 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 company will continue in business.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

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 the group and to 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.

The directors of a company must, in determining how amounts are presented within items in the statement of comprehensive income and statement of financial position, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of the report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Strategic Report

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been disclosed in the Strategic Report.

Auditors

Leftley Rowe & Company are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the board on 10 May 2019 and signed on its behalf by


A.G. Clarke
Director

CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF BALL ROLLER & TRANSMISSION BEARINGS LIMITED
FOR THE YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the financial statements of Ball Roller & Transmission Bearings Limited for the year ended 31 August 2018, which comprise the group statement of comprehensive income, the group and company statement of financial position, the group statement of cash flow and the 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).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the company's affairs as at 31 August 2018 and of the group's 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 auditor's 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.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF BALL ROLLER & TRANSMISSION BEARINGS LIMITED (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2018

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 adapt 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.

Opinion 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 Directors' Report for the financial period 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.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF BALL ROLLER & TRANSMISSION BEARINGS LIMITED (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2018

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and group and its 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 where 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 disclosure of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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.

CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF BALL ROLLER & TRANSMISSION BEARINGS LIMITED (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

Auditor's responsibilities for the audit of the financial statements

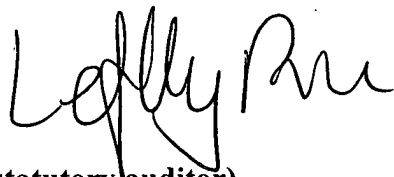
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF BALL ROLLER & TRANSMISSION BEARINGS LIMITED (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Christopher Andrews (senior statutory auditor)
For and on behalf of Leftley Rowe and Company, Statutory Auditor

**Second Floor
87 Kenton Road
Harrow
Middlesex
HA3 0AH**

10 May 2019

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2018

		Continuing operations	
	Notes	2018 £	2017 £
Turnover	4	17,290,393	17,935,105
Cost of sales		(12,377,692)	(12,896,890)
		-----	-----
Gross profit		4,912,701	5,038,215
Distribution costs		(405,104)	(439,387)
Administration expenses		(4,220,868)	(4,281,052)
Other operating income		11,500	11,500
		-----	-----
Operating profit	5	298,229	329,276
Interest receivable		2,540	2,873
Interest payable	6	(123,212)	(86,640)
		-----	-----
Profit before taxation		177,557	245,509
Tax on profit	9	(32,895)	(37,622)
		-----	-----
Profit after taxation		144,662	207,887
Dividends paid and payable	10	-	(10,000)
		-----	-----
		144,662	197,887
Retained earnings at the start of the year		7,475,423	7,277,536
		-----	-----
Retained earnings at the end of the year		7,620,085	7,475,423
		=====	=====

The notes form an integral part of these financial statements.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2018**

Registration number: 00912230

	Notes	2018	2017
		£	£
Fixed assets			
Intangible assets	12	-	-
Tangible assets	13	1,475,786	1,522,963
Investments	14	10,962	10,962
		<u>1,486,748</u>	<u>1,533,925</u>
Current assets			
Stocks	15	7,694,510	6,906,172
Debtors	16	7,105,341	8,188,067
Cash at bank and in hand		126,171	101,956
		<u>14,926,022</u>	<u>15,196,195</u>
Creditors: amounts falling due within one year	17	<u>(8,050,353)</u>	<u>(8,432,648)</u>
Net current assets		<u>6,875,669</u>	<u>6,763,547</u>
Total assets less current liabilities		<u>8,362,417</u>	<u>8,297,472</u>
Creditors: amounts falling due after more than one year	18	<u>(554,963)</u>	<u>(634,680)</u>
Net assets		<u><u>7,807,454</u></u>	<u><u>7,662,792</u></u>
Capital and reserves			
Called up share capital	19	80,000	80,000
Capital reserve		107,369	107,369
Profit and loss account		7,620,085	7,475,423
Shareholders' funds		<u><u>7,807,454</u></u>	<u><u>7,662,792</u></u>

The consolidated financial statements were approved by the Board of directors and authorised for issue on 10 May 2019 and are signed on behalf of the board by:


A G Clarke
Director

The notes form an integral part of these financial statements.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2018**

