

**CHEVALIER TECHNOLOGIES LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31st DECEMBER, 2019**

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***The Company's registered number is : 06730598***

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## **DIRECTORS REPORT**

The Directors present their report with the unaudited Financial Statements of the Company for the year ended 31 December, 2019.

### **REVIEW OF BUSINESS**

During the year the Company traded as an automotive parts manufacturer. A summary of the results of the year's trading is given on page 2 of the accounts. The directors consider both the results of the year and the year-end financial position to be satisfactory.

### **DIRECTORS**

The Directors in office in the year were as follows:

I Chevalier  
C. J. Leclerc  
L.J. Roberts

### **STATEMENT OF DIRECTORS RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report 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 the law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Financial Reporting Standard 102 and applicable law). 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 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 to

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 safe-guarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **FINANCIAL REPORTING STANDARDS**

The directors have prepared this report in accordance with Financial Reporting Standard 102

### **SIGNED BY ORDER OF THE BOARD OF DIRECTORS**

Dated this 29<sup>th</sup> Day of September, 2020 and are signed on their behalf by :



CHEVALIER,  
Director

**PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31st DECEMBER, 2019**

	Note	2,019 £	2018 £
<b>TURNOVER</b>	1.	4,443,961	4,709,038
<i>Cost of Sales</i>		<u>956,954</u>	<u>1,371,150</u>
<b>GROSS PROFIT</b>		3,487,007	3,337,888
<i>Distribution costs</i>		58,288	109,039
<i>Administrative Expenses</i>		<u>1,880,313</u>	<u>1,906,238</u>
<i>Operating Profit</i>	2.	1,548,406	1,322,611
<i>Interest receivable and similar income</i>	3.	0	558
<i>Interest payable and similar charges</i>		<u>6,076</u>	<u>2,462</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,542,330	1,320,707
<i>Tax on profit on ordinary activities</i>		<u>0</u>	<u>120,147</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		1,542,330	1,440,854
<b>BALANCE brought forward</b>		7,672,028	6,231,174
<i>Prior Year Adjustment</i>		<u>0</u>	<u>0</u>
<b>BALANCE carried forward</b>		<u><u>9,214,358</u></u>	<u><u>7,672,028</u></u>

*The notes on pages 5 and 6 form part of these financial statements*

**BALANCE SHEET AT 31 DECEMBER 2019**

	Note	£	2019 £	£	2018 £
<b><u>FIXED ASSETS</u></b>					
Tangible Assets	4.		1,952,032		2,054,768
<b><u>INTANGIBLE ASSETS</u></b>					
	5.		14,400,000		14,800,000
-Debtors	6.	9,201,525		6,658,058	
-Inventory		706,184		983,054	
-Cash at Bank and in Hand				53,045	
		9,907,709		7,694,156	
<b><u>CURRENT LIABILITIES</u></b>					
Amounts falling due within one year					
Bank Overdraft		40,856			
-Creditors	7. / 8.	1,004,527		876,897	
NET CURRENT ASSETS			8,862,326		6,817,260
LONG TERM LIABILITIES			0		0
TOTAL ASSETS less CURRENT LIABILITIES			£25,214,358		£23,672,028
Financed by :					
-Called Up Share Capital	9.		16,000,000		16,000,000
-Capital contribution			0		0
-Profit & Loss Account			9,214,358		7,672,028
SHAREHOLDERS FUNDS			£25,214,358		£23,672,028

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006. (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibility for:

- (a) ensuring the company keeps adequate accounting records which comply with Section 386 of the Act; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as they are applicable to the company.

These financial statements have been prepared in accordance with Financial Reporting Standard 102.

These financial statements were approved by the board of directors and authorised for issue on 29th Day of September, 2020 and are signed on their behalf by :



I CHEVALIER  
Director  
29 September 2020

**NOTES TO THE ACCOUNTS**  
31st DECEMBER, 2019

*These notes form part of the accounts for the year ended 31st DECEMBER, 2019.*

1. a. *The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102.*

- b. **Turnover**

*Turnover is attributable to the Company's principal activities and relates to the UK, USA and China. It represents net invoiced services provided excluding VAT.*

- c. **Tangible Fixed Assets**

*The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.*

*Depreciation is provided so as to write off the cost of fixed assets over the expected useful lives of the assets concerned. The principal annual rate used for this purpose is 25% on the written down value of the cost of equipment. Leasehold Improvements are amortised over the life of the lease. Tooling is amortised on a 'Life of Tool' basis.*

