

Registered number: 05695359

SUPRAJIT EUROPE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

SUPRAJIT EUROPE LIMITED

COMPANY INFORMATION

Directors P Greensmith (resigned 15 March 2022)
K Rai
N Collis (appointed 1 March 2022)

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 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

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 in the year were £13.1m with a profit before tax of 2.0%. It has been a hard trading year. With the ongoing Covid pandemic and the start of the Ukrainian War. This has led to supply chain shortages in the automotive sector, which has disrupted worldwide vehicle production.

Several new programs mainly for VW/Audi were launched with reduced volumes caused by the Covid situation.

In the year several significant new contracts from both VW & BMW groups were won. A number of these were relating to new EV models.

Our Slovenian branch, in Koper, continues to be fully operational and has helped to mitigate issues raised by Brexit, supplying VW/Audi group and new Tier 1 customers with an increasing share of the total sales.

Looking ahead, we are optimistic that the sales will increase. We are expecting to benefit from a full year of these new programs and contracts, as car manufacturers move to reduce latent demand for new vehicles that has built up over the Covid years.

SUPRAJIT EUROPE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Directors

The directors who served during the year were:

P Greensmith (resigned 15 March 2022)
K Rai
N Collis (appointed 1 March 2022)

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 06/05/22 and signed on its behalf.



N Collis
Director

SUPRAJIT EUROPE LIMITED

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

Opinion

We have audited the financial statements of Suprajit Europe Limited (the 'Company') for the year ended 31 March 2022, 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 2022 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

SUPRAJIT EUROPE LIMITED

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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; 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

SUPRAJIT EUROPE LIMITED

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Taxation legislation, Health & Safety legislation and Employment legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to this risk included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates and judgements such as methods used for useful lives of fixed assets, bad debt, stock and other provisions, for biases.

Other fraud risks identified by management were around the creation of fictitious suppliers and dummy employees which is a risk in any small finance team where segregation of duties is limited. Audit procedures performed to respond to these risks included system walkthroughs and verification of authorisation particularly around purchasing and payroll.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

SUPRAJIT EUROPE LIMITED

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

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: 09/05/2022

SUPRAJIT EUROPE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Turnover		13,008,801	14,568,223
Cost of sales		(11,159,457)	(12,887,940)
Gross profit		1,849,344	1,680,283
Administrative expenses	16	(1,588,102)	(1,435,127)
Other operating income	4	-	82,916
Operating profit		261,242	328,072
Interest payable and similar expenses		(1,616)	(579)
Profit before tax		259,626	327,493
Tax on profit	6	(40,344)	(65,351)
Profit for the financial year		219,282	262,142

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 10 to 21 form part of these financial statements.

SUPRAJIT EUROPE LIMITED
REGISTERED NUMBER: 05695359

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	8	30,030	5,500
Tangible assets	9	57,595	58,367
		87,625	63,867
Current assets			
Stocks	10	2,511,687	1,428,516
Debtors: amounts falling due within one year	11	1,716,159	2,572,999
Cash at bank and in hand		322,084	465,734
		4,549,930	4,467,249
Creditors: amounts falling due within one year	12	(718,694)	(680,058)
Net current assets		3,831,236	3,787,191
Total assets less current liabilities		3,918,861	3,851,058
Creditors: amounts falling due after more than one year	13	-	(10,630)
Provisions for liabilities			
Deferred tax	15	(2,207)	(6,022)
Other provisions	16	(135,341)	(172,800)
		(137,548)	(178,822)
Net assets		3,781,313	3,661,606
Capital and reserves			
Called up share capital		2,200,000	2,200,000
Profit and loss account		1,581,313	1,461,606
		3,781,313	3,661,606

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 06/05/2022



N Collis
Director

The notes on pages 10 to 21 form part of these financial statements.

SUPRAJIT EUROPE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2020	2,200,000	1,299,464	3,499,464
Profit for the year	-	262,142	262,142
Dividends: Equity capital	-	(100,000)	(100,000)
At 1 April 2021	2,200,000	1,461,606	3,661,606
Profit for the year	-	219,282	219,282
Dividends: Equity capital	-	(99,575)	(99,575)
At 31 March 2022	2,200,000	1,581,313	3,781,313

The notes on pages 10 to 21 form part of these financial statements.

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. GENERAL 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 England and Wales. 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 Section 1A of the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going Concern

The directors have assessed the Company's ability to continue as a going concern. As a result of this assessment, no material uncertainties have been identified that cast doubt about the ability of the Company to continue as a going concern. The Company meets its day to day working capital requirements through trading activities and the directors are confident that the current facility will continue to be made available to the Company. Accordingly, the directors anticipate that the Company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements, and therefore continues to adopt the going concern basis of accounting in preparing these financial statements.

2.3 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.

2.4 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.6 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 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 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 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	- 2-3 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 profit or loss.

2.10 Stock

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on an average weighted costing basis.

