

**Report of the Directors and  
Financial Statements for the Year Ended 31 March 2020  
for  
GRANULES EUROPE LIMITED**

**GRANULES EUROPE LIMITED**

**Company Information  
for the year ended 31 March 2020**

**DIRECTORS:**

M Frude  
K P Chigurupati

**REGISTERED OFFICE:**

11 Laura Place  
Bath  
BA2 4BL

**REGISTERED NUMBER:**

10509374 (England and Wales)

**AUDITORS:**

Richardson Swift Audit Ltd  
Chartered Accountants  
Registered Auditor  
11 Laura Place  
Bath  
BA2 4BL

# GRANULES EUROPE LIMITED

## Report of the Directors for the year ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

### DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

M Frude  
K P Chigurupati

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). 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;

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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

### ON BEHALF OF THE BOARD:



M Frude - Director

Date: 20/7/20

## **Report of the Independent Auditors to the Members of Granules Europe Limited**

### **Opinion**

We have audited the financial statements of Granules Europe Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, 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 March 2020 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 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 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.



## **Report of the Independent Auditors to the Members of Granules Europe 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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](http://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.



Catherine Edwards BSc ACA (Senior Statutory Auditor)  
for and on behalf of Richardson Swift Audit Ltd  
Chartered Accountants  
Registered Auditor  
11 Laura Place  
Bath  
BA2 4BL

Date: 21/7/2020

**GRANULES EUROPE LIMITED**

**Income Statement  
for the year ended 31 March 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>		-	-
Administrative expenses		<u>188,970</u>	<u>366,986</u>
<b>OPERATING LOSS</b>		(188,970)	(366,986)
Interest payable and similar expenses		<u>28,833</u>	<u>16,710</u>
<b>LOSS BEFORE TAXATION</b>		(217,803)	(383,696)
Tax on loss	4	<u>(66,327)</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u>(151,476)</u></u>	<u><u>(383,696)</u></u>

The notes form part of these financial statements


**GRANULES EUROPE LIMITED (REGISTERED NUMBER: 10509374)**

**Balance Sheet  
31 March 2020**

	Notes	2020 £	2019 £
<b>CURRENT ASSETS</b>			
Debtors	5	66,327	3,012
Cash at bank		107,047	19,307
		<u>173,374</u>	<u>22,319</u>
<b>CREDITORS</b>			
Amounts falling due within one year	6	4,502	10,773
<b>NET CURRENT ASSETS</b>		<u>168,872</u>	<u>11,546</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		168,872	11,546
<b>CREDITORS</b>			
Amounts falling due after more than one year	7	886,973	578,171
<b>NET LIABILITIES</b>		<u>(718,101)</u>	<u>(566,625)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	100	100
Retained earnings		(718,201)	(566,725)
<b>SHAREHOLDERS' FUNDS</b>		<u>(718,101)</u>	<u>(566,625)</u>

The financial statements have been prepared 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 20/7/20 and were signed on its behalf by:

  
.....  
M Frude - Director

The notes form part of these financial statements

**GRANULES EUROPE LIMITED**

**Statement of Changes in Equity  
for the year ended 31 March 2020**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 April 2018</b>	100	(167,361)	(167,261)
Prior year adjustment	-	(15,668)	(15,668)
	<hr/>	<hr/>	<hr/>
As restated	100	(183,029)	(182,929)
	<hr/>	<hr/>	<hr/>
<b>Changes in equity</b>			
Total comprehensive income	-	(383,696)	(383,696)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2019</b>	100	(566,725)	(566,625)
	<hr/>	<hr/>	<hr/>
<b>Changes in equity</b>			
Total comprehensive income	-	(151,476)	(151,476)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2020</b>	<u>100</u>	<u>(718,201)</u>	<u>(718,101)</u>

The notes form part of these financial statements



## **GRANULES EUROPE LIMITED**

### **Notes to the Financial Statements for the year ended 31 March 2020**

#### **1. STATUTORY INFORMATION**

Granules Europe Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The balance sheet at 31 March 2020 shows that the company had net liabilities. The financial statements have been prepared on the going concern basis, on the understanding that the parent company will continue to financially support the company.

##### **Critical accounting judgements and key sources of estimation uncertainty**

No significant judgements or key assumptions have had to be made by the directors in preparing these financial statements.

##### **Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors, loans from banks and other third parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

##### **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.

The deferred tax asset has been discounted to take account of the expecting timing of the recovery of the asset.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## GRANULES EUROPE LIMITED

### Notes to the Financial Statements - continued for the year ended 31 March 2020

#### 2. ACCOUNTING POLICIES - continued

##### Deferred tax

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.

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.

##### 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 or loss in the period to which they relate.

##### 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 under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2019 - 2).

#### 4. TAXATION

##### Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2020 £	2019 £
Deferred tax	(66,327)	-
Tax on loss	(66,327)	-

The deferred tax assets represents the future benefit of the tax losses carried forward.

#### 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	-	3,012
Deferred tax asset		
Tax losses carried forward	66,327	-
	<u>66,327</u>	<u>3,012</u>

The deferred tax asset is expected to be recovered in more than one year.

**GRANULES EUROPE LIMITED**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2020**

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Other creditors	4,502	10,773
	<u>4,502</u>	<u>10,773</u>

**7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020	2019
	£	£
Other creditors	886,973	578,171
	<u>886,973</u>	<u>578,171</u>

**8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
100	Ordinary	100	100	100
			<u>100</u>	<u>100</u>

**9. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

In 2019 a director owed £12 to the company, which was cleared in the year.

**10. PARENT COMPANY**

The Parent Company is Granules India Limited

The registered office and the principle place of business is: 2nd Floor, 3rd block, My home hub, Madhapur, Hyderabad-500 081, India

# GRANULES EUROPE LIMITED

## Detailed Profit and Loss Account for the year ended 31 March 2020

	2020		2019	
	£	£	£	£
<b>Income</b>		-		-
<b>Expenditure</b>				
Rent	208		208	
Insurance	77		363	
Directors' salaries	132,631		127,119	
Directors' social security	17,057		16,380	
Directors' pension contributions	5,190		5,028	
Salaries	12,500		150,000	
Social security	3,000		16,538	
Pensions	900		10,800	
Telephone	1,965		2,995	
Post and stationery	378		606	
Travelling	9,096		27,769	
Accountancy and audit	5,016		4,979	
Subscriptions	70		979	
Legal and professional fees	-		600	
Donations	180		180	
Foreign exchange losses	-		309	
Entertainment	609		2,073	
		188,877		366,926
		(188,877)		(366,926)
<b>Finance costs</b>				
Bank charges	93		60	
Loan interest	28,833		16,710	
		28,926		16,770
<b>NET LOSS</b>		(217,803)		(383,696)

This page does not form part of the statutory financial statements



# **GRANULES EUROPE LIMITED**

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