

Registered number: 05695359

SUPRAJIT EUROPE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

SUPRAJIT EUROPE LIMITED

COMPANY INFORMATION

Directors	P Greensmith K Rai
Registered number	05695359
Registered office	25 Apollo Lichfield Road Tamworth West Midlands B79 7TA
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Bankers	HSBC Bank Plc 17 Church Street Sheffield S1 1HH

SUPRAJIT EUROPE LIMITED

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SUPRAJIT EUROPE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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 that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

Business review

Sales grew by 24.8% to £13m and profits were at 7.9% after discounts agreed to win future contracts. (Stripping out approximately £1m of Brexit pre-sales gives a more realistic growth figure of 15%.)

New contracts won from the VW Group companies require expanded manufacturing facilities in SAL India, which will be operational by summer 2019.

To counter the Brexit uncertainty a Warehouse Branch of Suprajit Europe Ltd will be established in Koper, Slovenia. Known as SEK, during 2019 it will widen our business proposition for the future, although in the medium term it will require re-investment of part of the operating margin.

The automotive cable market remains intensely competitive, but the success of our current business model has continued.

Directors

The directors who served during the year were:

P Greensmith
K Rai

SUPRAJIT EUROPE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 21 May 2019 and signed on its behalf.



P Greensmith
Director

SUPRAJIT EUROPE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SUPRAJIT EUROPE LIMITED

Opinion

We have audited the financial statements of Suprajit Europe Limited (the 'Company') for the year ended 31 March 2019, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, 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 March 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 Auditor's 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 United Kingdom, including the Financial Reporting Council'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

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.

SUPRAJIT EUROPE LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SUPRAJIT EUROPE LIMITED
(CONTINUED)**

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, 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.

Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

SUPRAJIT EUROPE LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SUPRAJIT EUROPE LIMITED
(CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, 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 is 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.

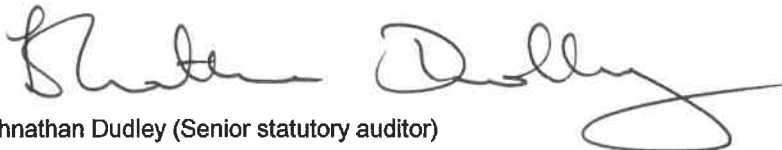
Auditor's responsibilities for the audit of the financial statements

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 an Auditor's report 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.



Johnathan Dudley (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 24 May 2019

SUPRAJIT EUROPE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Turnover	4	13,037,630	10,425,865
Cost of sales		(10,802,403)	(8,731,294)
Gross profit		2,235,227	1,694,571
Administrative expenses		(1,202,082)	(975,759)
Operating profit	5	1,033,145	718,812
Interest payable and expenses	9	(2,229)	(3,097)
Profit before tax		1,030,916	715,715
Tax on profit	10	(196,769)	(137,328)
Profit for the financial year		834,147	578,387

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 9 to 20 form part of these financial statements.

SUPRAJIT EUROPE LIMITED
REGISTERED NUMBER: 05695359

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	12	3,765	5,542
Tangible assets	13	86,494	39,680
		<u>90,259</u>	<u>45,222</u>
Current assets			
Stocks	14	2,433,735	1,676,607
Debtors: amounts falling due within one year	15	2,527,184	1,775,766
Cash at bank and in hand	16	502,678	175,886
		<u>5,463,597</u>	<u>3,628,259</u>
Creditors: amounts falling due within one year	17	<u>(2,381,277)</u>	<u>(1,267,729)</u>
Net current assets		<u>3,082,320</u>	<u>2,360,530</u>
Total assets less current liabilities		<u>3,172,579</u>	<u>2,405,752</u>
Creditors: amounts falling due after more than one year	18	(19,388)	(11,708)
Net assets		<u><u>3,153,191</u></u>	<u><u>2,394,044</u></u>
Capital and reserves			
Called up share capital	22	2,200,000	2,200,000
Profit and loss account	23	953,191	194,044
		<u><u>3,153,191</u></u>	<u><u>2,394,044</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



21 May 2019

P Greensmith
 Director

The notes on pages 9 to 20 form part of these financial statements.

