

ESPEX BATTERIES LIMITED

Balance Sheet And Auditors' Report 2019-20

Auditors:

HAYVENHURSTS LIMITED

Chartered Accountants & Statutory Auditor

Fairway House,
Links Business Park,
St Mellons,
Cardiff
CF3 OLT

REGISTERED NUMBER: 04631417 (England and Wales)

**Report of the Directors and
Financial Statements
for the Year Ended 31 March 2020
for
ESPEX BATTERIES LIMITED**

Hayvenhursts Limited
Chartered Accountants & Statutory Auditor
Fairway House
Links Business Park
St Mellons
Cardiff
CF3 0LT

ESPEX BATTERIES LIMITED

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ESPEX BATTERIES LIMITED

**Company Information
FOR THE YEAR ENDED 31 MARCH 2020**

DIRECTORS:

G Chatterjee
A K Mukherjee
A Ghosal
Mrs L Farmer

REGISTERED OFFICE:

Fairway House
Links Business Park
St Mellons
Cardiff
South Glamorgan
CF3 0LT

REGISTERED NUMBER:

04631417 (England and Wales)

INDEPENDENT AUDITORS:

Hayvenhursts Limited
Chartered Accountants & Statutory Auditor
Fairway House
Links Business Park
St Mellons
Cardiff
CF3 0LT

ESPEX BATTERIES LIMITED
Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2020

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of suppliers of industrial batteries.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

G Chatterjee
A K Mukherjee
A Ghosal
Mrs L Farmer

EVENTS AFTER THE REPORTING PERIOD

Coronavirus (COVID - 19) spread to the UK in January 2020 leading to an epidemic with a rapid increase of cases in March. During the third week of March a lockdown was declared in the UK. Uncertainty around the scale, timing and impact of the Coronavirus pandemic means it is impossible to give meaningful guidance for the trading result in the year ahead. However the directors have considered the impact on the Company and continue to adopt the going concern basis in preparing the annual report and financial statements.

GOING CONCERN

The financial statements are prepared under the going concern basis. The directors believe this is appropriate, they believe that for the foreseeable future the company will be able to meet its liabilities as they fall due. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements.

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.

ESPEX BATTERIES LIMITED

**Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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, Hayvenhursts Limited, 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:

Sd/-

A Ghosal - Director

Date: 18 May 2020

Report of the Independent Auditors to the Members of Espex Batteries Limited

Opinion

We have audited the financial statements of Espex Batteries Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Statement of Financial Position, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 '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 2020 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 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

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.

Emphasis of matter

We draw attention to notes 3 and 22 of the financial statements which describe the economic disruption the company is facing as a result of COVID - 19 which is impacting trading at the end of the year. Our opinion is not modified in respect of this matter.

Report of the Independent Auditors to the Members of Espex Batteries Limited

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 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.

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.

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, 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.

Report of the Independent Auditors to the Members of Espex Batteries Limited

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.

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 Report of the Auditors.

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.



Stephen Cox (Senior Statutory Auditor)
for and on behalf of Hayvenhursts Limited
Chartered Accountants & Statutory Auditor
Fairway House
Links Business Park
St Mellons
Cardiff
CF3 0LT

Date: 22 July 2020

Note:

The maintenance and integrity of the Espex Batteries Limited website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

ESPEX BATTERIES LIMITED

**Income Statement
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
TURNOVER		9,049,292	7,687,495
Cost of sales		(6,972,125)	(6,009,668)
GROSS PROFIT		2,077,167	1,677,827
Distribution costs		(306,484)	(263,619)
Administrative expenses		(1,431,492)	(1,205,241)
		339,191	208,967
Other operating income		10,082	-
OPERATING PROFIT	5	349,273	208,967
Interest payable and similar expenses	6	(19,232)	(36,748)
PROFIT BEFORE TAXATION		330,041	172,219
Tax on profit	7	(80,458)	(42,248)
PROFIT FOR THE FINANCIAL YEAR		249,583	129,971

The notes form part of these financial statements

ESPEX BATTERIES LIMITED (REGISTERED NUMBER: 04631417)