Registration number: 00912230

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	13a		1,466,059		1,506,733
Investments	14a		1,346,869		1,346,869
			<u>2,812,928</u>		<u>2,853,602</u>
Current assets					
Stocks	15a	6,426,254		5,637,279	
Debtors	16a	6,257,855		6,462,657	
Cash at bank and in hand		100,783		65,823	
			<u>12,784,892</u>		<u>12,165,759</u>
Creditors: amounts falling due within one year	17a	<u>(8,223,518)</u>		<u>(7,695,106)</u>	
Net current assets			<u>4,561,374</u>		<u>4,470,653</u>
Total assets less current liabilities			<u>7,374,302</u>		<u>7,324,255</u>
Creditors: amounts falling due after more than one year	18a		<u>(2,301,820)</u>		<u>(2,381,537)</u>
Net assets			<u><u>5,072,482</u></u>		<u><u>4,942,718</u></u>
Capital and reserves					
Called up share capital	19		80,000		80,000
Profit and loss account			4,992,482		4,862,718
Shareholders' funds			<u><u>5,072,482</u></u>		<u><u>4,942,718</u></u>

The financial statements were approved by the Board of directors and authorised for issue on 10 May 2019 and are signed on behalf of the board by:


A G Clarke
Director

The notes form an integral part of these financial statements.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	2018 £	2017 £
Cash flows from operating activities		
Profit for the financial year	144,662	207,887
Adjustment for:		
Depreciation of tangible assets	170,167	183,805
Profit on disposal of tangible assets	(15,618)	(14,912)
Interest received	(2,540)	(2,873)
Interest paid	123,212	86,640
Tax on profit on ordinary activities	32,895	37,622
Changes in:		
Stocks	(788,338)	131,086
Trade and other debtors	1,082,726	(1,172,886)
Trade and other creditors	472,229	(115,102)
	-----	-----
Cash generated from / (expended on) operations	1,219,395	(658,733)
Interest paid	(123,212)	(86,640)
Interest received	2,540	2,873
Tax paid	-	(2,365)
	-----	-----
Net cash from / (used for) operating activities	1,098,723	(744,865)
	=====	=====
Cash flows from investing activities		
Purchase of tangible assets	(123,335)	(126,752)
Receipts from sale of tangible assets	15,963	15,380
	-----	-----
Net cash used for investing activities	(107,372)	(111,372)
	=====	=====
Cash flows from financing activities		
Net loan repayments / net additional borrowings	(792,767)	763,048
Finance lease repayments	(50,567)	(51,299)
Equity dividend paid	-	(10,000)
	-----	-----
Net cash (used for) / from financing activities	(843,334)	701,749
	=====	=====
Net increase/(decrease) in cash and cash equivalents	23	148,017
Cash and cash equivalents at beginning of year	(374,225)	(154,488)
	-----	-----
Cash and cash equivalents at end of year	(226,208)	(374,225)
	=====	=====

The notes form an integral part of these financial statements.

CONSOLIDATED FINANCIAL STATEMENTS FOR BALL ROLLER & TRANSMISSION BEARINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 General Information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 21-24 Regal Road, Wisbech, Cambridgeshire, PE13 2RQ.

2 Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3 Accounting policies

Basis of preparation

These consolidated and separate financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Basis of consolidation

The consolidated financial statements include the results of Ball, Roller & Transmission Bearings Limited and its subsidiary undertakings drawn up to 31 August 2018. The company's own statement of comprehensive income is not included as permitted by Section 408 of the Companies Act 2006.

Turnover

Turnover is measured at the fair value of the consideration receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

**CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED**
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated to write down the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- Buildings 2% p.a. straight line basis (Land not depreciated)
Leasehold property	- Straight line basis over the lease period
Motor vehicles	- 25% - 33% p.a. straight line basis
Plant, fixtures & fittings	- 10% - 20% p.a. straight line basis

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimate.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Hire purchase and finance leases

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within twelve months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

CONSOLIDATED FINANCIAL STATEMENTS FOR
BALL ROLLER & TRANSMISSION BEARINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

Provisions

Provisions are recognised when the group has an obligation at the reporting date as a result of a past event; it is probable that the group will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to profit or loss.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

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Financial instruments (continued)

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4 Turnover

The total turnover of the group for the year has been derived from its principal activities.

The analysis of turnover by geographical market has not been provided as, in the opinion of the directors' such disclosure would be prejudicial to the interests of the group.

