REGISTERED NUMBER: 02370079 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019
FOR
ENTEC INTERNATIONAL LIMITED

Prime
Chartered Accountants
Statutory Auditor
No. 3 Caroline Court
13 Caroline Street
St Paul's Square
Birmingham
B3 1TR

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2019

DIRECTORS:	P G Carter A J Gechie M Robinson B Walters
REGISTERED OFFICE:	No 3 Caroline Court 13 Caroline Street St Pauls Square Birmingham West Midlands B3 1TR
REGISTERED NUMBER:	02370079 (England and Wales)
AUDITORS:	Prime Chartered Accountants Statutory Auditor No. 3 Caroline Court 13 Caroline Street St Paul's Square Birmingham B3 1TR

STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2019

The directors present their strategic report for the year ended 31 January 2019.

REVIEW OF BUSINESS
The results for the year and financial position of the company are as shown in the annexed financial statements.

During the year, the company continued to provide the core of the Entec Global Limited group's activities.
The company's continued investment in new customer relationships and its move into new international markets resulted in a 55% increase in turnover to £17.1m. In making those investments the company has competed aggressively in markets and as a result has reduced its gross profit margin from 24.4% in 2018 to 21.1%.

Its continued commitment to maintain operating costs at a low level has enabled the company to benefit from the increased turnover and mitigated significant erosion of operating margin, which has fallen 0.7% to 6.2%, to return a post-tax profit of £911,643.

The company's results have also strengthened cash to £613,982 and improved net assets by £506,643 to £3.5m.

The company continues to show strong sales in the current year and will remain focused on further profitability and cost improvement.

PRINCIPAL RISKS AND UNCERTAINTIES
The company's activities expose it to a number of financial risks including cash flow risk, credit risk and technology risk.

CASH FLOW RISK
The company's trading currencies are limited to the GBP, USD and Euro, which reduce the financial risks of changes in foreign currency exchange rates. The company uses a variety of exchange control measures to further mitigate the risk. Interest bearing assets and liabilities are held at fixed rate, if considered appropriate, to ensure certainty of cash flows.

CREDIT RISK
The company's principal financial assets are trade and other receivables. The company's credit risk is primary attributable to its trade receivables. The amounts presented in the balance sheets are net of allowances for doubtful receivables.

TECHNOLOGY RISK
The company faces risks in developing markets from the increased availability of product information online and this continues to put pressure on margins. The company is approaching this risk by furthering its adoption of technology and through the continued development of online trading platforms which reduce transactional and processing costs.

POLITICAL RISK
A large proportion of the company's trade is in Africa. The company trades only in political stable countries and with a primarily mult-national blue chip client base. The company further mitigates territory risk by operating under global and regional contracts with its major customers. The company also monitors any

changes within region's political and social frameworks and its relations with the United Kingdom Government
for any issues which may pose a threat.

KEY PERFORMANCE INDICATORS

The main key performance indicator (KPI) for the company is the gross profit margin (being the ratio of gross profit to turnover) which has decreased from 24.4% in 2018 to 21.1% in the current year. With margin pressures in key trading territories and investment in new customer relationships and markets, the gross profit margin fell by 3.3%. Further operating cost control has enabled the company to reduce the erosion of operating profit and the company continues to monitor its gross profit margin to enable it to assess the effects of its investments for future sales and take decisive action if required.

ON BEHALF OF THE BOARD:

P G Carter - Director

23 October 2019

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2019

The directors present their report with the financial statements of the company for the year ended 31 January 2019.

DIVIDENDS
The total distribution of dividends for the year ended 31 January 2019 is £405,000 (2018 £135,000)

DIRECTORS
The directors shown below have held office during the whole of the period from 1 February 2018 to the date of this report.

P G Carter
A J Gechie
M Robinson
B Walters

Other changes in directors holding office are as follows:

C P Syner ceased to be a director after 31 January 2019 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, 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.

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Prime, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P G Carter - Director

23 October 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ENTEC INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Entec International Limited (the 'company') for the year ended 31 January 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, 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 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 January 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have 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 Strategic Report or 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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.