**Statement of Financial Position
31 MARCH 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	8	10,500	12,180
Tangible assets	9	1,179,305	1,222,767
		<u>1,189,805</u>	<u>1,234,947</u>
 CURRENT ASSETS			
Stocks	10	2,140,594	2,523,708
Debtors	11	1,889,610	1,897,389
Cash at bank		179,999	414,223
		<u>4,210,203</u>	<u>4,835,320</u>
CREDITORS			
Amounts falling due within one year	12	(3,450,952)	(4,350,906)
NET CURRENT ASSETS		<u>759,251</u>	<u>484,414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,949,056</u>	<u>1,719,361</u>
 CREDITORS			
Amounts falling due after more than one year	13	(724,823)	(756,077)
PROVISIONS FOR LIABILITIES	17	(46,320)	(34,954)
NET ASSETS		<u><u>1,177,913</u></u>	<u><u>928,330</u></u>
 CAPITAL AND RESERVES			
Called up share capital	18	102,000	102,000
Capital redemption reserve	19	98,004	98,004
Retained earnings	19	977,909	728,326
SHAREHOLDERS' FUNDS		<u><u>1,177,913</u></u>	<u><u>928,330</u></u>

The notes form part of these financial statements

ESPEX BATTERIES LIMITED (REGISTERED NUMBER: 04631417)

**Statement of Financial Position - continued
31 MARCH 2020**

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 18 May 2020 and were signed on its behalf by:

Sd/-

.....
A Ghosal - Director

The notes form part of these financial statements

ESPEX BATTERIES LIMITED

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(47,815)	406,724
Interest paid		(7,115)	(23,440)
Interest element of hire purchase payments paid		(12,117)	(13,308)
Tax paid		(41,165)	(23,337)
Net cash from operating activities		<u>(108,212)</u>	<u>346,639</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(106,398)	(77,048)
Sale of tangible fixed assets		8,700	8,960
Net cash from investing activities		<u>(97,698)</u>	<u>(68,088)</u>
Cash flows from financing activities			
Loan repayments in year		(60,765)	-
HP contracts taken out in the year		68,570	57,398
Capital repayments in year		(36,119)	(85,137)
Net cash from financing activities		<u>(28,314)</u>	<u>(27,739)</u>
(Decrease)/increase in cash and cash equivalents		<u>(234,224)</u>	<u>250,812</u>
Cash and cash equivalents at beginning of year	2	414,223	163,411
Cash and cash equivalents at end of year	2	<u>179,999</u>	<u>414,223</u>

The notes form part of these financial statements

ESPEX BATTERIES LIMITED

Notes to the Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
Profit before taxation	330,041	172,219
Depreciation charges	151,541	133,386
Profit on disposal of fixed assets	(8,700)	(6,292)
Finance costs	19,232	36,748
	<u>492,114</u>	<u>336,061</u>
Decrease/(increase) in stocks	383,114	(829,884)
Decrease/(increase) in trade and other debtors	7,779	(280,309)
(Decrease)/increase in trade and other creditors	(930,822)	1,180,856
	<u>(47,815)</u>	<u>406,724</u>
Cash generated from operations	(47,815)	406,724

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2020

	31.3.20 £	1.4.19 £
Cash and cash equivalents	<u>179,999</u>	<u>414,223</u>

Year ended 31 March 2019

	31.3.19 £	1.4.18 £
Cash and cash equivalents	<u>414,223</u>	<u>163,411</u>

The notes form part of these financial statements

ESPEX BATTERIES LIMITED

Notes to the Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank	414,223	(234,224)	179,999
	<u>414,223</u>	<u>(234,224)</u>	<u>179,999</u>
Debt			
Finance leases	(88,609)	(16,226)	(104,835)
Debts falling due within 1 year	(54,132)	9,593	(44,539)
Debts falling due after 1 year	(707,454)	34,946	(672,508)
	<u>(850,195)</u>	<u>28,313</u>	<u>(821,882)</u>
Total	<u>(435,972)</u>	<u>(205,911)</u>	<u>(641,883)</u>

The notes form part of these financial statements

ESPEX BATTERIES LIMITED

Notes to the Financial Statements FOR THE YEAR ENDED 31 MARCH 2020

1. STATUTORY INFORMATION

Espex Batteries 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. STATEMENT OF COMPLIANCE

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates - going concern

The financial statements are prepared under the going concern basis. The directors believe this is appropriate as they believe that the company has the necessary resources at its disposal to meet its liabilities as they fall due.