5 Operating profit	2018	2017
	£	£
Operating profit is stated after charging/(crediting):		
Depreciation of tangible fixed assets	170,167	183,805
Operating lease rentals		
- Land and buildings	144,907	133,609
Auditors' remuneration (note 5a)	30,855	30,855
Profit on disposal of tangible fixed assets	(15,618)	(14,912)

5a Auditors' remuneration

	2018	2017
	£	£
Auditors' remuneration – audit of the financial statements	23,830	23,830
Auditors' remuneration – other fees		
- audit of the company's subsidiaries	7,025	7,025

6 Interest payable	2018	2017
	£	£
On bank loans and overdrafts	123,212	86,640

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7 Directors and employees

Number of employees	2018 Number	2017 Number
The average monthly number of employees, including directors, during the year were as follows:		
Administration	19	18
Selling and distribution	129	123
	-----	-----
	148	141
	=====	=====

Employment costs	2018 £	2017 £
Wages and salaries	2,581,213	2,643,754
Social security costs	189,786	196,580
Pension costs	55,998	53,572
	-----	-----
	2,826,997	2,893,906
	=====	=====

7.1 Directors' emoluments	2018 £	2017 £
Remuneration and other emoluments	201,792	231,161
Pension contributions	9,354	8,620
	-----	-----
	211,146	239,781
	=====	=====
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	4	4
	=====	=====
Highest paid director:	£	£
Amounts included above:		
Remuneration and other emoluments	63,115	63,115
	=====	=====

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8 Pension costs

The group operates defined contribution pension schemes in respect of the directors and employees. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the group and amounted to £55,998 (2017: £53,572).

9 Tax on profit

Major components of tax expense	2018	2017
	£	£
Current tax:		
UK current tax expense	32,895	37,622
	-----	-----
Total current tax	32,895	37,622
	-----	-----
Deferred tax		
Timing differences, origination and reversal	-	-
	-----	-----
Total deferred tax	-	-
	-----	-----
Tax on profit	32,895	37,622
	=====	=====
 Reconciliation of tax expense		
	2018	2017
	£	£
Profit before taxation.	177,557	245,509
	=====	=====
Profit multiplied by rate of tax (19%)	33,736	46,647
Expenses not deductible for tax purposes	117	74
Tax losses	(3,834)	(9,132)
Effect of change in rate of corporation tax	-	2,128
Timing differences	2,876	(2,095)
	-----	-----
Tax on profit	32,895	37,622
	=====	=====

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10 Dividends

Dividends paid on equity shares

	2018	2017
	£	£
Paid during the year:		
Equity dividends on ordinary shares	-	10,000
	<u>=====</u>	<u>=====</u>

11 Profit attributable to the members of the holding company

The profit after tax dealt with in the financial statements of the parent company amounted to £129,764 (2017: £165,151).

12 Intangible fixed assets	Positive	Negative	Total
Group	Goodwill	Goodwill	
	£	£	£
Cost			
At 1 September 2017	621,562	(346,153)	275,409
	<u>-----</u>	<u>-----</u>	<u>-----</u>
At 31 August 2018	621,562	(346,153)	275,409
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Amortisation			
At 1 September 2017	621,562	(346,153)	275,409
	<u>-----</u>	<u>-----</u>	<u>-----</u>
At 31 August 2018	621,562	(346,153)	275,409
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Net book value			
At 31 August 2018	-	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 31 August 2017	-	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>

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13 Tangible fixed assets

Group	Freehold property £	Long leasehold property £	Short leasehold property £	Motor Vehicles £	Plant, fixtures & fittings £	Total £
Cost						
At 1/9/2017	862,508	349,578	9,316	672,745	784,702	2,678,849
Additions	-	-	-	90,715	32,620	123,335
Disposals	-	-	-	(115,628)	(896)	(116,524)
At 31/8/2018	<u>862,508</u>	<u>349,578</u>	<u>9,316</u>	<u>647,832</u>	<u>816,426</u>	<u>2,685,660</u>
Depreciation						
At 1/9/2017	130,039	72,335	9,316	528,563	415,633	1,155,886
On disposals	-	-	-	(115,619)	(560)	(116,179)
Charge for the year	11,168	3,498	-	86,830	68,671	170,167
At 31/8/2018	<u>141,207</u>	<u>75,833</u>	<u>9,316</u>	<u>499,774</u>	<u>483,744</u>	<u>1,209,874</u>
Net book value						
At 31/8/2018	<u>721,301</u>	<u>273,745</u>	<u>-</u>	<u>148,058</u>	<u>332,682</u>	<u>1,475,786</u>
At 31/8/2017	<u>732,469</u>	<u>277,243</u>	<u>-</u>	<u>144,182</u>	<u>369,069</u>	<u>1,522,963</u>