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.

Peter Hewston FCA (Senior Statutory Auditor)
for and on behalf of Prime

Chartered Accountants
Statutory Auditor
No. 3 Caroline Court
13 Caroline Street
St Paul's Square
Birmingham
B3 1TR

23 October 2019

INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2019

	Notes	2019 £	2019 £	2018 £	2018 £
TURNOVER	2		**17,079,465**		11,010,960
Cost of sales			**13,474,625**		8,319,274
GROSS PROFIT			**3,604,840**		2,691,686
Distribution costs		**63,081**		68,233	
Administrative expenses		**2,518,002**		1,913,080	
			2,581,083		1,981,313
			1,023,757		710,373
Other operating income			**22,472**		21,694
Gain/loss on revaluation of investment property			**10,000**		22,423
OPERATING PROFIT	4		**1,056,229**		754,490
Interest payable and similar expenses	5		**5,286**		27,526
PROFIT BEFORE TAXATION			**1,050,943**		726,964
Tax on profit	6		**139,300**		84,329
PROFIT FOR THE FINANCIAL YEAR			**911,643**		642,635

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2019

	Notes	2019 £	2018 £
PROFIT FOR THE YEAR		**911,643**	642,635
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**911,643**	642,635

The notes form part of these financial statements

BALANCE SHEET
31 JANUARY 2019

	Notes	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Tangible assets	8		**164,746**		199,379
Investments	9		**976**		976
Investment property	10		**325,000**		315,000
			490,722		515,355
CURRENT ASSETS					
Stocks	11	**1,030,439**		608,786	
Debtors	12	**7,673,593**		7,099,813	
Cash at bank and in hand		**613,982**		285,201	
		9,318,014		7,993,800	
CREDITORS					
Amounts falling due within one year	13	**6,216,810**		5,409,513	
NET CURRENT ASSETS			**3,101,204**		2,584,287
TOTAL ASSETS LESS CURRENT LIABILITIES			**3,591,926**		3,099,642
CREDITORS					
Amounts falling due after more than one year	14		**(32,727)**		(41,809)
PROVISIONS FOR LIABILITIES	18		**(32,501)**		(37,778)
NET ASSETS			**3,526,698**		3,020,055
CAPITAL AND RESERVES					
Called up share capital	19		**101**		101
Share premium	20		**94,996**		94,996
Non-distributable reserve	20		**128,545**		118,545
Retained earnings	20		**3,303,056**		2,806,413
SHAREHOLDERS' FUNDS			**3,526,698**		3,020,055

The financial statements were approved by the Board of Directors on 23 October 2019 and were signed on its behalf by:

P G Carter - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2019

	Called up share capital £	Retained earnings £	Share premium £	Non-distributable reserve £	Total equity £
Balance at 1 February 2017	101	2,298,778	94,996	118,545	2,512,420
Changes in equity					
Dividends	-	(135,000)	-	-	(135,000)
Total comprehensive income	-	642,635	-	-	642,635
Balance at 31 January 2018	101	2,806,413	94,996	118,545	3,020,055
Changes in equity					
Dividends	-	(405,000)	-	-	(405,000)
Total comprehensive income	-	901,643	-	10,000	911,643
Balance at 31 January 2019	101	3,303,056	94,996	128,545	3,526,698

The notes form part of these financial statements

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland", issued by the Financial Reporting Council and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, where required by FRS 102.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

The results of the company are consolidated in the ultimate parent's financial statements and these can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with its parent and wholly owned subsidiaries within the group.

Significant judgements and estimates
In the application of the company's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision effects both current and future periods.

In preparing these financial statements, the directors have made the following judgements:

The company reviews the carrying value of all assets for indications of impairment at each period. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects the time value of money and the risk specific to the liability.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

continued...

Significant judgements and estimates - continued
The directors have reviewed the asset lives and associated residual values of all fixed assets classes.
In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projects disposal values.

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

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.

