

Company Registration No. 04057857 (England and Wales)

**KRACO CAR CARE INTERNATIONAL LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**

# KRACO CAR CARE INTERNATIONAL LIMITED

## CONTENTS

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	Page
Balance sheet	1
Notes to the financial statements	2 - 6

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# KRACO CAR CARE INTERNATIONAL LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2018

	Notes	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	3		773		2,203
<b>Current assets</b>					
Stocks		504,429		494,004	
Debtors	4	654,329		857,339	
Cash at bank and in hand		366,780		167,071	
		<u>1,525,538</u>		<u>1,518,414</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(380,107)</u>		<u>(590,732)</u>	
<b>Net current assets</b>			<u>1,145,431</u>		<u>927,682</u>
<b>Total assets less current liabilities</b>			<u><u>1,146,204</u></u>		<u><u>929,885</u></u>
<b>Capital and reserves</b>					
Called up share capital	6	500,002		1,110,289	
Profit and loss reserves		646,202		(180,404)	
<b>Total equity</b>			<u><u>1,146,204</u></u>		<u><u>929,885</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered 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 25 September 2019 and are signed on its behalf by:

Mr C Bowers  
**Director**

**Company Registration No. 04057857**

# KRACO CAR CARE INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

#### Company information

Kraco Car Care International Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 Ambassador Place, Stockport Road, Cheshire, United Kingdom, WA15 8DB.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The functional and presentational currency has been changed from US\$ to £ this year. This is following the change in ownership of the company from Kraco Enterprises LLC registered in the US to KCCI Holdings Limited registered in the UK. The presentational currency has also been changed for comparative purposes.

Balance Sheet Conversion as at 31 December 2017:

	US \$	Exchange Rate	As previously reported £	Per 2017 comparative
	at 31/12/2017			
Office equipment - cost b/fwd	5,858	1.351	4,336	
Office equipment - additions	1,407	1.351	1,041	
Office equipment - depreciation b/fwd	(2,358)	1.351	(1,745)	
Office equipment - depreciation charge	(1,930)	1.351	(1,429)	
Stocks - finished goods	667,400	1.351	494,004	
Debtors - trade	1,118,453	1.351	827,870	
Prepayments	39,809	1.351	29,466	
Cash at bank	225,713	1.351	167,071	
Creditors - trade	(387,915)	1.351	(287,132)	
Due to fellow subsidiary	(86,022)	1.351	(63,673)	
National Insurance and PAYE due	(20,838)	1.351	(15,424)	
VAT due	(128,391)	1.351	(95,034)	
Creditors - accruals	(174,912)	1.351	(129,469)	
Total assets less current liabilities			<u>1,256,274</u>	<u>929,885</u>

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# KRACO CAR CARE INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

### 1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

### 1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# KRACO CAR CARE INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies (Continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# KRACO CAR CARE INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies (Continued)

#### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 6 (2017 - 6).

### 3 Tangible fixed assets

	Computers £
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	4,940
<b>Depreciation and impairment</b>	
At 1 January 2018	2,831
Depreciation charged in the year	1,336
At 31 December 2018	4,167
<b>Carrying amount</b>	
At 31 December 2018	773
At 31 December 2017	2,203

### 4 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	644,779	827,873
Other debtors	9,550	29,466
	654,329	857,339

# KRACO CAR CARE INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	179,086	287,132
Amounts due to group undertakings	-	63,673
Corporation tax	4,947	-
Other taxation and social security	105,028	110,458
Other creditors	91,046	129,469
	<u>380,107</u>	<u>590,732</u>

### 6 Called up share capital

	2018	2017
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
500,002 Ordinary shares of £1 each	500,002	1,110,289
(2017: 1,500,000 of \$1 each and 2 of £1 each)	<u>500,002</u>	<u>1,110,289</u>

### Reconciliation of movements during the year:

	Ordinary US \$	Ordinary £
At 1 January 2018	1,500,000	2
Redenomination at \$1.28 per £ - 6 Dec 2018	(1,500,000)	1,171,875
Reduction of Share Capital	-	(671,875)
	<u>-</u>	<u>500,002</u>
At 31 December 2018	-	500,002

### 7 Parent company

The company was controlled by its ultimate parent company, KCCI Holdings Limited, a company registered in the United Kingdom.



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.