Registered number: 02826793

PRESTIGE MEDICAL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2018

COMPANY INFORMATION

Directors	Mr M A Penman Mr J Potter (appointed 1 December 2017) Mr A B A Rottach (appointed 2 July 2018)
Registered number	02826793
Registered office	C/O United Cast Bar (UK) Limited Spital Lane Chesterfield Derbyshire S41 0EX
Independent auditor	Grant Thornton UK LLP Chartered Accountants and Registered Auditor Level 8 110 Queen Street Glasgow G1 3BX

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2018

The directors present their report and the financial statements for the year ended 30 November 2018.

Principal activity

Prestige Medical Limited is a wholly-owned subsidiary of BI Group Limited.
The Company's principal activities are the design, assembly, sale and the service of bench-top autoclaves and related equipment for the decontamination of clinical instruments used globally in the dental, veterinary, podiatry, laboratory and beauty sectors.

Directors

The directors who served during the year were:

Mr M A Penman
Mr J Potter (appointed 1 December 2017)
Mr A B A Rottach (appointed 2 July 2018)

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 101 'Reduced Disclosure Framework'. 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 judgments 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.

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.

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, Grant Thornton UK LLP, is deemed to be reappointed in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2018

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 1 March 2019 and signed on its behalf.

Mark A Penman

Mr M A Penman
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTIGE MEDICAL LIMITED

Opinion

We have audited the financial statements of Prestige Medical Limited (the 'company') for the year ended 30 November 2018, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and 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 101 'Reduced Disclosure Framework' (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 30 November 2018 and of its loss 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 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTIGE MEDICAL LIMITED (CONTINUED)

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 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.

Matter on which we are required to report under the Companies Act 2006

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.

Matters on which we are required to report by exception

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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTIGE MEDICAL 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.

Grant Thornton UK LLP

James Andersen

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Glasgow

4 March 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2018

	Note	2018 £	2017 £
Turnover		**3,574,098**	3,921,908
Cost of sales		**(2,228,803)**	(2,365,373)
Gross profit		**1,345,295**	1,556,535
Distribution costs		**(789,594)**	(822,793)
Administrative expenses		**(539,699)**	(583,862)
Operating profit	4	**16,002**	149,880
Tax on profit	8	**(192,308)**	(80,544)
(Loss)/profit for the financial year		**(176,306)**	69,336

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 23 form part of these financial statements.

All of the company's activities are continuing.

BALANCE SHEET
AS AT 30 NOVEMBER 2018

	Note		2018 £		2017 Restated £
Fixed assets					
Intangible assets	9		**150,706**		-
Tangible assets	10		**88,271**		172,676
			238,977		172,676
Current assets					
Stocks	11	**665,984**		743,134	
Debtors: amounts falling due after more than one year	12	**191,716**		384,024	
Debtors: amounts falling due within one year	12	**429,197**		511,537	
Cash at bank and in hand	13	**163,966**		278,297	
		1,450,863		1,916,992	
Creditors: amounts falling due within one year	14	**(1,927,175)**		(2,150,697)	
Net current liabilities			**(476,312)**		(233,705)
Total assets less current liabilities			**(237,335)**		(61,029)
Net liabilities			**(237,335)**		(61,029)
Capital and reserves					
Called up share capital	17		**6,500,002**		6,500,002
Profit and loss account	18		**(6,737,337)**		(6,561,031)
			(237,335)		(61,029)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1 March 2019.

Mark A Penman

Mr M A Penman
Director

The notes on pages 9 to 23 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2017	6,500,002	(6,561,031)	(61,029)
Loss for the year	-	(176,306)	(176,306)
Total comprehensive income for the year	-	(176,306)	(176,306)
At 30 November 2018	6,500,002	(6,737,337)	(237,335)

The notes on pages 9 to 23 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2016	6,500,002	(6,630,367)	(130,365)
Profit for the year	-	69,336	69,336
Total comprehensive income for the year	-	69,336	69,336
At 30 November 2017	6,500,002	(6,561,031)	(61,029)

The notes on pages 9 to 23 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

1. General information

Prestige Medical Limited is a private company limited by share capital incorporated in England.

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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 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 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Going concern

The directors have prepared cash flow forecasts which indicate the company should continue to have sufficient resources available to it to enable it to continue in operational existence by meeting its day to day liabilities as they fall due for payment for a period of at least 12 months from the date of approval of these accounts.

In light of the foregoing, the directors continue to believe that it remains appropriate to prepare the financial statements on a going concern basis.

2. Accounting policies (continued)

2.4 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide maintenace services is recognised in the period in which the services are provided or a job is complete when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Distribution costs

Distribution costs are included within operating profit to reflect the true nature of these costs and to ensure consistency of presentation, it is appropriate to include them below gross margin.

2.6 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. Amortisation is charged on a straight line basis over their estimated useful life.

The estimated useful life is as follows:

Website development costs - 3 years
Advanced product development - 5 years

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases.

