

**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**FOR**  
**MILSPEED LIMITED**

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**for the Year Ended 31 December 2020**

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**MILSPEED LIMITED**  
**COMPANY INFORMATION**  
**for the Year Ended 31 December 2020**

**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

**REPORT OF THE DIRECTORS**  
**for the Year Ended 31 December 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of manufacturing and exporting shoe stiffening materials.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

I J Milhench  
Mrs F Milhench

**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.

**GOING CONCERN**

Forecasts have been prepared which take into account the ongoing COVID-19 pandemic and estimates of future performance based on changes in the economic environment. These forecasts indicate that the company will continue to operate within their existing facilities. Based on the forecasts prepared, and the funds available, sufficient resources are available to the company to conduct business for at least 12 months post signing of the financial statements. As such, the directors believe that it is appropriate for the financial statements to be prepared on the going concern basis.

**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.

**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 Milhench - Secretary

28 September 2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**MILSPEED LIMITED**

**Opinion**

We have audited the financial statements of Milspeed Limited (the 'company') for the year ended 31 December 2020 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 Section 1A '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 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**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 of £843,841, which is stated net of an impairment provision on recoverability of £80,539. Our opinion is not modified in respect of this matter.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**REPORT OF THE INDEPENDENT AUDITORS 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.

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

- We obtained an understanding of the legal and regulatory requirements applicable to the company financial statements or that had a fundamental effect on the operations of the company. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws;

- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, and those responsible for legal and compliance procedures.

- We assessed the susceptibility of the company's financial statements to material misstatement including how fraud might occur.

Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- identifying and testing journal entries, in particular any journal entries with unusual characteristics.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**MILSPEED LIMITED**

**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 a Report of the Auditors 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  
Staverton Court  
Staverton  
Cheltenham  
GL51 0UX

28 September 2021

**INCOME STATEMENT****for the Year Ended 31 December 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>		<b>7,820,603</b>	<b>12,064,241</b>
Cost of sales		<u>6,017,390</u>	<u>9,295,109</u>
<b>GROSS PROFIT</b>		<b>1,803,213</b>	<b>2,769,132</b>
Administrative expenses		<u>2,367,678</u> (564,465)	<u>2,355,605</u> 413,527
Other operating income		<u>286,705</u>	<u>130,272</u>
<b>OPERATING (LOSS)/PROFIT</b>		<b>(277,760)</b>	<b>543,799</b>
Interest payable and similar expenses		<u>72,575</u>	<u>83,887</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<b>(350,335)</b>	<b>459,912</b>
Tax on (loss)/profit	4	<u>(9,000)</u>	<u>55,245</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b>(341,335)</b>	<b>404,667</b>

The notes form part of these financial statements



**OTHER COMPREHENSIVE INCOME**

**for the Year Ended 31 December 2020**

	Notes	2020 £	2019 £
<b>(LOSS)/PROFIT FOR THE YEAR</b>		<b>(341,335)</b>	404,667
<b>OTHER COMPREHENSIVE INCOME</b>			
Deferred tax on revalued assets		20,656	20,234
Income tax relating to other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b>20,656</b>	20,234
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>(320,679)</u></b>	<u>424,901</u>

The notes form part of these financial statements

**BALANCE SHEET**  
**31 December 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		1		1
Tangible assets	8		905,028		1,111,329
Investments	9		8		66,220
			<u>905,037</u>		<u>1,177,550</u>
<b>CURRENT ASSETS</b>					
Stocks		4,254,806		4,223,561	
Debtors	10	2,147,242		2,298,908	
Cash at bank and in hand		<u>391,241</u>		<u>216,253</u>	
		6,793,289		6,738,722	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>3,618,145</u>		<u>4,172,325</u>	
<b>NET CURRENT ASSETS</b>			<u>3,175,144</u>		<u>2,566,397</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,080,181		3,743,947
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		(1,076,262)		(224,093)
<b>PROVISIONS FOR LIABILITIES</b>	15		<u>(399,970)</u>		<u>(429,626)</u>
<b>NET ASSETS</b>			<u>2,603,949</u>		<u>3,090,228</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			2,500		2,500
Undistributable reserve			266,405		352,249
Capital redemption reserve			2,500		2,500
Retained earnings			<u>2,332,544</u>		<u>2,732,979</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>2,603,949</u>		<u>3,090,228</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 28 September 2021 and were signed on its behalf by:

I J Milhench - Director

**STATEMENT OF CHANGES IN EQUITY**  
**for the Year Ended 31 December 2020**

	Called up share capital £	Retained earnings £	Undistributable reserve £	Capital redemption reserve £	Total equity £
<b>Balance at 1 January 2019</b>	2,500	2,431,362	438,515	2,500	2,874,877
<b>Changes in equity</b>					
Profit for the year	-	404,667	-	-	404,667
Other comprehensive income	-	106,500	(86,266)	-	20,234
Total comprehensive income	-	511,167	(86,266)	-	424,901
Dividends	-	(209,550)	-	-	(209,550)
<b>Balance at 31 December 2019</b>	2,500	2,732,979	352,249	2,500	3,090,228
<b>Changes in equity</b>					
Deficit for the year	-	(341,335)	-	-	(341,335)
Other comprehensive income	-	106,500	(85,844)	-	20,656
Total comprehensive income	-	(234,835)	(85,844)	-	(320,679)
Dividends	-	(165,600)	-	-	(165,600)
<b>Balance at 31 December 2020</b>	2,500	2,332,544	266,405	2,500	2,603,949

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the Year Ended 31 December 2020**

**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.

Forecasts have been prepared which take into account the ongoing COVID-19 pandemic and estimates of future performance based on changes in the economic environment. These forecasts indicate that the company will continue to operate within their existing facilities. Based on the forecasts prepared, and the funds available, sufficient resources are available to the company to conduct business for at least 12 months post signing of the financial statements. As such, the directors believe that it is appropriate for the financial statements to be prepared on the going concern basis.

**Significant judgements and estimates**

Included within debtors in note 10 of these financial statements is £843,841 owed by Milspeed (India) Private Limited, a subsidiary undertaking, which is stated net of an impairment provision on recoverability of £80,539. 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.

**Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income in the period over which the income is receivable. The company received grants in relation to the Coronavirus Job Retention Scheme (CJRS) which is accounted for as a revenue grant.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost less impairment.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

**2. ACCOUNTING POLICIES - continued**

**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.

**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 34 (2019 - 31) .

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

**4. TAXATION**

**Analysis of the tax (credit)/charge**

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

	2020 £	2019 £
Current tax:		
Over provision previous year	-	(11,755)
Deferred tax	<u>(9,000)</u>	<u>67,000</u>
Tax on (loss)/profit	<u>(9,000)</u>	<u>55,245</u>

**Tax effects relating to effects of other comprehensive income**

	2020 Gross £	2020 Tax £	2020 Net £
Deferred tax on revalued assets	<u>20,656</u>	<u>-</u>	<u>20,656</u>
	Gross £	2019 Tax £	2019 Net £
Deferred tax on revalued assets	<u>20,234</u>	<u>-</u>	<u>20,234</u>

**5. DIVIDENDS**

	2020 £	2019 £
Ordinary shares shares of £1 each		
Interim and final	<u>165,600</u>	<u>209,550</u>

**6. OTHER OPERATING INCOME**

The company received grants in relation to the Coronavirus Job Retention Scheme which is accounted for as a revenue grant. £158,823 (2019 - £nil) has been credited to the profit and loss account in relation to this grant. The carrying value in accrued income at the year end was £nil (2019 - £nil).

The company did not directly or indirectly benefit from any other forms of government grants.

**7. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 January 2020	
and 31 December 2020	<u>50,000</u>
<b>AMORTISATION</b>	
At 1 January 2020	
and 31 December 2020	<u>49,999</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>1</u>
At 31 December 2019	<u>1</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

8. **TANGIBLE FIXED ASSETS**

	<b>Improvements to property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>
<b>COST</b>			
At 1 January 2020	74,773	2,416,357	12,647
Additions	-	53,435	1,805
Disposals	-	(6,000)	-
At 31 December 2020	<u>74,773</u>	<u>2,463,792</u>	<u>14,452</u>
<b>DEPRECIATION</b>			
At 1 January 2020	58,329	1,329,097	11,419
Charge for year	4,104	255,338	612
Eliminated on disposal	-	(5,912)	-
At 31 December 2020	<u>62,433</u>	<u>1,578,523</u>	<u>12,031</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>12,340</u>	<u>885,269</u>	<u>2,421</u>
At 31 December 2019	<u>16,444</u>	<u>1,087,260</u>	<u>1,228</u>

