

Company Registration No. 08869603 (England and Wales)

SPRING MIDCO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

SPRING MIDCO LIMITED

COMPANY INFORMATION

Directors	Steven Fobel Pierre Nadeau
Company number	08869603
Registered office	Acre House 11-15 William Road London NW1 3ER United Kingdom
Auditor	HW Fisher Acre House 11-15 William Road London NW1 3ER United Kingdom
Bankers	Santander UK Plc Bootle Merseyside L30 4GB

SPRING MIDCO LIMITED

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SPRING MIDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present the strategic report for the year ended 31 March 2020.

Fair review of the business

The company acts as a holding company. The company made a profit of £999,662 for the year ended 31 March 2020 (2019: £38,507 loss). At 31 March 2020, the company has carried forward net assets of £720,713 (2019: £721,051). For the consolidated group results please see the financial statements of Spring Topco Limited.

Principal risks and uncertainties

The company supplies its products to a wide range of customers minimising the exposure to any one customer. The company has a diversified supplier base in the UK, Continental Europe and the Far East which minimises the risk of disruption to supply. Purchases are in different currencies and are subject to exchange rate fluctuations, however the impact on margins is minimised. The company is exposed to the usual credit risks and cashflows associated with selling on credit and it manages these risks through credit control procedures.

Key performance indicators

This company is an intermediary holding company, therefore there are no relevant key performance indicators used.

On behalf of the board

Steven Fobel

Director

22 October 2020

SPRING MIDCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities

The principal activity of the company is that of a holding company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Steven Fobel

Pierre Nadeau

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £1,000,000. The directors do not recommend payment of a final dividend.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Steven Fobel

Director

22 October 2020

SPRING MIDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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.

SPRING MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPRING MIDCO LIMITED

Opinion

We have audited the financial statements of Spring Midco Limited (the 'company') for the year ended 31 March 2020 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

Basis for opinion The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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

Other information for a period of at least twelve months from the date when the financial statements are authorised for issue. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

SPRING MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SPRING MIDCO LIMITED

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 and the directors' report.

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 directors' responsibilities statement, 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

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Russell Nathan (Senior Statutory Auditor)
for and on behalf of HW Fisher**

**Chartered Accountants
Statutory Auditor**

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom
22 October 2020

SPRING MIDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

		2020 £	2019 £
Administrative expenses		(338)	(273)
Interest receivable and similar income	3	1,000,000	-
Interest payable and similar expenses	4	-	(38,234)
		<u>999,662</u>	<u>(38,507)</u>
Profit/(loss) before taxation		999,662	(38,507)
Taxation	5	-	-
		<u>999,662</u>	<u>(38,507)</u>
Profit/(loss) for the financial year		999,662	(38,507)
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>999,662</u>	<u>(38,507)</u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

SPRING MIDCO LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	7		611,067		611,067
Current assets					
Debtors	9	9,338,497		9,338,497	
Creditors: amounts falling due within one year	10	(9,228,851)		(9,228,513)	
Net current assets			109,646		109,984
Total assets less current liabilities			720,713		721,051
Capital and reserves					
Called up share capital	11	609,000		609,000	
Profit and loss reserves		111,713		112,051	
Total equity			720,713		721,051

The financial statements were approved by the board of directors and authorised for issue on 22 October 2020 and are signed on its behalf by:

Steven Fobel
Director

Company Registration No. 08869603

SPRING MIDCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Share capital £	Profit and loss reserves£	Total £
Balance at 1 April 2018		609,000	150,558	759,558
Year ended 31 March 2019:				
Loss and total comprehensive income for the year		-	(38,507)	(38,507)
Balance at 31 March 2019		609,000	112,051	721,051
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	999,662	999,662
Dividends	6	-	(1,000,000)	(1,000,000)
Balance at 31 March 2020		609,000	111,713	720,713

SPRING MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Spring Midco Limited is a company limited by shares incorporated in England and Wales. The registered office is Acre House 11-15 William Road, London, NW1 3ER, United Kingdom.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements.

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Spring Topco Limited, a company incorporated in England and Wales and is included in the consolidated accounts of that company. The consolidated financial statements are available from its registered office, Acre House, 11-15 William Road, London, NW1 3ER.

1.2 Going concern

The directors have considered the effect of the Covid-19 pandemic. The directors consider that the pandemic is continuing to give rise to an uncertain environment in which to operate. However through the continued support of the shareholders, the directors expect the company to have sufficient resources to meet its liabilities for at least the next 12 months.

1.3 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

SPRING MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised.

~~Derecognition of financial assets~~ is recognised in profit or loss.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 of its liabilities.

Basic financial liabilities

Basic financial liabilities, including loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

SPRING MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Interest receivable and similar income

	2020 £	2019 £
Income from fixed asset investments		
Income from shares in group undertakings	1,000,000	-

4 Interest payable and similar expenses

	2020 £	2019 £
Other interest on financial liabilities	-	38,234

5 Taxation

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit/(loss) before taxation	999,662	(38,507)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	189,936	(7,316)
Tax effect of income not taxable in determining taxable profit	(190,000)	-
Group relief	64	7,316
Taxation charge for the year	-	-

SPRING MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

6 Dividends

	2020 £	2019 £
Interim paid	1,000,000	-

7 Fixed asset investments

	Notes	2020 £	2019 £
Investments in subsidiaries	8	611,067	611,067

Movements in fixed asset investments

	Shares in group undertakings £
Cost	
At 1 April 2019 & 31 March 2020	611,067
Carrying amount	
At 31 March 2020	611,067
At 31 March 2019	611,067

8 Subsidiaries

Details of the company's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held DirectIndirect
Durite Limited	Durite Works, Valley Road, Dovercourt, Essex, CO12 4RX, United Kingdom	Manufacture and Supply of Auto Electrical Parts	Ordinary	0 100
Spring Bidco Limited	North Kingston, William Road, London, NW1 3ER, United Kingdom	15Holding Company	Ordinary	100 0

9 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts owed by group undertakings	9,338,497	9,338,497

SPRING MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	9,228,851	9,228,513
	<u> </u>	<u> </u>

11 Share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
609,000 Ordinary shares of £1 each	609,000	609,000
	<u> </u>	<u> </u>
	<u>609,000</u>	<u>609,000</u>

12 Controlling party

The immediate and ultimate parent company is Spring Topco Limited, a company in the United Kingdom, the registered office is: Acre House, 11-15 William Road, London, NW1 3ER.

The financial statements of the company are consolidated in the financial statements of Spring Topco Limited, which is the smallest and largest company for which consolidated financial statements are prepared.

