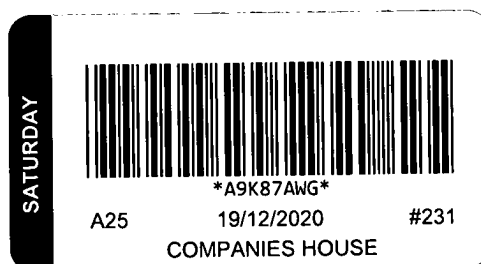


REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
MILSPEED LIMITED



MILSPEED LIMITED

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for the Year Ended 31 December 2019

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MILSPEED LIMITED
COMPANY INFORMATION
for the Year Ended 31 December 2019

DIRECTORS:	I J Milhench Mrs F Milhench
SECRETARY:	I J Milhench
REGISTERED OFFICE:	Willow Court Industrial Park Bourton On The Water Gloucestershire GL54 2HQ
REGISTERED NUMBER:	03304485 (England and Wales)
AUDITORS:	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

MILSPEED LIMITED

REPORT OF THE DIRECTORS **for the Year Ended 31 December 2019**

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

REVIEW OF BUSINESS

The outbreak of COVID-19 has given rise to inevitable uncertainties for the company. The results for the year ended 31 December 2019 are unaffected by the outbreak as the financial statements are prepared to a date before COVID-19 was identified. All significant balances in the accounts at 31 December 2019 have been reviewed by the directors in the light of COVID-19 but no adjustments have been deemed necessary.

The year ended 31 December 2020 started well but revenues since the COVID-19 outbreak have been significantly lower. The directors have taken steps to enable the company to continue to trade on lower revenues by reducing costs and overheads where possible. The wages of employees who were unable to work during the initial COVID-19 lockdown were largely covered by the Government Furlough scheme. The company has taken out a Coronavirus Business Interruption Loan to finance an identified shortfall in cash flow. The directors have also agreed extended credit terms with certain suppliers and with the company's bankers on some of its routine trade loans.

At the date of this report, revenues are steadily increasing and there is strong evidence to suggest they will continue to do so during 2021. During the quieter period the company has been working on a number of new business areas involving reprocessing which will come to fruition in the early part of 2021 further adding to revenues.

DIRECTORS

I J Milhench has held office during the whole of the period from 1 January 2019 to the date of this report.

Other changes in directors holding office are as follows:

Mrs F Milhench - appointed 1 January 2019

FINANCIAL INSTRUMENTS

The company's financial instruments comprise short and long term bank loans and bank overdraft. The main purpose of these financial instruments is to raise finance to fund the company's operations. The company has other financial instruments such as trade debtors and trade creditors which arise directly from operations.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

GOING CONCERN

Having reviewed the company's current forecasts and projections together with the facilities available to the company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. These accounts have therefore been prepared on the basis that the company will continue as a going concern. This statement is made subject to all of the implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy, as these are difficult to evaluate. Actual results could therefore be significantly different from the current forecasts and projections.

IMPORTANT NON-ADJUSTING EVENTS AFTER THE FINANCIAL PERIOD

Post year end, a Coronavirus Business Interruption Loan of £1,100,000 has been obtained. The pandemic is considered an event which is indicative of conditions that arose after the reporting period and as such, no adjustments have been made in the financial statements as at 31 December 2019 due to the impact of the pandemic.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of

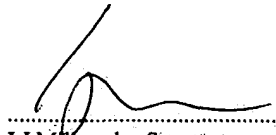
which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Hazlewoods LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
I J Miffenich - Secretary

Date: 16 December 2020

INDEPENDENT AUDITOR' REPORT TO THE MEMBERS OF
MILSPEED LIMITED

Opinion

We have audited the financial statements of Milspeed Limited (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard '102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 2 to the financial statements which describes the significant judgement made by management in relation to the recoverability of amounts owed by a subsidiary undertaking, Milspeed (India) Private Limited. Our opinion is not modified in respect of this matter.