  

	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 January 2020	22,593	36,543	2,562,913
Additions	-	1,901	57,141
Disposals	-	-	(6,000)
At 31 December 2020	<u>22,593</u>	<u>38,444</u>	<u>2,614,054</u>
<b>DEPRECIATION</b>			
At 1 January 2020	19,589	33,150	1,451,584
Charge for year	756	2,544	263,354
Eliminated on disposal	-	-	(5,912)
At 31 December 2020	<u>20,345</u>	<u>35,694</u>	<u>1,709,026</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>2,248</u>	<u>2,750</u>	<u>905,028</u>
At 31 December 2019	<u>3,004</u>	<u>3,393</u>	<u>1,111,329</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

8. **TANGIBLE FIXED ASSETS - continued**

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

	<b>Plant and machinery £</b>
<b>COST</b>	
At 1 January 2020	
and 31 December 2020	<u>360,869</u>
<b>DEPRECIATION</b>	
At 1 January 2020	72,174
Charge for year	<u>57,739</u>
At 31 December 2020	<u>129,913</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>230,956</u>
At 31 December 2019	<u>288,695</u>

9. **FIXED ASSET INVESTMENTS**

	<b>Shares in group undertakings £</b>
<b>COST</b>	
At 1 January 2020	
and 31 December 2020	<u>116,833</u>
<b>PROVISIONS</b>	
At 1 January 2020	50,613
Impairments	<u>66,212</u>
At 31 December 2020	<u>116,825</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>8</u>
At 31 December 2019	<u>66,220</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:	holding
Ordinary	80.00

**Milspeed (India) Private Limited**

Registered office: India

Nature of business: Importers and exporters

	%
Class of shares:	holding
Ordinary	98.00



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Trade debtors	843,556	915,194
Amounts owed by group undertakings	883,744	915,344
Other debtors	419,942	468,370
	<u>2,147,242</u>	<u>2,298,908</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Bank loans and overdrafts	2,492,266	2,554,697
Hire purchase contracts (see note 13)	87,413	84,447
Trade creditors	784,385	1,209,640
Taxation and social security	41,709	43,786
Other creditors	212,372	279,755
	<u>3,618,145</u>	<u>4,172,325</u>

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

	2020	2019
	£	£
Bank loans	939,583	-
Hire purchase contracts (see note 13)	136,679	224,093
	<u>1,076,262</u>	<u>224,093</u>

Bank borrowings comprise a Coronavirus Business Interruption Loan ("CBILS") of £1,100,000 which after 12 months from drawdown attracts interest at 3.99% plus the bank base rate. The loan is repayable in 48 equal instalments of £22,917.

**13. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	<b>Hire purchase contracts</b>	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	87,413	84,447
Between one and five years	136,679	224,093
	<u>224,092</u>	<u>308,540</u>

At the year end the company had total commitments under operating leases of £909,323 (2019 £1,256,887).

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020****14. SECURED DEBTS**

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank overdrafts	-	250,178
Bank loans	3,431,849	2,304,519
Other loans	24,791	23,611
Hire purchase contracts	224,092	308,540
	<u>3,680,732</u>	<u>2,886,848</u>

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

Amounts due under hire purchase agreements are secured on the assets to which they relate.

**15. PROVISIONS FOR LIABILITIES**

	2020	2019
	£	£
Deferred tax	149,970	179,626
Other provisions	250,000	250,000
	<u>399,970</u>	<u>429,626</u>

  

	Deferred tax	Restoration provision
	£	£
Balance at 1 January 2020	179,626	250,000
Utilised during year	(9,000)	-
On revalued assets	(20,656)	-
Balance at 31 December 2020	<u>149,970</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 2020 and 31 December 2019:

	2020	2019
	£	£
<b>I J Milhench</b>		
Balance outstanding at start of year	191,906	184,037
Amounts advanced	29,037	7,869
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>220,943</u>	<u>191,906</u>

**17. ULTIMATE CONTROLLING PARTY**

The controlling party is I J Milhench.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.