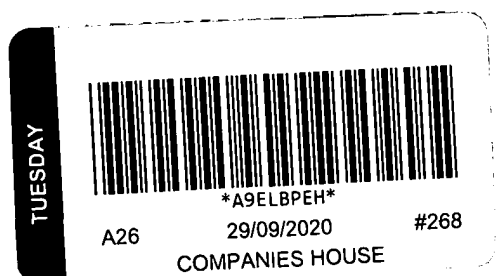


**BOSTA (UK) LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



**BOSTA (UK) LIMITED**  
**REGISTERED NUMBER: 02887960**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

|  | Note | 2019<br>£             | 2018<br>£             |
|--|------|-----------------------|-----------------------|
| <b>Fixed assets</b>                            |      |                       |                       |
| Tangible assets                                | 4    | 10,878                | 11,484                |
|  |      | <u>10,878</u>         | <u>11,484</u>         |
| <b>Current assets</b>                          |      |                       |                       |
| Stocks   |      | 144,381               | -                     |
| Debtors: amounts falling due within one year   | 6    | 1,284,743             | 1,082,984             |
| Cash at bank and in hand                       |      | 133,693               | 54,405                |
|  |      | <u>1,562,817</u>      | <u>1,137,389</u>      |
| Creditors: amounts falling due within one year | 7    | (903,723)             | (589,457)             |
| <b>Net current assets</b>                      |      | <u>659,094</u>        | <u>547,932</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>669,972</u>        | <u>559,416</u>        |
| <b>Net assets</b>                              |      | <u><u>669,972</u></u> | <u><u>559,416</u></u> |
| <b>Capital and reserves</b>                    |      |                       |                       |
| Called up share capital                        |      | 80,000                | 80,000                |
| Profit and loss account                        |      | 589,972               | 479,416               |
|  |      | <u>669,972</u>        | <u>559,416</u>        |

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**BOSTA (UK) LIMITED**  
**REGISTERED NUMBER: 02887960**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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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 comprehensive income 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:



.....  
**C D F Bos**  
Director

Date: 22/9/2020

The notes on pages 5 to 13 form part of these financial statements.

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**BOSTA (UK) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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|  | <b>Called up<br/>share<br/>capital</b> | <b>Profit and<br/>loss<br/>account</b> | <b>Total equity</b> |
|--|--|--|---------------------|
|  | <b>£</b>                               | <b>£</b>                               | <b>£</b>            |
| At 1 January 2019                              | 80,000                                 | 479,416                                | 559,416             |
| <b>Comprehensive income for the year</b>       |  |  |                     |
| Profit for the year                            | -                                      | 110,556                                | 110,556             |
| <b>Total comprehensive income for the year</b> | -                                      | 110,556                                | 110,556             |
| <b>Total transactions with owners</b>          | -                                      | -                                      | -                   |
| <b>At 31 December 2019</b>                     | <b>80,000</b>                          | <b>589,972</b>                         | <b>669,972</b>      |

The notes on pages 5 to 13 form part of these financial statements.

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**BOSTA (UK) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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|  | <b>Called up<br/>share<br/>capital</b> | <b>Profit and<br/>loss<br/>account</b> | <b>Total equity</b> |
|--|--|--|---------------------|
|  | <b>£</b>                               | <b>£</b>                               | <b>£</b>            |
| At 1 January 2018                              | 80,000                                 | 1,479,314                              | 1,559,314           |
| <b>Comprehensive income for the year</b>       |  |  |                     |
| Profit for the year                            | -                                      | 120,102                                | 120,102             |
| <b>Total comprehensive income for the year</b> | -                                      | 120,102                                | 120,102             |
| Dividends: Equity capital                      | -                                      | (1,120,000)                            | (1,120,000)         |
| <b>Total transactions with owners</b>          | -                                      | (1,120,000)                            | (1,120,000)         |
| <b>At 31 December 2018</b>                     | <b>80,000</b>                          | <b>479,416</b>                         | <b>559,416</b>      |

The notes on pages 5 to 13 form part of these financial statements.