SUPRAJIT EUROPE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2017	2,200,000	(384,343)	1,815,657
Profit for the year	-	578,387	578,387
At 1 April 2018	2,200,000	194,044	2,394,044
Profit for the year	-	834,147	834,147
Dividends: Equity capital	-	(75,000)	(75,000)
At 31 March 2019	2,200,000	953,191	3,153,191

The notes on pages 9 to 20 form part of these financial statements.

SUPRAJIT EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. COMPANY INFORMATION

The principal activity of the company is the supply of cables for motor vehicles.

The Company is a private company limited by shares (registered number 05695359), which is incorporated in the England. The address of the registered office and principal place of business is 25 Apollo Road, Lichfield Road, Tamworth, West Midlands, B79 7TA.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that 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.

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Software	-	50 % on cost
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SUPRAJIT EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.4 TANGIBLE FIXED ASSETS

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.

The estimated useful lives range as follows:

Plant & machinery	- 5 years
Motor vehicles	- 3 years
Fixtures & fittings	- 5 years
Office equipment	- 2 years
Leasehold improvements	- 5 years

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 Income Statement.

2.5 STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

2.6 DEBTORS

Short term debtors are measured at cost, less any impairment.

2.7 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.

2.8 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.

2.9 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties.

2.10 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Preparation of the financial statements requires management to make significant judgements and estimates. The items where these judgements and estimates have been made included:

Impairment of stocks:

Impairment of stock is recognised and reviewed annually for slow-moving stock items. Strategic stocks of spare parts held are retained at impaired cost due to the uncertainty of when they will be used.

4. TURNOVER

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	2,391,755	2,638,787
Rest of Europe	9,739,439	5,979,140
Rest of the world	906,436	1,807,938
	<u>13,037,630</u>	<u>10,425,865</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	34,048	16,461
Amortisation of intangible assets, including goodwill	(9,086)	(12,263)
Exchange differences	711	(19,673)
	<u>711</u>	<u>(19,673)</u>

6. AUDITOR'S REMUNERATION

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	11,045	10,345
Other services	<u>1,500</u>	<u>1,500</u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2019	2018
	£	£
Wages and salaries	1,072,048	929,795
Social security costs	81,100	89,251
Pension costs	94,390	74,556
	1,247,538	1,093,602

The average monthly number of employees, including the directors, during the year was as follows:

	2019	2018
	No.	No.
Production	33	19
Distribution and selling	5	5
Administration	14	12
	52	36

8. DIRECTORS' REMUNERATION

	2019	2018
	£	£
Directors' emoluments	96,927	112,569
Company contributions to defined contribution pension schemes	8,723	7,881
	105,650	120,450

During the year retirement benefits were accruing to 1 director (2018 - 1) in respect of defined contribution pension schemes.

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank interest payable	-	1,078
Finance leases and hire purchase contracts	2,229	2,019
	<u>2,229</u>	<u>3,097</u>

10. TAXATION

	2019	2018
	£	£
CORPORATION TAX		
Current tax on profits for the year	194,272	78,752
	<u>194,272</u>	<u>78,752</u>
DEFERRED TAX		
Origination and reversal of timing differences	2,497	51,770
Effect of tax rate change on opening balance	-	6,806
	<u>2,497</u>	<u>58,576</u>
TOTAL DEFERRED TAX	<u>2,497</u>	<u>58,576</u>
	<u>196,769</u>	<u>137,328</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>196,769</u>	<u>137,328</u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

10. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (*2018 - higher 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	1,030,916	715,715
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (<i>2018 - 19%</i>)	195,874	135,986
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	541	258
Adjust closing deferred tax to average rate of 19%	421	714
Adjust opening deferred tax to average rate of 19%	(714)	-
Fixed asset differences	647	370
TOTAL TAX CHARGE FOR THE YEAR	196,769	137,328