2.11 Debtors

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

2.12 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.

2.13 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.

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.15 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, loans to and from related undertakings and accruals.

2.16 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.

**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 stock:

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.

Bad debt provision:

Bad debts are reviewed on an annual basis and balances over 180 days are written off to the Statement of Comprehensive Income.

4. OTHER OPERATING INCOME

	2022	2021
	£	£
Government grants receivable from Coronavirus Job Retention Scheme	-	82,916

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. EMPLOYEES

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

	2022	<i>2021</i>
	No.	<i>No.</i>
Production	27	28
Distribution and selling	6	6
Administration	12	13
	<u>45</u>	<u>47</u>

6. TAXATION

	2022	<i>2021</i>
	£	<i>£</i>
Corporation tax		
Current tax on profits for the year	51,652	67,380
Adjustments in respect of previous periods	(7,493)	(6,469)
Total current tax	<u>44,159</u>	<u>60,911</u>
Deferred tax		
Origination and reversal of timing differences	(5,717)	(4,209)
Effect of tax rate change on opening balance	1,902	-
Adjustments in respect of prior periods	-	8,649
Total deferred tax	<u>(3,815)</u>	<u>4,440</u>
Taxation on profit on ordinary activities	<u>40,344</u>	<u>65,351</u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	259,626	327,493
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	49,329	62,224
Effects of:		
Fixed asset differences	(2,619)	326
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	596	621
Adjustments to tax charge in respect of prior periods	(7,493)	(6,469)
Adjustments to tax charge in respect of prior periods - deferred tax	-	8,649
Remeasurement of deferred tax for changes in tax rates	531	-
Total tax charge for the year	40,344	65,351

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

7. DIVIDENDS

	2022 £	2021 £
Dividends paid	99,575	100,000

SUPRAJIT EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. INTANGIBLE ASSETS

	Software £	Goodwill £	Total £
Cost			
At 1 April 2021	44,190	1,205,489	1,249,679
Additions	30,027	-	30,027
Disposals	(20,295)	-	(20,295)
At 31 March 2022	<u>53,922</u>	<u>1,205,489</u>	<u>1,259,411</u>
Amortisation			
At 1 April 2021	38,690	1,205,489	1,244,179
Charge for the year	5,497	-	5,497
On disposals	(20,295)	-	(20,295)
At 31 March 2022	<u>23,892</u>	<u>1,205,489</u>	<u>1,229,381</u>
Net book value			
At 31 March 2022	<u>30,030</u>	<u>-</u>	<u>30,030</u>
At 31 March 2021	<u>5,500</u>	<u>-</u>	<u>5,500</u>

SUPRAJIT EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. TANGIBLE FIXED ASSETS

	Long term Leasehold Property £	Plant & machinery £	Motor vehicles £	Equipment, fixtures & fittings £	Total £
Cost or valuation					
At 1 April 2021	89,608	325,609	25,900	134,124	575,241
Additions	14,060	9,361	-	15,700	39,121
Disposals	-	(140,793)	-	(52,927)	(193,720)
At 31 March 2022	<u>103,668</u>	<u>194,177</u>	<u>25,900</u>	<u>96,897</u>	<u>420,642</u>
Depreciation					
At 1 April 2021	77,391	310,107	17,340	112,036	516,874
Charge for the year	7,703	10,802	8,560	12,828	39,893
Disposals	-	(140,793)	-	(52,927)	(193,720)
At 31 March 2022	<u>85,094</u>	<u>180,116</u>	<u>25,900</u>	<u>71,937</u>	<u>363,047</u>
Net book value					
At 31 March 2022	<u>18,574</u>	<u>14,061</u>	<u>-</u>	<u>24,960</u>	<u>57,595</u>
At 31 March 2021	<u>12,217</u>	<u>15,502</u>	<u>8,560</u>	<u>22,088</u>	<u>58,367</u>

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

	2022 £	2021 £
Motor vehicles	-	18,532
Furniture, fittings and equipment	-	1,894
	<u>-</u>	<u>20,426</u>

10. STOCKS

	2022 £	2021 £
Finished goods and goods for resale	<u>2,511,687</u>	<u>1,428,516</u>

The carrying value of stocks are stated net of impairment losses totalling £98,132 (2021 - £50,022).

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. DEBTORS

	2022 £	2021 £
Trade debtors	1,492,954	2,205,233
Amounts owed by group undertakings	49,868	199,447
Other debtors	12,599	78,461
Prepayments and accrued income	160,738	89,858
	<u>1,716,159</u>	<u>2,572,999</u>

12. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Bank loans	-	50,000
Trade creditors	216,085	156,426
Corporation tax	51,152	36,880
Other taxation and social security	33,616	21,744
Obligations under finance lease and hire purchase contracts	10,630	5,773
Other creditors	2,430	-
Accruals and deferred income	404,781	409,235
	<u>718,694</u>	<u>680,058</u>

The bank loan in the prior year relates to a Bounce Back loan with HSBC in conjunction with the UK Government's Coronavirus Bounce Back Loan Scheme. On 7 June 2021, the loan was repaid in full with no early repayment charges applicable.