- d. **Going Concern**

*These financial statements have been prepared on a going concern basis.*

- e. **Financial instruments**

*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 entity after deducting all of its financial liabilities.*

*Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.*

*Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.*

2. **OPERATING PROFIT/(LOSS)**

*The operating profit is stated after charging and crediting :*

	2019(£)	2018(£)
Depreciation of tangible fixed assets	146,183	20,715
Amortisation of Intangible assets	400,000	400,000
Accountancy	1,299	7,312
	<u>          </u>	<u>          </u>

3. **INTEREST RECEIVABLE AND SIMILAR INCOME**

	2019(£)	2018(£)
The Company's bank accounts.	0	558
	<u>          </u>	<u>          </u>

**NOTES TO THE ACCOUNTS**  
**31st DECEMBER, 2019**

**4. TANGIBLE FIXED ASSETS**

	Plant & Machinery £	Motor Vehicles £	Leasehold Improvements £	Tooling £	Total £
<b>Cost</b>					
1st January, 2019	171,730	13,500	158,903	2,600,856	2,944,989
Additions	6,307	0	0	37,139	43,447
Disposals				0	0
At 31st December, 2019	<u>£178,037</u>	<u>£13,500</u>	<u>£158,903</u>	<u>£2,637,996</u>	<u>£2,988,436</u>
<b>Depreciation</b>					
1st January, 2019	151,808	2,700	58,870	676,843	890,221
Charge for the Year	23,343	2,700	13,710	106,430	146,183
At 31st December, 2019	<u>£175,151</u>	<u>£5,400</u>	<u>£72,580</u>	<u>£783,273</u>	<u>£1,036,404</u>
<b>Written down value</b>					
1st January, 2019	£19,922	£10,800	£100,033	£1,924,013	£2,054,768
At 31st December, 2019	<u>£2,886</u>	<u>£8,100</u>	<u>£86,323</u>	<u>£1,854,723</u>	<u>£1,952,032</u>

**5. INTANGIBLE ASSETS**

This largely represents the cost of a worldwide Intellectual Property licence held in perpetuity for the commercial exploitation of a number of products together with any future inventions and is amortised over a period of forty years as determined by the directors. The amortisation complies with Financial Accounting Standard 102 but new inventions have not been added nor has a revaluation been carried out.

**6. DEBTORS & PREPAYMENTS**

All amounts fall due within one year.	2019(£)	2018(£)
Trade Debtors	6,203,045	6,196,698
Debtors - Rent Deposit and Loans	148,385	148,385
Prepayments	16,916	0
Co-venture Debtor	2,832,089	311,885
Others	1,089	1,089
Taxation	0	0
	<u>£9,201,525</u>	<u>£6,658,058</u>

Note: Trade debtors includes a large single debtor who has not yet settled their outstanding debt at the company's year-end. However, the directors are confident that the full sum will be paid. The debtor is a substantial company in the USA and legal proceedings were commenced but have been delayed due to the pandemic.

The Co-venture debtor relates to an amount held by our co-venture operator who is a substantial car parts manufacturer and represents CTL's share of their Sales in China. Due to an unusual trading year the figure grew unusually large. Prior year's figures were included in Trade Debtors.

It also includes a development fee due from Mahindra and Mahindra-Automotive Company, Mumbai, India (£200,000).

**7. CREDITORS**

Amounts falling due within one year	2019(£)	2018(£)
Trade Creditors	353,304	57,462
Accruals	594	0
Other	638,916	669,232
Taxation	11,713	150,202
	<u>£1,004,527</u>	<u>£876,897</u>

**NOTES TO THE ACCOUNTS**  
**31st DECEMBER, 2019**

**8. RELATED PARTY TRANSACTIONS**

*The company is ultimately controlled by Mrs I Chevalier, the largest shareholder, who continues to support the company and has provided assurances that she will not take any action that jeopardises the company as a going concern.*

**9. SHARE CAPITAL**

*Allotted, Called up and Fully Paid:*

<i>Ordinary Shares of £1 each</i>	<i>£16,000,000</i>	<i>£16,000,000</i>
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**10. DEFERRED TAXATION**

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

*A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying differences can be deducted.*

*Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.*