

Unaudited Financial Statements
for the Year Ended
31 December 2022
for
Swann Systems (UK) Limited

The Rowleys Partnership Ltd
Chartered Accountants
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
Leicestershire
LE19 1WP

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for the Year Ended 31 December 2022**

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DIRECTORS:

D S Tuckley
J Beales
M J Tyack

SECRETARY:

M J Tyack

REGISTERED OFFICE:

Unit 1
Forward Park
Sheene Road
Beaumont Leys
Leicestershire
LE4 1BF

REGISTERED NUMBER:

01240012 (England and Wales)

ACCOUNTANTS:

The Rowleys Partnership Ltd
Chartered Accountants
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
Leicestershire
LE19 1WP

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Swann Systems (UK) Limited**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Swann Systems (UK) Limited for the year ended 31 December 2022 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Swann Systems (UK) Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Swann Systems (UK) Limited and state those matters that we have agreed to state to the Board of Directors of Swann Systems (UK) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Swann Systems (UK) Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Swann Systems (UK) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Swann Systems (UK) Limited. You consider that Swann Systems (UK) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Swann Systems (UK) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

The Rowleys Partnership Ltd
Chartered Accountants
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
Leicestershire
LE19 1WP

29 June 2023

Balance Sheet
31 December 2022

		31.12.22		31.12.21 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		902,925		928,413
Investments	5		5,051,238		4,789,066
			<u>5,954,163</u>		<u>5,717,479</u>
CURRENT ASSETS					
Stocks		882,577		755,701	
Debtors	6	695,987		520,990	
Cash at bank and in hand		<u>1,239,658</u>		<u>1,345,751</u>	
		<u>2,818,222</u>		<u>2,622,442</u>	
CREDITORS					
Amounts falling due within one year	7	<u>739,022</u>		<u>893,551</u>	
NET CURRENT ASSETS			<u>2,079,200</u>		<u>1,728,891</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,033,363</u>		<u>7,446,370</u>
PROVISIONS FOR LIABILITIES			<u>65,340</u>		<u>145,190</u>
NET ASSETS			<u><u>7,968,023</u></u>		<u><u>7,301,180</u></u>
CAPITAL AND RESERVES					
Called up share capital	8		18,590		18,590
Capital redemption reserve			9,500		9,500
Fair value reserve	9		20,795		560,110
Retained earnings			<u>7,919,138</u>		<u>6,712,980</u>
SHAREHOLDERS' FUNDS			<u><u>7,968,023</u></u>		<u><u>7,301,180</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 December 2022

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 29 June 2023 and were signed on its behalf by:

M J Tyack - Director

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. STATUTORY INFORMATION

Swann Systems (UK) 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 as modified by the revaluation of certain assets.

Turnover

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

Sales are recognised at the earlier of the date of delivery or the date the payment is received for goods.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 20% on cost and 20% reducing balance
Fixtures and fittings	- 15% reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- 20% reducing balance

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

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 have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling 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

Rentals paid under operating leases are charged to profit or 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 or loss in the period to which they relate.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit or loss.

Grants

Capital grants are written off to the income and expenditure account over the expected useful life of the relevant fixed asset.

Government grants

Government grants receivable in relation to the job retention scheme are recognised as income over the periods necessary to match them against the related costs which they are intended to compensate, on a systematic basis. Other Government grants received are recognised at the point of receipt. Government grants are shown separately as other income.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 29 (2021 - 27) .

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2022	917,034	164,017	74,662
Additions	-	3,995	2,902
Disposals	-	-	(3,191)
At 31 December 2022	<u>917,034</u>	<u>168,012</u>	<u>74,373</u>
DEPRECIATION			
At 1 January 2022	91,338	122,327	64,740
Charge for year	18,341	13,617	1,807
Eliminated on disposal	-	-	(2,412)
At 31 December 2022	<u>109,679</u>	<u>135,944</u>	<u>64,135</u>
NET BOOK VALUE			
At 31 December 2022	<u>807,355</u>	<u>32,068</u>	<u>10,238</u>
At 31 December 2021	<u>825,696</u>	<u>41,690</u>	<u>9,922</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2022	144,192	11,577	1,311,482
Additions	20,588	1,000	28,485
Disposals	(11,077)	-	(14,268)
At 31 December 2022	<u>153,703</u>	<u>12,577</u>	<u>1,325,699</u>
DEPRECIATION			
At 1 January 2022	96,551	8,113	383,069
Charge for year	16,564	893	51,222
Eliminated on disposal	(9,105)	-	(11,517)
At 31 December 2022	<u>104,010</u>	<u>9,006</u>	<u>422,774</u>
NET BOOK VALUE			
At 31 December 2022	<u>49,693</u>	<u>3,571</u>	<u>902,925</u>
At 31 December 2021	<u>47,641</u>	<u>3,464</u>	<u>928,413</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

5. FIXED ASSET INVESTMENTS

	Other investments £
COST OR VALUATION	
At 1 January 2022	4,789,066
Additions	2,499,607
Disposals	(1,651,712)
Revaluations	(585,723)
At 31 December 2022	<u>5,051,238</u>
NET BOOK VALUE	
At 31 December 2022	<u>5,051,238</u>
At 31 December 2021	<u>4,789,066</u>

The cost of the listed investments at the year end was £4,865,606 (2021: £4,017,712)

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21 as restated
	£	£
Trade debtors	615,128	497,884
Other debtors	<u>80,859</u>	<u>23,106</u>
	<u>695,987</u>	<u>520,990</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21 as restated
	£	£
Trade creditors	326,060	367,181
Taxation and social security	334,435	438,416
Other creditors	<u>78,527</u>	<u>87,954</u>
	<u>739,022</u>	<u>893,551</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31.12.22	31.12.21 as restated
Number:	Class:			
			£	£
4,500	Ordinary	£1	4,500	4,500
5,000	Ordinary 'A'	£1	5,000	5,000
9,000	Ordinary 'B'	£1	9,000	9,000
90	Ordinary 'C'	£1	90	90
			<u>18,590</u>	<u>18,590</u>

9. RESERVES

	Fair value reserve £
At 1 January 2022	560,110
Investment revaluation	<u>(539,315)</u>
At 31 December 2022	<u>20,795</u>

10. OTHER FINANCIAL COMMITMENTS

The company had total guarantees and commitments at the balance sheet date of £nil (2021 - £16,500)

11. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2022 and 31 December 2021:

	31.12.22	31.12.21 as restated
	£	£
S P Swann		
Balance outstanding at start of year	(2,102)	291
Amounts advanced	58,295	-
Amounts repaid	(179)	(2,393)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>56,014</u>	<u>(2,102)</u>

The loan is interest free and repayable on demand.

12. POST BALANCE SHEET EVENTS

As part of a demerger after the year end, £5,520,293 of company assets were transferred to a connected company, Swann Investments Ltd, by way of a combination of dividend and dividend in specie on 27 February 2023.

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.