The estimated useful lives range as follows:

Plant and machinery	- From 3 to 15 years
Assets under the course of construction	- Not depreciated until used

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 Statement of comprehensive income.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

2. Accounting policies (continued)

2.13 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 the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Multi-employer pension plan

The Company is a member of a multi-employer plan. Where it is not possible for the Company to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 balance sheet 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 Balance sheet 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 balance sheet date.

2.15 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 5 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

3. Judgments in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, management make a number of judgements, estimates and assumptions about the recognition of assets, liabilities, income and expenses.

Significant management judgements

Other than the judgement regarding Deferred tax, the directors do not consider that there are any significant management judgements required in applying the accounting policies of the Company.

Deferred tax

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the underlying tax losses or deductible temporary differences can be utilised. It is managements judgement that there will be sufficient profits to *recognise the deferred tax on as shown in note* 17.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

4. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Exchange differences	-	3,249

5. Turnover

	2018 £	2017 £
Analysis of turnover by type:		
Sale of goods	**2,661,606**	2,879,265
Sale of services	**912,492**	1,042,643
Total	**3,574,098**	3,921,908

The whole of turnover is attributable to the principal activities of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

6. Employees

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

	2018 No.	2017 No.
Production staff	27	26
Administrative staff	20	21
	47	47

7. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	100,280	123,738
Company contributions to defined contribution pension schemes	3,953	11,922
	104,233	135,660

During the year retirement benefits were accruing to no directors (2017 - NIL) in respect of defined contribution pension schemes.

8. Taxation

	2018 £	2017 £
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	(8,352)	(6,249)
Adjustment in respect of prior periods	(13,476)	55,063
Release of tax losses brought forward	214,136	31,730
Total deferred tax	192,308	80,544
Taxation on profit on ordinary activities	192,308	80,544

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.33%). The differences are explained below:

	2018	2017
	£	£
Profit on ordinary activities before tax	**16,002**	149,880
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.33%)	**3,040**	28,972
Effects of:		
Adjustment to tax charge in respect of prior periods	**(13,476)**	-
Other tax charge/(relief) on non-deductible expenses	**-**	14,468
Other differences leading to an increase (decrease) in the tax charge	**(11,072)**	-
Impact of rate changes	**(320)**	-
Release of tax losses brought forward	**214,136**	37,104
Total tax charge for the year	**192,308**	80,544

Factors that may affect future tax charges

The main rate of corporation tax will reduce to 17% from 1 April 2020. Deferred tax has been measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and law that have been enacted or substantively enacted by the balance sheet date.

The Company has unrecognised deferred tax assets of approximately £203,060 (2017:£80,544) in respect of trading losses.

The potential deferred tax asset has been restricted due to the uncertainty of when the losses will be utilised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

9. Intangible assets

	Product development £	Website development £	Total £
Cost			
At 1 December 2017	-	24,866	24,866
Additions	45,821	20,115	65,936
Reclassified from tangible assets.	93,996	-	93,996
At 30 November 2018	139,817	44,981	184,798
Amortisation			
At 1 December 2017	-	24,866	24,866
Charge for the year	6,991	2,235	9,226
At 30 November 2018	6,991	27,101	34,092
Net book value			
At 30 November 2018	132,826	17,880	150,706
At 30 November 2017	-	-	-

Reclassified assets qualify as intangible assets and therefore been recognised as such, but no prior year restatement is required on the grounds of immateriality.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2018

10. Tangible fixed assets

	Plant and machinery £	Assets under construction £	Total £
Cost or valuation			
At 1 December 2017	**2,143,170**	**117,152**	**2,260,322**
Additions	**-**	**42,398**	**42,398**
Reclassified to intangible fixed assets	**-**	**(93,996)**	**(93,996)**
At 30 November 2018	**2,143,170**	**65,554**	**2,208,724**
Depreciation			
At 1 December 2017	**2,087,646**	**-**	**2,087,646**
Charge for the year on owned assets	**32,808**	**-**	**32,808**
At 30 November 2018	**2,120,454**	**-**	**2,120,454**
Net book value			
At 30 November 2018	**22,716**	**65,554**	**88,270**
At 30 November 2017	55,524	117,152	172,676

11. Stocks

	2018 £	2017 £
Raw materials and consumables	**539,167**	581,593
Finished goods and goods for resale	**126,817**	161,541
	665,984	743,134

In 2018, a total of £1,289,000 (2017: £1,444,000) of stocks were included in the profit or loss as an expense. This includes an amount of £24,143 (2017 £40,046) resulting from a write down of stocks.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

12. Debtors

	2018 £	2017 £
Due after more than one year		
Deferred tax asset	**191,716**	384,024
	191,716	384,024

	2018 £	2017 £
Due within one year		
Trade debtors	**332,887**	429,020
Other debtors	**34,500**	34,580
Prepayments and accrued income	**61,810**	47,937
	429,197	511,537

13. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	**163,966**	278,297
Less: bank overdrafts	**(35,116)**	-

14. Creditors: Amounts falling due within one year

	2018 £	2017 Restated £
Bank overdrafts	**35,116**	-
Trade creditors	**252,339**	246,628
Amounts owed to group undertakings	**1,039,263**	1,264,905
Other taxation and social security	**118,384**	114,550
Other creditors	**12,649**	18,065
Accruals and deferred income	**469,424**	506,549
	1,927,175	2,150,697

Amounts owed to group undertakings within one year are trading balances that do not bear interest and are repayable on demand.