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. DIVIDENDS

	2019	2018
	£	£
Dividends paid on ordinary shares	75,000	-

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. INTANGIBLE ASSETS

	Software £	Goodwill £	Total £
COST			
At 1 April 2018	31,381	1,205,489	1,236,870
Additions	7,309	-	7,309
At 31 March 2019	<u>38,690</u>	<u>1,205,489</u>	<u>1,244,179</u>
AMORTISATION			
At 1 April 2018	25,839	1,205,489	1,231,328
Charge for the year	9,086	-	9,086
At 31 March 2019	<u>34,925</u>	<u>1,205,489</u>	<u>1,240,414</u>
NET BOOK VALUE			
At 31 March 2019	<u>3,765</u>	<u>-</u>	<u>3,765</u>
At 31 March 2018	<u>5,542</u>	<u>-</u>	<u>5,542</u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

13. TANGIBLE FIXED ASSETS

	Long term Leasehold Property £	Plant & machinery £	Motor vehicles £	Equipment, fixtures & fittings £	Total £
COST OR VALUATION					
At 1 April 2018	63,521	294,786	-	90,958	449,265
Additions	26,087	6,755	20,143	27,878	80,863
At 31 March 2019	<u>89,608</u>	<u>301,541</u>	<u>20,143</u>	<u>118,836</u>	<u>530,128</u>
DEPRECIATION					
At 1 April 2018	52,808	277,095	-	79,683	409,586
Charge for the year on owned assets	8,984	7,337	6,715	11,012	34,048
At 31 March 2019	<u>61,792</u>	<u>284,432</u>	<u>6,715</u>	<u>90,695</u>	<u>443,634</u>
NET BOOK VALUE					
At 31 March 2019	<u>27,816</u>	<u>17,109</u>	<u>13,428</u>	<u>28,141</u>	<u>86,494</u>
At 31 March 2018	<u>10,713</u>	<u>17,691</u>	<u>-</u>	<u>11,276</u>	<u>39,680</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Plant and machinery	11,171	16,306
Motor vehicles	13,429	-
Furniture, fittings and equipment	6,092	-
	<u>30,692</u>	<u>16,306</u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

14. STOCKS

	2019 £	2018 £
Finished goods and goods for resale	<u>2,433,735</u>	<u>1,676,607</u>

15. DEBTORS

	2019 £	2018 £
Trade debtors	2,118,109	1,284,707
Other debtors	194,383	320,186
Prepayments and accrued income	211,116	164,800
Deferred taxation	3,576	6,073
	<u>2,527,184</u>	<u>1,775,766</u>

16. CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank and in hand	<u>502,678</u>	<u>175,886</u>

17. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	150,528	60,469
Amounts owed to group undertakings	1,533,750	840,422
Corporation tax	152,272	78,752
Other taxation and social security	26,199	19,688
Obligations under finance lease and hire purchase contracts	11,162	6,860
Other creditors	26,700	8,340
Accruals and deferred income	480,666	253,198
	<u>2,381,277</u>	<u>1,267,729</u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. CREDITORS: Amounts falling due after more than one year

	2019	2018
	£	£
Net obligations under finance leases and hire purchase contracts	19,388	11,708

19. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2019	2018
	£	£
Within one year	11,162	6,860
Between 1-5 years	19,389	5,522
Over 5 years	-	6,186
	30,551	18,568

20. FINANCIAL INSTRUMENTS

	2019	2018
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	502,678	175,886
Financial assets that are debt instruments measured at amortised cost	2,312,492	1,604,893
	2,815,170	1,780,779
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	(2,191,643)	(1,162,429)

Financial assets measured at amortised cost comprise of debtors, accrued income and cash but excludes taxation debtors and prepayments.

Financial liabilities measured at amortised cost comprise of bank overdraft, trade creditors and accruals.