**CONSOLIDATED FINANCIAL STATEMENTS FOR
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FOR THE YEAR ENDED 31 AUGUST 2018

13a Tangible fixed assets

Company	Freehold property £	Long leasehold property £	Short leasehold property £	Motor vehicles £	Plant, fixtures & fittings £	Total £
Cost						
At 1/9/2017	862,508	349,578	9,316	672,745	719,995	2,614,142
Additions	-	-	-	90,715	32,620	123,335
Disposals	-	-	-	(115,628)	(896)	(116,524)
	-----	-----	-----	-----	-----	-----
At 31/8/2018	<u>862,508</u>	<u>349,578</u>	<u>9,316</u>	<u>647,832</u>	<u>751,719</u>	<u>2,620,953</u>
Depreciation						
At 1/9/2017	130,039	72,335	9,316	528,563	367,156	1,107,409
On disposals	-	-	-	(115,619)	(560)	(116,179)
Charge for the year	11,168	3,498	-	86,830	62,168	163,664
	-----	-----	-----	-----	-----	-----
At 31/8/2018	<u>141,207</u>	<u>75,833</u>	<u>9,316</u>	<u>499,774</u>	<u>428,764</u>	<u>1,154,894</u>
Net book value						
At 31/8/2018	<u>721,301</u>	<u>273,745</u>	<u>-</u>	<u>148,058</u>	<u>322,955</u>	<u>1,466,059</u>
At 31/8/2017	<u>732,469</u>	<u>277,243</u>	<u>-</u>	<u>144,182</u>	<u>352,839</u>	<u>1,506,733</u>

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14 Fixed asset investments

Group	Participating interests shares £	Other unlisted investments £	Total £
Cost			
At 1 September 2017	7,962	3,000	10,962
	-----	-----	-----
At 31 August 2018	7,962	3,000	10,962
	=====	=====	=====
Net book value			
At 31 August 2018	7,962	3,000	10,962
	=====	=====	=====
At 31 August 2017	7,962	3,000	10,962
	=====	=====	=====

Details of the investments, where the group holds more than 20% of the nominal value of any class of share capital, is as follows:-

Name of company	Country of Incorporation	Holding	Proportion Held	Nature of Business
Participating interest				
One GmbH	Germany	Ordinary shares	33%	European Distributor Association

14a Fixed asset investments

Company	Subsidiary undertakings shares £	Participating interests shares £	Other unlisted investments £	Total £
Cost				
At 1 September 2017	1,335,907	7,962	3,000	1,346,869
	-----	-----	-----	-----
At 31 August 2018	1,335,907	7,962	3,000	1,346,869
	=====	=====	=====	=====
Net book value				
At 31 August 2018	1,335,907	7,962	3,000	1,346,869
	=====	=====	=====	=====
At 31 August 2017	1,335,907	7,962	3,000	1,346,869
	=====	=====	=====	=====

**CONSOLIDATED FINANCIAL STATEMENTS FOR
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Details of the investments, where the company holds more than 20% of the nominal value of any class of share capital, is as follows:-

Name of company	Country of Incorporation	Holding	Proportion Held	Nature of Business
Subsidiary Undertaking				
B.R.T. Bearings (Anglia) Limited	England and Wales	Ordinary Shares	100%	Dormant
B.R.T. Bearings (Scotia) Limited	England and Wales	Ordinary Shares	100%	Dormant
Automotive Bearings Limited	England and Wales	Ordinary Shares	100%	Distribution of bearings and power transmission Products
Grimsby Transmission Company Limited	England and Wales	Ordinary Shares	100%	Dormant
Doncaster Bearings Limited	England and Wales	Ordinary Shares	100%	Dormant
Chorley Bearings & Transmissions Limited	England and Wales	Ordinary Shares	100%	Dormant
Krzak & Stach Limited	England and Wales	Ordinary Shares	100%	Dormant
Participating interest				
One GmbH	Germany	Ordinary Shares	33%	European Distributor Association

