

BRUHN NEWTECH LIMITED
UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Fletcher & Partners
Chartered Accountants
Salisbury

BRUHN NEWTECH LIMITED
REGISTERED NUMBER: 03336119

BALANCE SHEET
AS AT 30 JUNE 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	5	-	2,772
Current assets			
Debtors: amounts falling due within one year	6	808,955	310,488
Cash at bank and in hand	7	31,622	20,245
		<u>840,577</u>	<u>330,733</u>
Creditors: amounts falling due within one year	8	(538,278)	(665,307)
Net current assets/(liabilities)		302,299	(334,574)
Net assets/(liabilities)		<u>302,299</u>	<u>(331,802)</u>
Capital and reserves			
Called up share capital		222,880	222,880
Profit and loss account		79,419	(554,682)
		<u>302,299</u>	<u>(331,802)</u>

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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:

E J Ellinghaus
Director

Date: 5 November 2019

The notes on pages 2 to 7 form part of these financial statements.

BRUHN NEWTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. General information

Bruhn Newtech Limited is a private company limited by shares and incorporated in England and Wales. The registered office of the company is Suite 3, Warner House, Castle Street, Salisbury, Wiltshire, SP1 3TB.

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 following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.3 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.7 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet date in the countries where the Company operates and generates income.

2.8 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.

Depreciation is provided on the following basis:

Computer equipment	-	33%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.9 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.

2.10 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.

2.11 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.

2.12 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans

**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)**2.12 Financial instruments (continued)**

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2018 - 3).

4. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	<u>22,141</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>656,241</u>	<u>402,652</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	124,686	76,504
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	167	63
Capital allowances for year in excess of depreciation	526	2,168
Utilisation of tax losses	(103,238)	(83,268)
Unrelieved tax losses carried forward	-	4,533
Total tax charge for the year	<u>22,141</u>	<u>-</u>

BRUHN NEWTECH LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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5. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 July 2018	35,946
At 30 June 2019	<u>35,946</u>
Depreciation	
At 1 July 2018	33,174
Charge for the year on owned assets	2,772
At 30 June 2019	<u>35,946</u>
Net book value	
At 30 June 2019	<u>-</u>
At 30 June 2018	<u>2,772</u>

6. Debtors

	2019 £	As restated 2018 £
Trade debtors	266,150	153,130
Amounts owed by group undertakings	536,940	142,830
Other debtors	23	5,500
Prepayments and accrued income	5,842	9,028
	<u>808,955</u>	<u>310,488</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>31,622</u>	<u>20,245</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Creditors: Amounts falling due within one year

	2019	As restated 2018
	£	£
Trade creditors	10,076	10,401
Corporation tax	22,141	-
Other taxation and social security	37,029	5,837
Other creditors	569	243
Accruals and deferred income	468,463	648,826
	<u>538,278</u>	<u>665,307</u>

9. Prior year adjustment

The 2018 comparative figures have been adjusted for errors in those figures as follows:

Group interest payable increased by £23,915

Commissions payable reduced by £4,840

Sales and commission income increased by £27,850

Pension costs increased by £241

Insurance costs reduced by £3,344

Salary costs increased by £2,574

Overall profit adjustment is an increase of £9,304. There is no tax impact due to the availability of losses.

10. Post balance sheet events

Since the year end the company has entered an agreement to lease office premises at a rate of £8,250 per annum for 6 years, with a break clause after 3 years.

11. Controlling party

The company's immediate parent undertaking is Bruhn NewTech International A/S which is incorporated in Denmark. It has included the company in its group accounts, copies of which are available from its registered office: Vandtaarnsvej 62A, 2860 Soeborg, Denmark.

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.