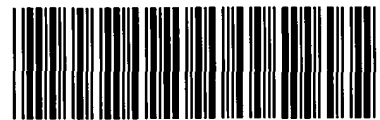


SRA DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

THURSDAY



A14 *A7DFE90H* #13
30/08/2018
COMPANIES HOUSE

SRA DEVELOPMENTS LIMITED
REGISTERED NUMBER:01385171

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

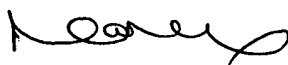
	Note	2017 £	2016 £
FIXED ASSETS			
Intangible assets	5	74,481	112,744
Tangible assets	6	653,300	549,601
		<u>727,781</u>	<u>662,345</u>
CURRENT ASSETS			
Stocks		844,930	508,001
Debtors: amounts falling due within one year	7	533,189	607,459
Cash at bank and in hand		408,362	394,685
		<u>1,786,481</u>	<u>1,510,145</u>
Creditors: amounts falling due within one year	8	(1,024,276)	(623,256)
NET CURRENT ASSETS		762,205	886,889
TOTAL ASSETS LESS CURRENT LIABILITIES		1,489,986	1,549,234
Creditors: amounts falling due after more than one year	9	-	(101,119)
NET ASSETS		1,489,986	1,448,115
CAPITAL AND RESERVES			
Called up share capital	11	53,132	53,132
Share premium account		267,760	267,760
Profit and loss account		1,169,094	1,127,223
		<u>1,489,986</u>	<u>1,448,115</u>

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

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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



Mrs N Palfrey
Director

Date: 2. 8. 2018

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. GENERAL INFORMATION

The Company is a private company limited by share capital incorporated in England and Wales. The address of its registered office is Bremridge House, Bremridge, Ashburton, Devon, TQ13 7JX.

The prior period financial statements were shortened to a three month period in order to bring the Company's year end in line with that of its parent company. As a result, the prior period results are not entirely comparable.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Patents	-	20 % straight line
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.4 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight-line and reducing balance methods.

The estimated useful lives range as follows:

Plant and equipment	- 7.7-33.3% straight line
Motor vehicles	- 33.3% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.5 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.9 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants are recognised in the Income statement in the same period as the related expenditure. The deferred element of grants is included in creditors as deferred income.

2.11 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.12 FINANCE COSTS

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.14 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

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

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.15 TAXATION

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

3. AUDITORS' INFORMATION

These financial statements have been audited by Bishop Fleming Chartered Accountants & Statutory Auditors, with an unqualified audit opinion being issued. The audit report was signed by Fleur Lewis FCA as Senior Statutory Auditor.

In accordance with the provisions applicable to companies subject to the small companies' regime and s444 of the Companies Act 2006, the audit report has not been filed.

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 54 (2016: 56).

SRA DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. INTANGIBLE ASSETS

	Patents £
COST	
At 1 January 2017	915,801
Disposals	(924)
At 31 December 2017	914,877
AMORTISATION	
At 1 January 2017	803,057
Charge for the year	37,339
At 31 December 2017	840,396
NET BOOK VALUE	
At 31 December 2017	74,481
At 31 December 2016	112,744

SRA DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. TANGIBLE FIXED ASSETS

	Motor vehicles £	Plant and equipment £	Total £
COST OR VALUATION			
At 1 January 2017	8,099	1,857,617	1,865,716
Additions	-	268,206	268,206
Disposals	-	(7,560)	(7,560)
At 31 December 2017	8,099	2,118,263	2,126,362
DEPRECIATION			
At 1 January 2017	5,497	1,310,618	1,316,115
Charge for the year on owned assets	762	146,505	147,267
Charge for the year on financed assets	-	16,622	16,622
Disposals	-	(6,942)	(6,942)
At 31 December 2017	6,259	1,466,803	1,473,062
NET BOOK VALUE			
At 31 December 2017	1,840	651,460	653,300
At 31 December 2016	2,602	546,999	549,601

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	153,635	170,256
	153,635	170,256

SRA DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. DEBTORS

	2017 £	2016 £
Trade debtors	429,906	500,902
Amounts owed by group undertakings	7,460	-
Other debtors	30,514	54,667
Prepayments and accrued income	65,309	51,890
	<u>533,189</u>	<u>607,459</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	407,623	112,919
Amounts owed to group undertakings	445,201	186,818
Other taxation and social security	51,594	210,652
Obligations under finance lease and hire purchase contracts	60,493	59,286
Other creditors	7,990	6,163
Accruals and deferred income	51,375	47,418
	<u>1,024,276</u>	<u>623,256</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	-	60,494
Deferred income	-	40,625
	<u>-</u>	<u>101,119</u>

10. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	60,493	59,288
Between 1-5 years	-	60,494
	<u>60,493</u>	<u>119,782</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. SHARE CAPITAL

	2017 £	2016 £
ALLOTTED, CALLED UP AND FULLY PAID		
45,100 A Ordinary shares of £1 each	-	45,100
2,718 B Ordinary shares of £1 each	-	2,718
5,314 C Ordinary shares of £1 each	-	5,314
53,132 Ordinary shares of £1 each	53,132	-
	<hr/> 53,132 <hr/>	<hr/> 53,132 <hr/>

12. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £18,313 (2016: £9,580). Contributions totalling £1,648 (2016: £1,377) were payable to the fund at the reporting date.

13. CONTROLLING PARTY

The company's immediate and ultimate parent undertaking is Bowa - Electronic GmbH & Co. KG, a company incorporated in Germany.