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 adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, it is difficult to evaluate all of the potential implications of the current Covid-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors and Financial Statements, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MILSPEED LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Fussell (Senior Statutory Auditor)
for and on behalf of Hazlewoods LLP, Statutory Auditor
Staverton Court
Staverton
Cheltenham
GL51 0UX

Date: 17 December 2020

MILSPEED LIMITED
INCOME STATEMENT
for the Year Ended 31 December 2019

	Notes	2019 £	2018 £
TURNOVER		12,064,241	9,350,054
Cost of sales		<u>9,295,109</u>	<u>7,081,640</u>
GROSS PROFIT		2,769,132	2,268,414
Administrative expenses		<u>2,355,605</u>	<u>2,062,647</u>
		413,527	205,767
Other operating income		<u>130,272</u>	<u>117,595</u>
OPERATING PROFIT	4	543,799	323,362
Interest payable and similar expenses		<u>83,887</u>	<u>71,599</u>
PROFIT BEFORE TAXATION		459,912	251,763
Tax on profit	5	<u>55,245</u>	<u>(13,307)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>404,667</u>	<u>265,070</u>

The notes form part of these financial statements

MILSPEED LIMITED

OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2019

	Notes	2019 £	2018 £
PROFIT FOR THE YEAR		404,667	265,070
OTHER COMPREHENSIVE INCOME			
Deferred tax on revalued assets		20,234	26,715
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>20,234</u>	<u>26,715</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>424,901</u>	<u>291,785</u>

The notes form part of these financial statements

MILSPEED LIMITED (REGISTERED NUMBER: 03304485)**BALANCE SHEET**
31 December 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	7	1	6,826
Tangible assets	8	1,111,329	876,299
Investments	9	66,220	116,833
		<u>1,177,550</u>	<u>999,958</u>
CURRENT ASSETS			
Stocks		4,223,561	3,432,544
Debtors	10	2,298,908	2,058,262
Cash at bank and in hand		216,253	133,266
		<u>6,738,722</u>	<u>5,624,072</u>
CREDITORS			
Amounts falling due within one year	11	4,172,325	3,366,293
NET CURRENT ASSETS		<u>2,566,397</u>	<u>2,257,779</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,743,947</u>	<u>3,257,737</u>
CREDITORS			
Amounts falling due after more than one year	12	(224,093)	-
PROVISIONS FOR LIABILITIES	15	(429,626)	(382,860)
NET ASSETS		<u>3,090,228</u>	<u>2,874,877</u>
CAPITAL AND RESERVES			
Called up share capital		2,500	2,500
Undistributable reserve		352,249	438,515
Capital redemption reserve		2,500	2,500
Retained earnings		2,732,979	2,431,362
SHAREHOLDERS' FUNDS		<u>3,090,228</u>	<u>2,874,877</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2020 and were signed on its behalf by:


I J Millenich - Director

MILSPEED LIMITED**STATEMENT OF CHANGES IN EQUITY**
for the Year Ended 31 December 2019

	Called up share capital £	Retained earnings £	Undistributable reserve £	Capital redemption reserve £	Total equity £
Balance at 1 January 2018	2,898	2,425,782	518,300	2,102	2,949,082
Changes in equity					
Repurchase of own shares	(398)	(316,490)	-	398	(316,490)
Depreciation on revaluation	-	106,500	(106,500)	-	-
Depreciation transfer – tax	-	-	26,715	-	26,715
Profit for the period	-	265,070	-	-	265,070
Dividends	-	(49,500)	-	-	(49,500)
Balance at 31 December 2018	<u>2,500</u>	<u>2,431,362</u>	<u>438,515</u>	<u>2,500</u>	<u>2,874,877</u>
Changes in equity					
Depreciation on revaluation	-	106,500	(106,500)	-	-
Depreciation transfer – tax	-	-	20,234	-	20,234
Profit for the year	-	404,667	-	-	404,667
Dividends	-	(209,550)	-	-	(209,550)
Balance at 31 December 2019	<u>2,500</u>	<u>2,732,979</u>	<u>352,249</u>	<u>2,500</u>	<u>3,090,228</u>

The notes form part of these financial statements

MILSPEED LIMITED

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 December 2019**

1. STATUTORY INFORMATION

Milspeed Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Having reviewed the company's current forecasts and projections together with the facilities available to the company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. These accounts have therefore been prepared on the basis that the company will continue as a going concern. This statement is made subject to all of the implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy, as these are difficult to evaluate. Actual results could therefore be significantly different from the current forecasts and projections.