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

21. DEFERRED TAXATION

	2019 £
At beginning of year	6,073
Charged to the profit or loss	(2,497)
At end of year	3,576

The deferred tax asset is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(9,043)	(3,556)
Other short term timing differences	12,619	9,629
	<u>3,576</u>	<u>6,073</u>

22. SHARE CAPITAL

	2019 £	2018 £
Allotted, called up and fully paid		
2,200,000 (2018 - 2,200,000) Ordinary shares of £1.00 each	<u>2,200,000</u>	<u>2,200,000</u>

23. RESERVES

Profit & loss account

This represents the current and prior period retained profits and losses.

24. PENSION COMMITMENTS

The Company operates a defined benefit contribution scheme. The assets of the scheme are held in the name of employees in an independently administered fund. The amount owing to the pension scheme at the year end was £11,452 (2018 - £6,755).

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

25. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	133,000	<i>133,000</i>
Later than 1 year and not later than 5 years	232,750	<i>365,750</i>
Total land and buildings	365,750	<i>498,750</i>
	2019	2018
	£	£
Not later than 1 year	18,371	<i>13,003</i>
Later than 1 year and not later than 5 years	33,680	<i>19,338</i>
Total others	52,051	<i>32,341</i>

26. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under Financial Reporting Standard, 'Related Party Disclosures' not to disclose transactions with fellow group companies as it is a wholly owned subsidiary of Suprajit Engineering Limited.

All Directors who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel. The Directors remuneration as disclosed in Note 8 represents the total remuneration in respect of these individuals.

27. CONTROLLING PARTY

The company's parent undertaking at 31 March 2019 was Suprajit Engineering Limited, a company registered in India. Copies of that company's financial statements are publicly available at No. 100 Bommasandra Industrial Area, Bangalore, 500 099, Karnataka, India.

SUPRAJIT EUROPE LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Turnover	13,037,630	10,425,865
Cost of sales	(10,802,402)	(8,731,294)
GROSS PROFIT	<u><u>2,235,228</u></u>	<u><u>1,694,571</u></u>
Gross profit %	17.1 %	16.3 %
LESS: OVERHEADS		
Administration expenses	(1,202,083)	(975,759)
OPERATING PROFIT	<u>1,033,145</u>	<u>718,812</u>
Interest payable	(2,229)	(3,097)
Tax on profit on ordinary activities	(196,769)	(137,328)
PROFIT FOR THE YEAR	<u><u>834,147</u></u>	<u><u>578,387</u></u>

SUPRAJIT EUROPE LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Sales - UK	2,391,755	2,638,787
Sales - Other EU	9,739,439	5,979,140
Sales - Rest of world	906,436	1,807,938
	<u>13,037,630</u>	<u>10,425,865</u>
	2019 £	2018 £
Purchases - raw materials	9,937,157	7,935,274
Wages and salaries	535,035	534,087
National insurance	34,016	41,031
Pension contributions	13,867	14,020
Carriage and import duty	250,658	178,398
Light, heat and power	31,669	28,484
	<u>10,802,402</u>	<u>8,731,294</u>

SUPRAJIT EUROPE LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Directors salaries	96,927	112,569
Directors pension contributions	8,723	7,881
Staff salaries	440,086	283,139
Staff national insurance	47,084	48,220
Staff pension contributions	71,800	52,655
Motor running costs	2,871	9,344
Motor vehicle leasing	26,335	23,335
Entertainment	84	442
Hotels, travel and subsistence	60,397	50,110
Printing and stationery	16,094	13,151
Telephone and fax	16,283	15,601
Computer costs	49,072	39,969
Legal and professional	43,165	57,599
Auditors' remuneration	11,045	10,345
Auditors' remuneration - non-audit	1,500	1,500
Bank charges	13,122	11,322
Bad debts	-	1,274
Difference on foreign exchange	712	(19,673)
Rent	123,501	123,501
Rates	67,674	51,373
Insurances	40,304	32,924
Repairs and maintenance	22,170	20,455
Depreciation - plant and machinery	34,150	25,183
Depreciation - leasehold property	8,984	3,540
	<u>1,202,083</u>	<u>975,759</u>
	2019 £	2018 £
Bank overdraft interest payable	-	1,078
Hire purchase interest payable	2,229	2,019
	<u>2,229</u>	<u>3,097</u>