Leasehold improvements	-	20% on cost
Fixtures and fittings	-	20% on cost
Motor vehicles	-	25% on reducing balance

From 1 February 2018, the company changed their accounting policy in respect of the depreciation of fixtures and fittings to 20% straight line from 15% reducing balance as it is considered a more representative rate.

Investment property
Investment properties for which fair value can be measured on an ongoing basis are measured at fair value annually with any changes recognised in profit and loss.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments
(i) Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

(ii) Financial assets and liabilities

All financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset at the balance sheet date when, and only when there
exists a legally enforceable right to set off the recognised amounts and the company intends either to
settle on a net basis, or to realise the asset and settle the liability simultaneously.

 continued...

1. **ACCOUNTING POLICIES - continued**

Financial Instruments - continued

(ii) Financial assets and liabilities - continued

Debt instruments that have no stated interest rate and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Other debt instruments not meeting these conditions are measured at fair value through profit and loss.

Commitments to make or receive loans which meet the conditions mentioned above are measured at cost less impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows for the financial asset expire or are settled, when the company transfers to another party substantially all the risks and rewards of ownership of the financial asset, or the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(iii) Investments

Investments in non-puttable ordinary shares, which are publicly traded, are measured at fair value through profit and loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

(iv) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset on an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant changes in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated using a valuation technique.

Current and deferred 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 that have been enacted or substantively enacted by the balance sheet date.

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

continued...

1. **ACCOUNTING POLICIES - continued**
Current and Deferred taxation - continued

Deferred tax relating to investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income and equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

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.

Research and development
Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies
Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that balance sheet date. Transactions in foreign currencies are recorded 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.

Rentals paid and received under operating leases are charged or credited to profit and loss on a straight line basis over the period of the lease.

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 and loss in the period to which they relate.
Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Share-based payments
Share options issued in the group scheme as consideration for employment services provided are treated as an expense of the company in the period and credited to a capital contribution reserve at their fair value.

continued...

1. **ACCOUNTING POLICIES - continued**

Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

For financial assets carried at amortised costs, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for the decrease in impairment loss, and the decrease can be related objectively to an event occuring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

2. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2019	2018
	£	£
United Kingdom	**10,022**	38,097
South America	**3,481**	2,172
Asia	**2,602,280**	199,813
Africa	**13,752,306**	10,086,654
North America	**181,991**	134,108
Australia	**529,385**	550,116
	17,079,465	11,010,960

The whole of the turnover is attributable to the principal activity of the company.

3. **EMPLOYEES AND DIRECTORS**

	2019	2018
	£	£
Wages and salaries	**1,203,486**	964,660
Social security costs	**113,900**	92,919
Other pension costs	**34,392**	28,757
	1,351,778	1,086,336

continued...

3. EMPLOYEES AND DIRECTORS - continued

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

	2019	2018
Management	5	5
Administration & Operations	37	34
	42	39

	2019 £	2018 £
Directors' remuneration	230,818	188,417
Directors' pension contributions to money purchase schemes	8,405	6,834

The number of directors to whom retirement benefits were accruing was as follows:

	2019	2018
Money purchase schemes	2	1

Information regarding the highest paid director for the year ended 31 January 2019 is as follows:

	2019 £
Emoluments etc	72,147

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2019 £	2018 £
Depreciation - owned assets	80,951	31,975
Depreciation - assets on hire purchase contracts	17,808	17,065
Auditors' remuneration	17,000	15,822
Operating lease payments - property	52,500	52,500
Operating lease payments - other	62,338	60,427
Foreign exchange rate losses/(gains)	(8,120)	34,007

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 £	2018 £
Bank interest	1,529	22,281
Bank loan interest	-	2,492
Hire purchase	3,757	2,753
	5,286	27,526

continued...