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## **BOSTA (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1. General information**

Bosta (UK) Limited is a company limited by shares incorporated in England and Wales, registration number 02887960. The registered office is Olding Road, Bury St Edmunds, Suffolk, IP33 3TA.

The principal activity of the company in the year was that of the purchase and re-sale of components for irrigation, agricultural and industrial systems.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **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 financial statements are presented in Sterling (£) and rounded to the nearest £.

The following principal accounting policies have been applied:

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## **BOSTA (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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## **2. Accounting policies (continued)**

### **2.2 Going concern**

The company financial statements have been prepared on the going concern basis. The company is reliant operationally on its immediate parent company and wider group, the MegaGroup. The company's and the group's ability to continue as a going concern is assisted by the availability of external finance provided in the form of Asset Based Financing and a basic bank facility.

The group currently has a credit arrangement in place with the group's bankers which runs until February 2021, and the underlying covenants in this agreement are expected to be met based on the current financial forecasts and current strong trading performance. The group's relationship with its bankers remains good based on its strong trading performance and there are no concerns from the Directors that the group would not be able to extend its banking facilities for the foreseeable future beyond February 2021.

During the period from 31 December 2019 to the date of signing these financial statements, the company and group has exceeded trading expectations at turnover and profit levels and have strong levels of cash reserves within the group whereby they are not currently reliant on external borrowings. Since March 2020, the UK, Europe and other parts of the world are suffering from the consequences of the Covid-19 virus. The Directors have considered the company's position and the potential impact of the Covid-19 virus by calculating various scenarios in the range of -20% and -50% taking into account possible management measures. Based on this analysis, the Directors have concluded that the company and the MegaGroup are able to handle the impact of the Covid-19 virus and continue to operate within its current financial arrangements for the foreseeable future. In addition to this, the Directors have received written confirmation from the parent company that Bosta (UK) Limited will continue to receive financial and operational support for a period of twelve months from the date of signing these financial statements.

Based on this, the Directors have concluded that they have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of signing these financial statements, and they therefore continued to adopt the going concern basis of accounting in preparing these financial statements.

### **2.3 Foreign currency translation**

#### **Functional and presentation currency**

The Company's functional and presentational currency is sterling.

#### **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 profit or loss

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## **BOSTA (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **2. Accounting policies (continued)**

##### **2.4 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.

##### **2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

##### **2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.7 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 profit or loss 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.



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## **BOSTA (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **2. Accounting policies (continued)**

##### **2.8 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### **2.9 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 the straight-line method.

The estimated useful lives range as follows:

|                              |                            |
|------------------------------|----------------------------|
| Long-term leasehold property | - 10 years straight line   |
| Plant and machinery          | - 3-10 years straight line |

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 profit or loss.

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## BOSTA (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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## 2. Accounting policies (continued)

### 2.10 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.

### 2.11 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.

### 2.12 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.

### 2.13 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.

### 2.14 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

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## BOSTA (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.14 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

##### 2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### 3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

|                      | 2019<br>No. | 2018<br>No. |
|----------------------|-------------|-------------|
| Administrative staff | 11          | 12          |

During the year no retirement benefits were accruing to directors (2018 - Nil) in respect of defined contribution pension schemes.

One director (2018 - 1) of the company was also a director of the ultimate parent undertaking. This director received remuneration from the ultimate parent undertaking and does not believe it is practicable to apportion their remuneration between services as director of the company and services as director of the ultimate parent undertaking.