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

15	Stock	2018	2017
	Group	£	£
	Finished goods and goods for resale	<u><u>7,694,510</u></u>	<u><u>6,906,172</u></u>
15a	Stock	2018	2017
	Company	£	£
	Finished goods and goods for resale	<u><u>6,426,254</u></u>	<u><u>5,637,279</u></u>
16	Debtors	2018	2017
	Group	£	£
	Trade debtors	4,320,840	5,566,193
	Amounts owed by parent undertaking	2,180,767	2,139,804
	Other debtors	209,763	175,347
	Prepayments and accrued income	393,971	306,723
		<u><u>7,105,341</u></u>	<u><u>8,188,067</u></u>
16a	Debtors	2018	2017
	Company	£	£
	Trade debtors	3,569,802	3,895,422
	Amounts owed by group undertakings	2,180,766	2,139,803
	Other debtors	114,759	120,782
	Prepayments and accrued income	392,528	306,650
		<u><u>6,257,855</u></u>	<u><u>6,462,657</u></u>

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FOR THE YEAR ENDED 31 AUGUST 2018

17 Creditors: amounts falling due within one year

Group	2018 £	2017 £
Bank overdraft	352,379	476,181
Bank loans	3,019,272	3,780,946
Net obligations under finance leases and hire purchase contracts	12,787	63,354
Trade creditors	3,810,966	3,167,518
Corporation tax	70,517	37,622
Other taxes and social security costs	357,038	341,081
Accruals and deferred income	25,544	117,675
Other creditors	401,850	448,271
	<u>8,050,353</u>	<u>8,432,648</u>

The bank loans and overdraft are secured by a group guarantee and a fixed and floating charge.

17a Creditors: amounts falling due within one year

Company	2018 £	2017 £
Bank loans	2,447,037	2,668,914
Bank overdraft	73,271	172,450
Net obligations under finance leases and hire purchase contracts	12,787	63,354
Trade creditors	2,848,349	2,397,131
Amounts owed to group undertakings	1,997,461	1,473,753
Corporation tax	70,517	37,622
Other taxes and social security costs	357,038	341,081
Other creditors	401,850	448,271
Accruals and deferred income	15,208	92,530
	<u>8,223,518</u>	<u>7,695,106</u>

The bank loans are secured by a group guarantee and fixed and floating charge.

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18 Creditors: amounts falling due after more than one year

Group	2018 £	2017 £
Bank loans	536,088	567,180
Other creditors	18,875	67,500
	<u>554,963</u>	<u>634,680</u>

Loans

Repayable in one year or less, or on demand	3,019,272	3,780,946
Repayable between one and two years	119,343	120,382
Repayable between two and five years	244,914	242,195
Repayable in greater than five years	171,831	204,603
	<u>3,555,360</u>	<u>4,348,126</u>

	2018 £	2017 £
Repayable in five years or more:		
Bank loans	<u>171,831</u>	<u>204,603</u>

The bank loans are secured by a group guarantee and fixed and floating charge.

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FOR THE YEAR ENDED 31 AUGUST 2018

18a Creditors: amounts falling due after more than one year

Company	2018 £	2017 £
Bank loans	536,088	567,180
Other creditors	18,875	67,500
Amounts owed to group undertakings	1,746,857	1,746,857
	<u>2,301,820</u>	<u>2,381,537</u>

Loans

Repayable in one year or less, or on demand	2,447,037	2,668,914
Repayable between one and two years	119,343	120,382
Repayable between two and five years	244,914	242,195
Repayable in greater than five years	171,831	204,603
	<u>2,983,125</u>	<u>3,236,094</u>

	2018 £	2017 £
Repayable in five years or more:		
Bank loans	<u>171,831</u>	<u>204,603</u>

The bank loans are secured by a group guarantee and a fixed and floating charge.

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19	Share capital	2018 £	2017 £
	Allotted, called up and fully paid		
	80,000 Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>

20 Financial commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2018	2017
	£	£
Expiry date:		
Within one year	144,907	106,805
Between one and five years	498,546	246,973
Over five years	103,648	122,908
	<u>747,101</u>	<u>476,686</u>

21 Related party transactions

The group has taken advantage of the exemption under the provisions of FRS 102 not to disclose transactions or balances between group entities that have been eliminated on consolidation.

22 Ultimate parent undertaking

The immediate and ultimate parent company is BRT (Wisbech) Limited, a company incorporated in England and Wales.

23 Cash and cash equivalents

	2017	Cash flows	2018
	£	£	£
Cash at bank and in hand	101,956	24,215	126,171
Overdrafts	(476,181)	123,802	(352,379)
	<u>(374,225)</u>	<u>148,017</u>	<u>(226,208)</u>