The directors are also of the view that COVID - 19 does not impact the company's ability to continue as a going concern and has sufficient cash and liquidity to fund the company's operations as necessary.

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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.

The intangible asset is being written off over its estimated useful life of 10 years.

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.

Freehold property	- Straight line over 15 years
Improvements to property	- Straight line over 15 years
Plant and machinery	- 33% on cost, 25% on cost, 20% on cost and 10% on cost
Motor vehicles	- 33% on cost and 25% on cost

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

3. 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.

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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

4. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	686,721	607,951
Social security costs	80,862	56,032
Other pension costs	60,682	44,025
	<u>828,265</u>	<u>708,008</u>

The average number of employees during the year was as follows:

	2020	2019
UK Directors	2	2
Employees	18	18
	<u>20</u>	<u>20</u>

	2020 £	2019 £
Directors' remuneration	<u>154,607</u>	<u>160,818</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation - owned assets	89,076	85,308
Computer software amortisation	1,680	1,680
Auditors' remuneration	8,337	4,445
Auditors' remuneration for non audit work	<u>2,388</u>	<u>1,950</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £	2019 £
Bank interest	23,569	24,896
Exchange difference	(16,454)	(1,456)
Hire purchase	4,131	4,009
Leasing	<u>7,986</u>	<u>9,299</u>
	<u>19,232</u>	<u>36,748</u>

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2020 £	2019 £
Current tax:		
UK corporation tax	69,092	41,165
Deferred tax	11,366	1,083
Tax on profit	<u>80,458</u>	<u>42,248</u>

8. INTANGIBLE FIXED ASSETS

COST

At 1 April 2019
and 31 March 2020

Computer
software
£

16,800

AMORTISATION

At 1 April 2019
Amortisation for year

4,620

1,680

At 31 March 2020

6,300

NET BOOK VALUE

At 31 March 2020

10,500

At 31 March 2019

12,180

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

9. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1 April 2019	1,051,505	119,732	87,403	202,808	1,461,448
Additions	-	-	30,497	75,901	106,398
Disposals	-	-	(8,557)	(40,198)	(48,755)
At 31 March 2020	1,051,505	119,732	109,343	238,511	1,519,091
DEPRECIATION					
At 1 April 2019	70,100	7,982	31,329	129,270	238,681
Charge for year	70,101	7,982	13,988	57,789	149,860
Eliminated on disposal	-	-	(8,557)	(40,198)	(48,755)
At 31 March 2020	140,201	15,964	36,760	146,861	339,786
NET BOOK VALUE					
At 31 March 2020	911,304	103,768	72,583	91,650	1,179,305
At 31 March 2019	981,405	111,750	56,074	73,538	1,222,767

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

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2019	29,948	202,808	232,756
Additions	-	75,901	75,901
Disposals	-	(40,198)	(40,198)
At 31 March 2020	29,948	238,511	268,459
DEPRECIATION			
At 1 April 2019	2,745	129,270	132,015
Charge for year	2,995	57,789	60,784
Eliminated on disposal	-	(40,198)	(40,198)
At 31 March 2020	5,740	146,861	152,601
NET BOOK VALUE			
At 31 March 2020	24,208	91,650	115,858
At 31 March 2019	27,203	73,538	100,741

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

10. STOCKS

	2020 £	2019 £
Stocks	<u>2,140,594</u>	<u>2,523,708</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	1,882,040	1,889,873
Other debtors	71	71
Prepayments	7,499	7,445
	<u>1,889,610</u>	<u>1,897,389</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts (see note 14)	44,539	54,132
Hire purchase contracts (see note 15)	52,520	39,986
Trade creditors	1,991,395	3,289,886
Tax	69,092	41,165
Social security and other taxes	232,670	50,278
Other creditors	747,665	743,945
Accrued expenses	313,071	131,514
	<u>3,450,952</u>	<u>4,350,906</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Bank loans (see note 14)	672,508	707,454
Hire purchase contracts (see note 15)	52,315	48,623
	<u>724,823</u>	<u>756,077</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>494,352</u>	<u>490,922</u>

