

Swan Processing Limited

Unaudited Financial Statements
for the Year Ended 31 March 2023

Swan Processing Limited

Contents

Statement of Financial Position	<u>1</u> to <u>2</u>
Notes to the Unaudited Financial Statements	<u>3</u> to <u>9</u>

Swan Processing Limited

(Registration number: 3029352)

Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Investment property	<u>5</u>	2,200,000	1,500,000
Investments	<u>6</u>	100	100
		<u>2,200,100</u>	<u>1,500,100</u>
Current assets			
Debtors	<u>7</u>	90,577	18,870
Cash at bank and in hand		<u>48,489</u>	<u>42,819</u>
		139,066	61,689
Creditors: Amounts falling due within one year	<u>8</u>	<u>(311,634)</u>	<u>(270,961)</u>
Net current liabilities		<u>(172,568)</u>	<u>(209,272)</u>
Total assets less current liabilities		2,027,532	1,290,828
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(25,615)</u>	<u>(74,176)</u>
Net assets		<u>2,001,917</u>	<u>1,216,652</u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve		1,025,988	325,988
Retained earnings		<u>975,829</u>	<u>890,564</u>
Shareholders' funds		<u>2,001,917</u>	<u>1,216,652</u>

Swan Processing Limited

(Registration number: 3029352)

Statement of Financial Position as at 31 March 2023

For the financial year ending 31 March 2023 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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Income Statement.

Approved and authorised by the Board on 31 December 2023 and signed on its behalf by:

.....

C Tong

Director

Swan Processing Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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:

C/o Beever and Struthers

One Express

1 George Leigh Street

Manchester

M4 5DL

England

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..

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.

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.

Swan Processing Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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 2023

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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 (2022 - 3).

Swan Processing Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

4 Tangible assets

	Fixtures and Fittings £	Total £
Cost or valuation		
At 1 April 2022	61,209	61,209
At 31 March 2023	61,209	61,209
Depreciation		
At 1 April 2022	61,209	61,209
At 31 March 2023	61,209	61,209
Carrying amount		
At 31 March 2023	-	-

5 Investment properties

	2023 £
At 1 April	1,500,000
Fair value adjustments	700,000
At 31 March	2,200,000

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 2023, the property was re-valued by the directors to £2,200,000, based on an open market valuation.

Swan Processing Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

6 Investments

	2023	2022
	£	£
Investments in subsidiaries	100	100

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

Subsidiaries	£
Cost or valuation	
At 1 April 2022	100
Carrying amount	
At 31 March 2023	100
At 31 March 2022	100

7 Debtors

	Note	2023	2022
Current		£	£
Trade debtors		893	782
Amounts owed by related parties		64,828	-
Prepayments		20,294	13,526
Other debtors		4,562	4,562
		90,577	18,870

Swan Processing Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

8 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings		240,814	206,553
Trade creditors		1,496	502
Taxation and social security		1,357	494
Accruals and deferred income		52,967	52,759
Other creditors		15,000	10,653
		<u>311,634</u>	<u>270,961</u>

Within other creditors is an amount owed to Swan Mill Processing Limited in the sum of £100 (2022 - £100) and an amount owed to Draco Holdings Limited who is the ultimate parent of Swan Processing Limited in the sum of £Nil (2022 - £8,335). 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 £74,826 (2022 - £121,370) 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 £191,602 (2022 - £159,359) 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 2023

Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings		<u>25,615</u>	<u>74,176</u>

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.

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.