6. TAXATION

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

	2019	2018
	£	£
Current tax:		
UK corporation tax	**139,000**	73,500
Under/(over) provision in respect of the prior year	**5,577**	-
Total current tax	**144,577**	73,500
Deferred tax	**(5,277)**	10,829
Tax on profit	**139,300**	84,329

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019	2018
	£	£
Profit before tax	**1,050,943**	726,964
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19.170%)	**199,679**	139,359
Effects of:		
Expenses not deductible for tax purposes	**21,928**	311
Depreciation in excess of capital allowances	**-**	1,335
Adjustments to tax charge in respect of previous periods	**5,577**	-
Research and Development enhanced deduction	**(88,264)**	(56,959)
Rounding	**380**	283
Total tax charge	**139,300**	84,329

The UK corporation tax rate will reduce to 17% from 1 April 2020. As this change will have an immaterial effect on the deferred tax balance at the balance sheet date, they are not reflected in these financial statements.

7. DIVIDENDS

	2019	2018
	£	£
Ordinary shares of £1 each		
Interim	**405,000**	135,000

continued...

8. **TANGIBLE FIXED ASSETS**

	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 February 2018	**41,191**	**448,158**	**125,972**	**615,321**
Additions	**4,895**	**37,702**	**21,529**	**64,126**
At 31 January 2019	**46,086**	**485,860**	**147,501**	**679,447**
DEPRECIATION				
At 1 February 2018	**41,191**	**301,193**	**73,558**	**415,942**
Charge for year	**979**	**76,064**	**21,716**	**98,759**
At 31 January 2019	**42,170**	**377,257**	**95,274**	**514,701**
NET BOOK VALUE				
At 31 January 2019	**3,916**	**108,603**	**52,227**	**164,746**
At 31 January 2018	-	146,965	52,414	199,379

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

	Motor vehicles £
COST	
At 1 February 2018 and 31 January 2019	**71,230**
DEPRECIATION	
At 1 February 2018	**20,033**
Charge for year	**17,808**
At 31 January 2019	**37,841**
NET BOOK VALUE	
At 31 January 2019	**33,389**
At 31 January 2018	51,197

continued...

9. FIXED ASSET INVESTMENTS

	Listed investments £
COST	
At 1 February 2018 and 31 January 2019	**976**
NET BOOK VALUE	
At 31 January 2019	**976**
At 31 January 2018	976

Listed investments represent investments in non-puttable ordinary shares. The fair value of listed investments at the year end was £1,544 (2018: £1,951). These values have been determined with reference to the quoted market price at the reporting date. The costs of the shares on acquisition are stated above.

10. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 February 2018	**315,000**
Revaluations	**10,000**
At 31 January 2019	**325,000**
NET BOOK VALUE	
At 31 January 2019	**325,000**
At 31 January 2018	315,000

Property rental income earned during the year was £22,472 (2018: 21,694). No contingent rents have been recognised as income in the current or prior year. At the Balance Sheet date the company had contracted with tenants for the following future minimum lease payments:

	2019 £	2018 £
Within one year	22,472	21,694

The investment property is residential apartments in Windmill House, 8-12 Church Street, Stourbridge, West Midlands, DY8 1LU.

The investment property, which is a freehold, was revalued to fair value at 31 January 2018, based on a valuation undertaken by Lex Allan, an independent valuer with recent experience in the location and class of property being valued. The method of determining the fair value was on an open market basis and the significant assumptions applied were that the apartments are leased to tenants at market rate rentals and that the apartments would be sold as a block of six flats rather than sold separately. There are no restrictions on the realisability of investment property. The flats were sold after the year end for £325,000 and the directors consider this to be the fair value at the year end.

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11. STOCKS

	2019	2018
	£	£
Stocks	**1,030,439**	608,786

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	**4,423,986**	3,511,982
Amounts owed by group undertakings	**2,693,157**	3,417,424
Directors' current accounts	**247,487**	-
VAT	**163,466**	103,039
Prepayments	**145,497**	67,368
	7,673,593	7,099,813

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts (see note 15)	**3,165,228**	2,601,417
Hire purchase contracts (see note 16)	**9,082**	9,082
Trade creditors	**2,583,847**	2,038,160
Amounts owed to group undertakings	**236,006**	358,895
Tax	**44,719**	7,084
Social security and other taxes	**30,104**	50,428
Other creditors	**26,646**	18,359
Directors' current accounts	**5,695**	283,326
Accrued expenses	**115,483**	42,762
	6,216,810	5,409,513