Significant judgements and estimates

Included within debtors in note 10 of these financial statements is £825,654 owed by Milspeed (India) Private Limited, a subsidiary undertaking. The balance arises in respect of stock purchased from the company and subsequently sold to the Indian market. Credit terms in India are substantially longer than those in the UK. Management are confident that debtor and stock balances reported by Milspeed (India) Private Limited are recoverable in full, at which point it is expected that amounts due from Milspeed (India) Private Limited will be recovered.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business, is being amortised over its estimated useful life of 5 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- in accordance with the lease term
Plant and machinery	- 20% on reducing balance and 10% on cost
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Plant and machinery was revalued on an open market value basis on 31 December 2014 by professional valuers. The revalued amount has been taken as the deemed cost on transition to FRS102.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less impairment.

Stocks

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

Financial instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

MILSPEED LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Restoration provision

The company is under a legal obligation to remove its extruder machine and make good at the end of the lease in February 2024.

The directors have estimated the cost of this, and this cost has been capitalised as a fixed asset within 'Plant and machinery' and a corresponding restoration provision created.

The capitalised cost of restoration is depreciated equally over the lease term.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 31 (2018 - 29).

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	209,641	185,576
Depreciation - assets on hire purchase contracts	72,174	-
Goodwill amortisation	6,825	10,000
Impairment of subsidiary	50,613	-
Auditors remuneration	<u>10,500</u>	<u>10,000</u>

MILSPEED LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

5. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	-	10,000
Over provision previous year	<u>(11,755)</u>	<u>(27,307)</u>
Total current tax	<u>(11,755)</u>	<u>(17,307)</u>
Deferred tax	<u>67,000</u>	<u>4,000</u>
Tax on profit	<u><u>55,245</u></u>	<u><u>(13,307)</u></u>

Tax effects relating to effects of other comprehensive income

	Gross £	2019 Tax £	Net £
Deferred tax on revalued assets	<u>20,234</u>	<u>-</u>	<u>20,234</u>
	Gross £	2018 Tax £	Net £
Deferred tax on revalued assets	<u>26,715</u>	<u>-</u>	<u>26,715</u>

6. DIVIDENDS

	2019 £	2018 £
Ordinary shares shares of £1 each Interim and final	<u>209,550</u>	<u>49,500</u>

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2019 and 31 December 2019	<u>50,000</u>
AMORTISATION	
At 1 January 2019	43,174
Amortisation for year	<u>6,825</u>
At 31 December 2019	<u>49,999</u>
NET BOOK VALUE	
At 31 December 2019	<u><u>1</u></u>
At 31 December 2018	<u><u>6,826</u></u>

MILSPEED LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

8. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2019	74,773	1,903,897	12,647
Additions	-	512,460	-
Disposals	-	-	-
At 31 December 2019	<u>74,773</u>	<u>2,416,357</u>	<u>12,647</u>
DEPRECIATION			
At 1 January 2019	54,225	1,060,374	11,107
Charge for year	4,104	268,723	312
Eliminated on disposal	-	-	-
At 31 December 2019	<u>58,329</u>	<u>1,329,097</u>	<u>11,419</u>
NET BOOK VALUE			
At 31 December 2019	<u>16,444</u>	<u>1,087,260</u>	<u>1,228</u>
At 31 December 2018	<u>20,548</u>	<u>843,523</u>	<u>1,540</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2019	22,593	33,974	2,047,884
Additions	-	4,385	516,845
Disposals	-	(1,816)	(1,816)
At 31 December 2019	<u>22,593</u>	<u>36,543</u>	<u>2,562,913</u>
DEPRECIATION			
At 1 January 2019	18,581	27,298	1,171,585
Charge for year	1,008	7,668	281,815
Eliminated on disposal	-	(1,816)	(1,816)
At 31 December 2019	<u>19,589</u>	<u>33,150</u>	<u>1,451,584</u>
NET BOOK VALUE			
At 31 December 2019	<u>3,004</u>	<u>3,393</u>	<u>1,111,329</u>
At 31 December 2018	<u>4,012</u>	<u>6,676</u>	<u>876,299</u>