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

14. LOANS

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year or on demand: Bank loans	<u>44,539</u>	<u>54,132</u>
Amounts falling due between one and two years: Bank loans - 1-2 years	<u>89,078</u>	<u>108,266</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>89,078</u>	<u>108,266</u>
Amounts falling due in more than five years: Repayable by instalments Bank loans more 5 yr by instal	<u>494,352</u>	<u>490,922</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020 £	2019 £
Net obligations repayable:		
Within one year	52,520	39,986
Between one and five years	<u>52,315</u>	<u>48,623</u>
	<u>104,835</u>	<u>88,609</u>
	Non-cancellable operating leases	
	2020 £	2019 £
Within one year	3,800	3,800
Between one and five years	<u>1,488</u>	<u>5,288</u>
	<u>5,288</u>	<u>9,088</u>

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

16. SECURED DEBTS

The following secured debts are included within creditors:

	2020 £	2019 £
Bank loans	717,047	761,586
Hire purchase contracts	104,835	88,609
	<u>821,882</u>	<u>850,195</u>

17. PROVISIONS FOR LIABILITIES

	2020 £	2019 £
Deferred tax	<u>46,320</u>	<u>34,954</u>
		Deferred tax £
Balance at 1 April 2019		34,954
Provided during year		11,366
Balance at 31 March 2020		<u>46,320</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020 £	2019 £
Number:	Class:	£1	<u>102,000</u>	<u>102,000</u>
102,000	Ordinary			

19. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2019	728,326	98,004	826,330
Profit for the year	249,583		249,583
At 31 March 2020	<u>977,909</u>	<u>98,004</u>	<u>1,075,913</u>

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

20. RELATED PARTY DISCLOSURES

During the year the Company purchased goods from its parent undertaking amounting to £6,165,483, (2019 - £6,435,380) and at 31 March 2020 included in trade creditors is an amount of £1,885,972 (2019 - £3,130,311).

During the year the company made recharged expenses to Exide Industries Limited amounting to £29,609 (2019 - £9,260) and Exide Industries Limited, purchased goods from the Company amounting to £3,264 (2019 - £nil) at 31 March 2020 an amount of £2,423 (2019 - £2,506) was due to the company. This is included in trade debtors.

During the year the company had no transactions with any other subsidiaries of the group.

In 2019 the company sold goods to Chloride Batteries S E Asia Pte Ltd (Singapore) amounting to £32,724, at 31 March 2019 an amount of £nil was due from that company.

21. AUDITOR LIABILITY LIMITATION AGREEMENT

As perscribed in the audit engagement letter dated 8 April 2020 the advice given by our Auditors is for our sole use and does not constitute advice to any third party to whom we may communicate it.

Our Auditor will provide the professional services outlined in that engagement letter with reasonable care and skill. However, they will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities arising from the supply by ourselves or others of incorrect or incomplete information, or from the failure by ourselves or others to supply any appropriate information or our failure to act on their advice or respond promptly to communications from them or the tax authorities.

We agreed to hold harmless and indemnify our Auditor against any misrepresentation (intentional or unintentional) supplied to our Auditor orally or in writing in connection with this agreement. We have agreed that we will not bring any claim in connection with services provided to the the company by the Audit firm against any of its employees on a personal basis.

We will not hold our Auditor, or their principles, or their directors or their staff, responsible, to the fullest extent permitted by law, for any loss suffered by us arising from any misrepresentation (Intentional or unintentional) supplied to our Auditors orally or in writing in connection with services they provide to the company, against any of their directors or employees personally.

The Auditors' work is not, unless there is a legal or regulatory requirement, to be made available to third parties without their written permission and they will accept no responsibility to third parties for any aspect of their professional services or work that is made available.

ESPEX BATTERIES LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2020

22. POST BALANCE SHEET EVENTS

The Coronavirus (COVID - 19) pandemic arrived in the UK in January 2020 and cases escalated in March, the last month of the Company's trading year. A lockdown was declared in the UK on 23 March. The Company's operations have been impacted by this lockdown and the Company has taken advantage of the UK government's Job Retention Scheme, allowing employees to be furloughed pending a lifting of the lockdown restrictions.