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

	2019	2018
	£	£
Hire purchase contracts (see note 16)	**32,727**	41,809

15. LOANS

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	**1,973,173**	1,477,813
Bank loans	**1,192,055**	1,123,604
	3,165,228	2,601,417

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16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	**9,082**	9,082
Between one and five years	**32,727**	41,809
	41,809	50,891

	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	**116,203**	106,337
Between one and five years	**15,812**	109,953
	132,015	216,290

Included in the above are operating lease commitments in respect of land and buildings of £52,500
(2018: £52,500) due within one year and £Nil (2018: £52,500) due between one and five years.

17. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdrafts	**1,973,173**	1,477,813
Bank loans	**1,192,055**	1,123,604
Hire purchase contracts	**41,809**	50,891
	3,207,037	2,652,308

The bank overdrafts and loans are secured by fixed and floating charges over all present and future
property and assets of the company, in addition to a first charge over the investment property known
as Windmill House, 8-10 Church Street, Stourbridge, West Midlands, DY8 1LT.

Hire purchase contracts were secured against the asset to which they relate.

18. PROVISIONS FOR LIABILITIES

Included in the deferred tax provision at the year end is £22,070 (2018: £27,347) in respect of accelerated capital allowances and £10,431 (2018: £10,431) in respect of movements in the fair value
of the investment property.

continued...

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
100	Ordinary	£1	**100**	100
1	Ordinary A	£1	**1**	1
			101	101

The company has two classes of ordinary share that carry no right to fixed income.

Ordinary shares have the right to dividends, voting rights and the right to capital on winding up of the company.

A Ordinary shares have the right to dividends but do not carry any voting rights or a right to capital on the winding up of the company.

20. RESERVES

	Retained earnings £	Share premium £	Non-distributable reserve £	Totals £
At 1 February 2018	**2,806,413**	**94,996**	**118,545**	**3,019,954**
Profit for the year	**911,643**	**-**	**-**	**911,643**
Dividends	**(405,000)**	**-**	**-**	**(405,000)**
Transfers	**(10,000)**	**-**	**10,000**	**-**
At 31 January 2019	**3,303,056**	**94,996**	**128,545**	**3,526,597**

The company's reserves are as follows:

The retailed earnings reserve represent the cumulative profits or losses net of dividends paid.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The non-distributable reserve represents the cumulative effect of revaluation of the investment property which is revalued to fair value at each reporting date. The reserve is net of deferred tax of £10,431 (2018: £10,431).

21. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of Entec Global Limited, a company incorporated in England & Wales.

Copies of the financial statements for Entec Global Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

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22. FINANCIAL COMMITMENTS

The company's bankers have a first fixed charge over all present and future property, book and other debts, chattels and unclaimed capital; and a first floating charge over all present and future assets and undertakings.

An unlimited multilateral guarantee exists between the bank and Entec International Limited, its fellow subsidiary companies, International Cargo Limited, Need2 Limited and Adepto Group Limited, and its parent company Entec Global Limited. At the year end £2,541,225 (2018: £2,308,657) was due to the company's bankers under this arrangement.

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year the company advanced £122,612 and £124,875 to C P Syner and M Robinson, directors. These amounts were outstanding at the year end. No interest was charged on the amounts outstanding at the year end. The directors overdrawn loan accounts were repaid in March 2019.

24. RELATED PARTY DISCLOSURES

During the year the company paid commission of £94,475 (2018: £92,526) to Entec International West Africa Limited, a company 90% owned by the ultimate parent, Entec Global Limited. Salary costs of £Nil (2018: £12,974) were also recharged to the company in the year. At the year end £454,050 (2018: £548,234) was due from Entec International West Africa Limited.

25. ULTIMATE PARENT AND CONTROLLING PARTY

The company is a subsidiary undertaking of Entec Global Limited, a company incorporated in England and Wales.

Copies of the financial statements for Entec Global Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

There is no ultimate controlling party by virtue of the equal shareholdings of C. P. Syner and M. Robinson in the ultimate parent company, Entec Global Limited.