MILSPEED LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

8. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
Additions	<u>360,869</u>
At 31 December 2019	<u>360,869</u>
DEPRECIATION	
Charge for year	<u>72,174</u>
At 31 December 2019	<u>72,174</u>
NET BOOK VALUE	
At 31 December 2019	<u><u>288,695</u></u>

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2019	116,833
Impairments	<u>(50,613)</u>
At 31 December 2019	<u>66,220</u>
NET BOOK VALUE	
At 31 December 2019	<u><u>66,220</u></u>
At 31 December 2018	<u><u>116,833</u></u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Milspeed S.A. (Proprietary) Limited
Registered office: South Africa
Nature of business: Importers and exporters

Class of shares:	%
Ordinary	holding 80.00

Milspeed (India) Private Limited
Registered office: India
Nature of business: Importers and exporters

Class of shares:	%
Ordinary	holding 98.00

An impairment loss has been recognised against the carrying value of Milspeed India to reflect the balance sheet value of Milspeed India being below the original cost of the shares. The impairment loss during the year ended 31 December 2019 is £50,613.

MILSPEED LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	915,194	773,994
Amounts owed by group undertakings	915,344	881,356
Other debtors	<u>468,370</u>	<u>402,912</u>
	<u><u>2,298,908</u></u>	<u><u>2,058,262</u></u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	2,554,697	2,474,343
Hire purchase contracts (see note 13)	84,447	-
Trade creditors	1,209,640	662,707
Taxation and social security	43,786	51,013
Other creditors	<u>279,755</u>	<u>178,230</u>
	<u><u>4,172,325</u></u>	<u><u>3,366,293</u></u>

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

	2019	2018
	£	£
Hire purchase contracts (see note 13)	<u><u>224,093</u></u>	<u><u>-</u></u>

13. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	84,447	-
Between one and five years	<u><u>224,093</u></u>	<u><u>-</u></u>
	<u><u>308,540</u></u>	<u><u>-</u></u>

At the year end the company had total commitments under operating leases of £1,256,887 (2018 £1,596,300).

14. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdrafts	250,178	143,864
Bank loans	2,304,519	2,330,479
Other loans	23,611	22,487
Hire purchase contracts	<u><u>308,540</u></u>	<u><u>-</u></u>
	<u><u>2,886,848</u></u>	<u><u>2,496,830</u></u>

Bank loans and overdrafts are secured by way of a fixed and floating charge on the assets of the company.

MILSPEED LIMITED

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15. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax	179,626	132,860
Other provisions	<u>250,000</u>	<u>250,000</u>
	<u>429,626</u>	<u>382,860</u>
	Deferred tax	Restoration provision
	£	£
Balance at 1 January 2019	132,860	250,000
Provided during year	67,000	-
On revalued assets	<u>(20,234)</u>	<u>-</u>
Balance at 31 December 2019	<u>179,626</u>	<u>250,000</u>

The deferred tax liability relates to accelerated capital allowances and deferred tax provided on the revaluation of assets.

16. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2019 and 31 December 2018:

	2019	2018
	£	£
I J Milhench		
Balance outstanding at start of year	184,037	178,637
Amounts advanced	7,869	5,400
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>191,906</u>	<u>184,037</u>

17. ULTIMATE CONTROLLING PARTY

The controlling party is I J Milhench.