The directors have sought additional facilities to fund the Company's operations for the foreseeable future. The Company's bankers have extended overdraft facilities to the company. It now has a facility of £200,000 through till 30 September 2020 and then a reduction in that facility to £100,000 through until 28 February 2021, when it is hoped no additional facility will be required.

At present, uncertainties around the scale, timing and impact of the Coronavirus pandemic means it is impossible to give meaningful guidance for the trading result in the year ahead.

Further, following a decision in June 2016 the UK is set to leave the EU trading community. The UK is currently in a transitional period of leaving and is due to complete this process on 31 December 2020. At this point the UK should have agreed and put into place its own trading deals with countries across the world, this could impact prices and tariffs that the company is exposed to on imports and has to levy on exports. The directors have considered how their trade will be affected by this and have concluded that the effect will be minimal due to their current trading format..

23. ULTIMATE CONTROLLING PARTY

The controlling party is Exide Industries Limited.

The following companies have direct or indirect control over the company:

Chloride Eastern Limited ,UK

Chloride Eastern Industries Pte Limited, Singapore

LIEC Holding SA, Switzerland

The Ultimate controlling party is S B Raheja.

ESPEX BATTERIES LIMITED

Trading and Profit and Loss Account FOR THE YEAR ENDED 31 MARCH 2020

	2020		2019	
	£	£	£	£
Turnover				
Sales - home	5,820,426		5,420,662	
Sales - exports	3,026,281		2,124,814	
Container sales	133,935		96,261	
Carriage charges	68,650		45,758	
		9,049,292		7,687,495
Cost of sales				
Opening stock	2,523,708		1,693,824	
Purchases - Home	180,692		127,391	
Purchases - imports	6,353,587		6,675,964	
Consumables	43,934		28,788	
Commissions	10,798		7,409	
	9,112,719		8,533,376	
Closing stock	(2,140,594)		(2,523,708)	
		6,972,125		6,009,668
GROSS PROFIT		2,077,167		1,677,827
Other income				
Sundry receipts		10,082		-
		2,087,249		1,677,827
Expenditure				
Carriage	306,484		263,619	
Rent	10,726		33,152	
Rates and water	31,013		32,986	
Insurance	38,413		38,412	
Light and heat	10,578		9,056	
Directors' salaries	154,607		160,818	
Directors' social security	17,149		19,858	
Wages	532,114		447,133	
Social security	63,713		36,174	
Pensions	60,682		44,025	
Health Insurance	5,541		5,459	
Telephone	13,018		14,354	
Post and stationery	8,523		6,549	
Advertising	42,623		33,155	
Travel expenses	31,027		17,655	
Motor expenses	77,781		66,610	
	1,403,992	2,087,249	1,229,015	1,677,827

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ESPEX BATTERIES LIMITED

Trading and Profit and Loss Account FOR THE YEAR ENDED 31 MARCH 2020

	2020		2019	
	£	£	£	£
Brought forward	1,403,992	2,087,249	1,229,015	1,677,827
Repairs and renewals	61,046		16,299	
Computer support	8,256		9,173	
Sundry expenses	23,482		28,397	
Legal, professional and consultancy fees	8,475		9,540	
Auditors' remuneration	8,337		4,445	
Auditors' remuneration for non audit work	2,388		1,950	
Amortisation of intangible fixed assets	1,680		1,680	
Depreciation of tangible fixed assets	149,861		131,706	
Bad debts	2,299		(11,104)	
Profit/loss on sale of tangible fixed assets	(8,700)		(6,292)	
	<u>1,661,116</u>		<u>1,414,809</u>	
	426,133		263,018	
Finance costs				
Bank charges	76,860		54,051	
Bank interest	23,569		24,896	
Exchange difference	(16,454)		(1,456)	
Hire purchase	4,131		4,009	
Leasing	7,986		9,299	
	<u>96,092</u>		<u>90,799</u>	
NET PROFIT		<u><u>330,041</u></u>		<u><u>172,219</u></u>

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