

# Swan Processing Limited

Unaudited Financial Statements  
for the Year Ended 31 March 2021

# Swan Processing Limited

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# Swan Processing Limited

(Registration number: 3029352)

## Statement of Financial Position as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investment property	<u>5</u>	1,500,000	1,500,000
Investments	<u>6</u>	100	100
		<u>1,500,100</u>	<u>1,500,100</u>
<b>Current assets</b>			
Debtors	<u>7</u>	689,238	700,267
Cash at bank and in hand		<u>19,359</u>	<u>4,973</u>
		708,597	705,240
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	<u>(1,648,837)</u>	<u>(1,694,422)</u>
<b>Net current liabilities</b>		<u>(940,240)</u>	<u>(989,182)</u>
<b>Total assets less current liabilities</b>		559,860	510,918
<b>Creditors:</b> Amounts falling due after more than one year	<u>8</u>	<u>(121,185)</u>	<u>(166,493)</u>
<b>Net assets</b>		<u>438,675</u>	<u>344,425</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Non-distributable reserve		325,988	325,988
Profit and loss account		<u>112,587</u>	<u>18,337</u>
Shareholders' funds		<u>438,675</u>	<u>344,425</u>

# **Swan Processing Limited**

**(Registration number: 3029352)**

## **Statement of Financial Position as at 31 March 2021**

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

### **Directors' responsibilities:**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Income Statement has been taken.

Approved and authorised by the Board on 15 December 2021 and signed on its behalf by:

.....

C Tong

Director

# **Swan Processing Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

71 Cross Street  
Sale  
Cheshire  
M33 7HF  
United Kingdom

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Exemption from preparing group accounts**

The company has taken advantage of the small groups exemption (section 398 of the Companies Act 2006) and not prepared consolidated accounts..

#### **Going concern**

The financial statements have been prepared on a going concern basis.

The balance sheet shows that the company has net assets of £438,675 (2020 - £344,425) and net current liabilities in the sum of £940,240 (2020 - £989,182) at the year end. In the opinion of the directors, the balance outstanding to Swan Mill Processing Limited, as detailed in note 8, is not expected to be repayable in the foreseeable future. The accounts are therefore drawn up on the going concern basis.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Government grants**

Government grants in relation to expenditure are credited when the expenditure is charged to the income statement.

# Swan Processing Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### Foreign currency transactions and balances

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

### Tax

The tax expense for the period comprises current tax. Tax is recognised in the statement of income, except that a change attributable to an item or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% on cost

### Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the directors. The directors use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

# **Swan Processing Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### **Financial instruments**

#### ***Classification***

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability are charged as interest expenses in the income statement.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 3 (2020 - 3).

# Swan Processing Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### 4 Tangible assets

	Fixtures and Fittings £	Total £
<b>Cost or valuation</b>		
At 1 April 2020	61,209	61,209
At 31 March 2021	61,209	61,209
<b>Depreciation</b>		
At 1 April 2020	61,209	61,209
At 31 March 2021	61,209	61,209
<b>Carrying amount</b>		
At 31 March 2021	-	-

### 5 Investment properties

	2021 £
At 1 April	1,500,000
At 31 March	1,500,000

There has been no valuation of investment property by an independent valuer. The original cost of the property was £1,174,000 when purchased. During the year to 31 March 2018, the property was re-valued by the directors to £1,500,000, based on an open market valuation. The directors have confirmed that the open market valuation of the property at 31 March 2021 remains at £1,500,000.

### 6 Investments

	2021 £	2020 £
Investments in subsidiaries	100	100

Swan Processing Limited owns 100% of the issued share capital of Swan Mill Processing Limited.

Subsidiaries	£
<b>Cost or valuation</b>	
At 1 April 2020	100
<b>Carrying amount</b>	
At 31 March 2021	100
At 31 March 2020	100



# Swan Processing Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### 7 Debtors

	Note	2021 £	2020 £
Trade debtors		46,019	48,700
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>10</u>	618,451	622,867
Prepayments		12,088	15,464
Other debtors		12,680	13,236
		<u>689,238</u>	<u>700,267</u>

## Swan Processing Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

#### 8 Creditors

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

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings		220,775	239,133
Trade creditors		192	559
Taxation and social security		491	592
Accruals and deferred income		53,019	52,474
Other creditors		1,374,360	1,401,664
		<u>1,648,837</u>	<u>1,694,422</u>

Within other creditors is an amount owed to Swan Mill Processing Limited in the sum of £1,328,983 (2020 - £1,328,995) and an amount owed to Draco Holdings Limited who is the ultimate parent of Swan Processing Limited in the sum of £24,515 (2020 - £62,935). There are no repayment structures in place and no interest has been charged on the amounts outstanding.

The company has a bank overdraft facility with HSBC bank. The overdraft is secured by a fixed and floating charge over the undertaking and all property and assets.

The company has a bank loan with The Hong Kong and Shanghai Banking Corporation Limited. The balance outstanding at the year end is £166,724 (2020 - £210,323) which is shown in other creditors. The loan is secured by a fixed and floating charge on all property and fixed assets.

The company has an overdraft facility with Shanghai Commercial Bank Limited. The amount outstanding at the year end is £175,237 (2020 - £195,303) which is shown in other creditors. The loan is secured by a fixed and floating charge over the undertaking and all property and assets and also the land and building - Duke Mill Refuge Street, Shaw, Oldham.

# Swan Processing Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
<b>Due after one year</b>			
Loans and borrowings		121,185	166,493

### 9 Parent and ultimate parent undertaking

The company's immediate parent is Trendairo Limited, incorporated in England.

The ultimate parent is Draco Holdings Limited, incorporated in Hong Kong.

The ultimate controlling party is Draco Holdings Limited.

### 10 Related party transactions

#### Transactions with directors

	At 1 April 2020 £	Advances to directors £	At 31 March 2021 £
<b>2021</b>			
Advances to directors repayable on demand with no interest charges	-	2,000	2,000

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.