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

	2022 £	2021 £
Net obligations under finance leases and hire purchase contracts	<u>-</u>	<u>10,630</u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	10,630	5,773
Between 1-5 years	-	10,630
	<u>10,630</u>	<u>16,403</u>

15. DEFERRED TAXATION

	2022 £
At beginning of year	(6,022)
Charged to the Statement of Comprehensive Income	3,815
At end of year	<u><u>(2,207)</u></u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(12,529)	(6,022)
Short term timing differences	10,322	-
	<u><u>(2,207)</u></u>	<u><u>(6,022)</u></u>

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. PROVISIONS

	Other provision £	EU customer pricing provision £	Total £
At 1 April 2021	172,800	-	172,800
Charged to profit or loss	-	135,341	135,341
Written back to the Statement of Comprehensive Income	(172,800)	-	(172,800)
At 31 March 2022	-	135,341	135,341

A provision was recognised in the prior year in relation to a probable goodwill payment to a customer. The provision is no longer considered necessary since the recognition criteria are no longer met. The amount written back to the Statement of Comprehensive Income during the year of £172,800 is included within Administrative expenses.

A provision has been recognised in the year in relation to negotiations for reductions on sales pricing to a European customer, to compensate for the additional cost they have incurred in duty since 1 January 2021, the formal date that the UK exited the European Union.

17. PENSION COMMITMENTS

The Company operates a defined 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 £Nil (2021 - £Nil).

SUPRAJIT EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	232,678	195,924
Later than 1 year and not later than 5 years	1,235,175	86,827
Later than 5 years	45,982	-
Total land and buildings	1,513,835	282,751
	2022 £	2021 £
Not later than 1 year	9,750	16,836
Later than 1 year and not later than 5 years	8,472	8,451
Total others	18,222	25,287

19. 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.

20. CONTROLLING PARTY

The company's parent undertaking is 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 2022**

	2022 £	2021 £
Turnover	13,008,801	14,568,223
Cost Of Sales	(11,159,457)	(12,887,940)
Gross profit	<u>1,849,344</u>	<u>1,680,283</u>
Gross profit %	14.2 %	11.5 %
Other operating income	-	82,916
Less: overheads		
Administration expenses	(1,588,102)	(1,435,127)
Operating profit	<u>261,242</u>	<u>328,072</u>
Interest payable	(1,616)	(579)
Tax on profit on ordinary activities	(40,344)	(65,351)
Profit for the year	<u>219,282</u>	<u>262,142</u>

SUPRAJIT EUROPE LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Turnover		
Sales - UK	1,007,890	1,032,497
Sales - Other EU	9,448,178	11,221,729
Sales - Rest of world	2,546,395	2,313,997
Other income - UK	6,338	-
	<u>13,008,801</u>	<u>14,568,223</u>
	2022 £	2021 £
Cost of sales		
Purchases - raw materials	923,034	1,573,510
Wages and salaries	613,282	578,051
National insurance	53,976	45,336
Staff pension costs - defined contribution scheme	20,966	17,471
Carriage and import duty	275,875	330,326
Light, heat and power	38,674	46,850
Consumption costs	9,233,650	10,296,396
	<u>11,159,457</u>	<u>12,887,940</u>
	2022 £	2021 £
Other operating income		
Grants receivable under the Coronavirus Job Retention Scheme	-	82,916
	<u>-</u>	<u>82,916</u>

SUPRAJIT EUROPE LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Administration expenses		
Directors national insurance	12,406	10,723
Directors salaries	184,198	117,188
Directors pension costs - defined contribution schemes	40,000	11,250
Staff salaries	463,740	494,253
Staff national insurance	87,135	62,105
Staff pension costs - defined contribution schemes	52,227	44,777
Motor running costs	-	1,743
Motor vehicle leasing (operational)	27,640	32,299
Entertainment	5,727	2,358
Hotels, travel and subsistence	27,165	13,874
Printing and stationery	9,957	14,813
Telephone and fax	17,359	16,376
Computer costs	32,503	30,157
Legal and professional	74,086	49,385
Auditors' remuneration	16,200	13,375
Bank charges	18,996	11,307
Bad debts	3,189	169,191
Difference on foreign exchange	61,378	(85,463)
Rent - operating leases	257,515	259,740
Rates	75,524	69,040
Insurances	53,055	45,058
Repairs and maintenance	22,711	8,596
Depreciation - plant and machinery	32,191	35,756
Amortisation - intangible fixed assets	5,497	1
Depreciation - leasehold property	7,703	7,225
	<u>1,588,102</u>	<u>1,435,127</u>
	2022 £	2021 £
Interest payable		
Bank overdraft interest payable	<u>1,616</u>	<u>579</u>