Amounts owed to group undertakings have been restated to within one year as they are trading balances which are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

15. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	**163,966**	278,297
Financial assets that are debt instruments measured at amortised cost	**367,387**	463,600
Financial assets that are equity instruments measured at cost less impairment	**-**	-
	531,353	741,897
Financial liabilities		
Financial liabilities measured at amortised cost	**(1,339,367)**	(1,644,668)

Financial assets measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise bank overdraft, trade and other creditors, amounts payable to group undertakings and accruals.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

16. Deferred taxation

	2018 £	2017 £
At beginning of year	**384,024**	464,568
Released to the profit or loss	**(192,308)**	(80,544)
At end of year	**191,716**	384,024

The deferred tax asset is made up as follows:

	2018 £	2017 £
Fixed asset timing differences	**66,043**	-
Tax losses carried forward	**123,165**	384,024
Other timing issues	**2,508**	-
	191,716	384,024

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

17. Share capital

	2018	2017
	£	£
10,000,000 (2017 - 10,000,000) Ordinary shares of £1.00 each	**10,000,000**	10,000,000
Allotted, called up and fully paid		
6,500,002 (2017 - 6,500,002) Ordinary shares of £1.00 each	**6,500,002**	6,500,002

18. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

19. Pension commitments

The Company is a member of both the funded defined benefit and the defined contribution pension schemes operated by the parent undertaking, BI Group Limited. From 1 January 2006 a Stakeholder Pension Plan has been put in place.

BI Group Pension Scheme

The Company operates a defined benefit group pension scheme, the BI Group Pension Scheme which is administered by a Trustee. With effect from 31 March 2004 further benefits ceased to accrue to the members of the scheme.

The Company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, consequently as permitted by FRS 101, the scheme has been accounted for, in these financial statements as if the scheme was a defined contribution scheme. The scheme has a deficit of £3.825m (2017: £7.380m) and a funding plan has been agreed by the Company's directors and the scheme's Trustee.

The pension costs relating to this scheme are assessed in accordance with the advice of an independent qualified actuary using the actuarial method. The latest formal actuarial review of the scheme was at 31 March 2012. The main actuarial assumptions assumed normal market rates of investment returns per annum and a pensionable salary increase assessed at prudent levels. Allowance was made for withdrawals of members before normal retirement age and death in service.

The valuation carried out as at 31 March 2012 was updated for FRS 101 purposes to 30 November 2018 by a qualified independent actuary and showed a deficit of £3,825m.

At 30 November 2018 the aggregate actuarial value of the scheme's assets was £35,885m (2017: £36.507m). The level of asset cover for liabilities was 89% with respect to section A, the largest section of the scheme and 93% with respect of section B.

The Company's contribution for the year in respect of the defined benefit scheme was £Nil (2017 : £Nil). BI Group Limited is making contributions to the scheme on behalf of all member companies.

Stakeholder Pension Plan

From 1 January 2006 the Company has contributed to employee stakeholder pension plans. The pension cost represents contributions payable by the Company to the fund and amounted to £56,972 (2017 : £58,347).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

20. Commitments under operating leases

At 30 November 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Within 1 year	**101,749**	84,919
Between 1 to 5 years	**91,719**	66,906
Later than 5 years	**-**	4,052
	193,468	155,877

Of the total amount due within 1 year, £29,357 relates to leases for Land & Buildings (2017: £63,000) and of the amount due between 1 to 5 years, £Nil (2017: £29,357) relates to leases for Land & Buildings. The remaining commitments all relate to leases for Other items.

21. Related party transactions

The company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Group.

22. Controlling party

The Company is a subsidiary undertaking of BI Group Limited. The results of the Company are consolidated in the financial statements of BI Group Limited, a company registered in England and Wales and also the financial statements of the ultimate parent company, National Industries Group Holding - KPSC incorporated in Kuwait. These are respectively the smallest and largest group accounts which include the results of the company. Copies of the financial statements of National Industries Group Holding - KPSC are available from PO Box 417, 13005 Safat, Kuwait.

23. Prior year restatements

The comparative figures for the statement of financial position have been restated. Previously, an amount due to the Company's parent was classified under under 'Non-current liabilities'. This should have been classified under 'Current liabilities' given the amount has no documented repayment terms, and is therefore repayable on demand.