

Company Registration No. 2282162 (England and Wales)

**HITEX (UK) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# **HITEX (UK) LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 11

---

# HITEX (UK) LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	6		31,549		37,181
<b>Current assets</b>					
Stocks	7	140,379		93,947	
Debtors	8	523,120		381,793	
Cash at bank and in hand		1,553,042		1,807,516	
		<u>2,216,541</u>		<u>2,283,256</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(451,625)</u>		<u>(812,976)</u>	
<b>Net current assets</b>			1,764,916		1,470,280
<b>Total assets less current liabilities</b>			<u>1,796,465</u>		<u>1,507,461</u>
<b>Provisions for liabilities</b>	10		<u>(2,000)</u>		<u>(2,000)</u>
<b>Net assets</b>			<u>1,794,465</u>		<u>1,505,461</u>
<b>Capital and reserves</b>					
Called up share capital	13	44,200		44,200	
Capital redemption reserve		100		100	
Profit and loss reserves		1,750,165		1,461,161	
<b>Total equity</b>			<u>1,794,465</u>		<u>1,505,461</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 3 July 2020 and are signed on its behalf by:

Mr M Beach  
Director

Company Registration No. 2282162

# HITEX (UK) LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 1 October 2017</b>	44,200	100	1,579,125	1,623,425
<b>Year ended 30 September 2018:</b>				
Profit and total comprehensive income for the year	-	-	143,258	143,258
Dividends	-	-	(261,222)	(261,222)
<b>Balance at 30 September 2018</b>	44,200	100	1,461,161	1,505,461
<b>Year ended 30 September 2019:</b>				
Profit and total comprehensive income for the year	-	-	289,004	289,004
<b>Balance at 30 September 2019</b>	44,200	100	1,750,165	1,794,465

# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

---

### **1 Accounting policies**

#### **Company information**

Hitex (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Milburn Hill Road, University of Warwick Science Park, Coventry, CV4 7HS.

#### **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;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### **1.2 Going concern**

The implications of the Covid-19 pandemic are still unclear and it is therefore difficult to evaluate the likely effect on the Company's trade, customers, suppliers and the wider economy. At the year end the Company was trading profitably, had a healthy order book and possessed significant cash reserves.

The director's assessment at the date of approval of these accounts is that the virus does not create a material uncertainty as to going concern. In making that assessment the director has considered the financial impact of various scenarios ranging from reduced sales to no sales and has concluded that even in the very worst case the company would still have sufficient cash reserves to enable it to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these accounts.

# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings leasehold	Over the lease term
Fixtures, fittings & equipment	20% on cost
Computer equipment	50% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 1 Accounting policies

(Continued)

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 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. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 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 and cash and bank balances, 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.

##### **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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

---

### 1 Accounting policies

(Continued)

#### 1.9 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.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 1.15 Research and development

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



# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 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.

There are no judgements or estimates that have a material impact upon the financial statements.

### 3 Operating profit

	2019	2018
Operating profit for the year is stated after charging/(crediting):	£	£
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(4,705)	2,144
Depreciation of owned tangible fixed assets	14,750	17,155
Cost of stocks recognised as an expense	2,201,965	1,802,324
Operating lease charges	56,083	56,083

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Management	1	1
Administration	3	3
Technical	15	10
Total	19	14

### 5 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	99,417	100,596
Company pension contributions to defined contribution schemes	7,312	8,707
	106,729	109,303

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018 - 1).

# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 6 Tangible fixed assets

	Land and buildings leasehold £	Fixtures, fittings & equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 October 2018	29,692	88,783	69,193	187,668
Additions	-	7,271	1,847	9,118
At 30 September 2019	29,692	96,054	71,040	196,786
<b>Depreciation and impairment</b>				
At 1 October 2018	12,537	76,568	61,382	150,487
Depreciation charged in the year	1,980	6,216	6,554	14,750
At 30 September 2019	14,517	82,784	67,936	165,237
<b>Carrying amount</b>				
At 30 September 2019	15,175	13,270	3,104	31,549
At 30 September 2018	17,155	12,215	7,811	37,181

### 7 Stocks

	2019 £	2018 £
Finished goods and goods for resale	140,379	93,947

### 8 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	435,021	329,144
Corporation tax recoverable	60,000	30,000
Other debtors	1,275	-
Prepayments and accrued income	26,824	22,649
	523,120	381,793

# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 9 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Trade creditors		203,233	185,264
Amounts owed to group undertakings		4,689	100,918
Taxation and social security		103,696	131,093
Government grants	12	-	34,963
Accruals and deferred income		140,007	360,738
		<u>451,625</u>	<u>812,976</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

### 10 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	11	<u>2,000</u>	<u>2,000</u>

### 11 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Accelerated capital allowances	<u>2,000</u>	<u>2,000</u>

There were no deferred tax movements in the year.

### 12 Deferred grants

	2019 £	2018 £
Arising from government grants	<u>-</u>	<u>34,963</u>

Government grants are shown as deferred income and is matched against the costs incurred in fulfilling the terms of the grant. At the year end £0 (£34,963) was shown as deferred income.

# HITEX (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 13 Share capital

	2019	2018
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
44,200 Ordinary shares of £1 each	44,200	44,200

### 14 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditors report was unqualified but included the following related to going concern: 'we draw attention to note 1.2 of the financial statements which together with note 20 "Events after the reporting date" describes the basis upon which the directors have concluded that it is appropriate to prepare the accounts on a going concern basis despite the challenges currently presented by the Coronavirus pandemic. Our opinion is not modified in respect of this matter.'

The senior statutory auditor was Mr John Edwards.  
The auditor was Baldwins Audit Services.

### 15 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	74,891	69,773
Between two and five years	73,055	63,281
In over five years	337,439	377,639
	485,385	510,693

### 16 Events after the reporting date

On 11 March 2020 the World Health Organisation declared Coronavirus as a worldwide pandemic. The implications of Covid-19 are still unclear and it is therefore difficult to evaluate the likely effect on the Company's trade, customers, suppliers and the wider economy. The directors assessment at the date of approval of these accounts is that the virus does not create a material uncertainty as to going concern.

## **HITEX (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

---

#### **17 Related party transactions**

During the year the company traded with the following companies that are under the same ultimate control and are fellow group companies within the Infineon group:

**Hitex Development Tools Gmbh** - Purchased goods from this company in the sum of £436,779 (2018: £296,652) and made sales to this company of £268,447 (2018: £166,738) There was a balance owed in the sum of £4,689 (2018: £100,917) at the year end.

**Infineon Technologies UK Ltd** - Made sales to this company of £0 (2018: £1,674) There was no balance owed at the year end.

**Infineon Technologies AG** - Made sales to this company of £111,569 (2018: £114,192) There was a balance owed to Hitex UK Ltd in the sum of £25,837 (2018: £8,926) at the year end.

During the year the company paid fees of £37,448 (2018: £41,888) to Causeway Management Services Limited, a company of which M Beach was a director. No amounts were owed at the balance sheet date (2018: £0).

#### **18 Ultimate controlling party**

The parent company of Hitex (UK) Limited is Hitex Development Tools GmbH, and its registered office Greschbacherabe 12, 76229, Karlsruhe, Germany.

The ultimate parent company and controlling party is considered to be Infineon AG a company incorporated in Germany.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.