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**BOSTA (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**4. Tangible fixed assets**

|                                     | <b>Long-term<br/>leasehold<br/>property<br/>£</b> | <b>Plant and<br/>machinery<br/>£</b> | <b>Total<br/>£</b> |
|-------------------------------------|---|--------------------------------------|--------------------|
| <b>Cost or valuation</b>            |   |                                      |                    |
| At 1 January 2019                   | <b>13,110</b>                                     | <b>20,604</b>                        | <b>33,714</b>      |
| Additions                           | <b>-</b>  | <b>2,172</b>                         | <b>2,172</b>       |
| At 31 December 2019                 | <b>13,110</b>                                     | <b>22,776</b>                        | <b>35,886</b>      |
| <b>Depreciation</b>                 |   |                                      |                    |
| At 1 January 2019                   | <b>6,769</b>                                      | <b>15,461</b>                        | <b>22,230</b>      |
| Charge for the year on owned assets | <b>1,412</b>                                      | <b>1,366</b>                         | <b>2,778</b>       |
| At 31 December 2019                 | <b>8,181</b>                                      | <b>16,827</b>                        | <b>25,008</b>      |
| <b>Net book value</b>               |   |                                      |                    |
| At 31 December 2019                 | <b>4,929</b>                                      | <b>5,949</b>                         | <b>10,878</b>      |
| At 31 December 2018                 | <b>6,341</b>                                      | <b>5,143</b>                         | <b>11,484</b>      |

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**BOSTA (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**5. Stocks**

|                  | 2019<br>£      | 2018<br>£ |
|------------------|----------------|-----------|
| Goods for resale | <u>144,381</u> | <u>-</u>  |

**6. Debtors**

|                                    | 2019<br>£        | 2018<br>£        |
|------------------------------------|------------------|------------------|
| Trade debtors                      | 684,880          | 696,233          |
| Amounts owed by group undertakings | 572,343          | 353,429          |
| Other debtors                      | 2,320            | 5,776            |
| Prepayments and accrued income     | 24,149           | 27,546           |
| Deferred taxation                  | 1,051            | -                |
|                                    | <u>1,284,743</u> | <u>1,082,984</u> |

**7. Creditors: Amounts falling due within one year**

|                                    | 2019<br>£      | 2018<br>£      |
|------------------------------------|----------------|----------------|
| Trade creditors                    | 25,452         | 24,322         |
| Amounts owed to group undertakings | 580,918        | 272,782        |
| Corporation tax                    | 11,106         | -              |
| Other taxation and social security | 218,878        | 225,991        |
| Other creditors                    | 50,369         | 46,362         |
| Accruals and deferred income       | 17,000         | 20,000         |
|                                    | <u>903,723</u> | <u>589,457</u> |

**8. Pension commitments**

The company operates a defined contribution 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 £7,958 (2018 - £6,539). Contributions totalling £Nil (2018 - £1,416) were payable to the fund at the balance sheet date.

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## BOSTA (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 9. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

|  | 2019<br>£      | 2018<br>£      |
|--|----------------|----------------|
| Not later than 1 year                        | 46,714         | 51,831         |
| Later than 1 year and not later than 5 years | 96,560         | 142,573        |
|  | <u>143,274</u> | <u>194,404</u> |

#### 10. Related party transactions

During the year the company purchased consulting services totalling £102,740 (2018 - £98,399) from a company in which a director has a material interest. At the year end £11,898 (2018 - £Nil) remained payable by the company to the related party.

The Company has taken advantage of the exemption in Section 33 of Financial Reporting Standard 102 to not disclose transactions with any member of the MegaGroup Investors B.V. group that is wholly owned.

#### 11. Controlling party

The company is a wholly owned subsidiary of MegaGroup Trade Holding B.V., a company incorporated in the Netherlands. The directors regard the ultimate parent company as MegaGroup Investors B.V., of which consolidated financial statements can be obtained from:

Doornhoek 4205  
NL 5465 TG  
The Netherlands

100% of the share capital of MegaGroup Investors B.V. is owned by Megabus B.V., a company incorporated in the Netherlands which is not controlled or owned by any one individual.

#### 12. Auditors' information

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Charles Savory ACA who signed for and on behalf of Larking Gowen LLP, Chartered Accountants and Statutory Auditors.