

SWAT UK Limited

Annual report and financial statements for the year ended 30 June 2020

Company Registration Number: 03041771

SWAT UK Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
30 June 2020

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SWAT UK Limited

Annual report and financial statements for the year ended 30 June 2020

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SWAT UK Limited

COMPANY INFORMATION

for the year ended 30 June 2020

DIRECTORS

M Morgan (resigned 27 August 2019)

R Amos

M Milner (appointed 27 August 2019)

COMPANY SECRETARY

S Tahir

COMPANY NUMBER

03041771

REGISTERED OFFICE

5th Floor

10 Whitechapel High Street

London

E1 8QS

BUSINESS ADDRESS

Grove Park,

2 Thorpe Way

Enderby

Leicester LE19 1SU

BANKING AGENT

Barclays Bank plc

1 Churchill Place

London

E14 5HP

SOLICITOR

Gowling WLG

4 More London Riverside

London

SE1 2AU

SWAT UK Limited is a private company limited by shares.

SWAT UK Limited

STRATEGIC REPORT

for the year ended 30 June 2020

The directors submit the Strategic Report of SWAT UK Limited ("the Company") for the year ended 30 June 2020.

PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Revenue decreased from £4,861,306 in 2019 to £nil in 2020, and profit before taxation decreased from £2,151,421 in 2019 to £nil in 2020. Total net assets as at 30 June 2020 were £3,081,788 (2019: £3,081,788).

On 30 June 2019 the shares of the Company were transferred from SWAT Holdings Limited to Mercia Group Limited. On the same day the Company's trade and assets were also transferred to Mercia Group Limited and the business ceased trading. There is no current intention to recommence trading. The directors anticipate the Company to become dormant in the near future.

BUSINESS OBJECTIVES AND STRATEGY

Following the transfer of the Company's trade and assets to Mercia Group Limited, the Company is no longer expected to trade.

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks and uncertainties affecting the Company are discussed in Wilmington plc Group's annual report which does not form part of this report. A key business risk and uncertainty affecting the Company is Covid-19 and its impact on the economic environment. As such management have and are continuing to take all necessary precautionary steps to mitigate the impact of Covid-19.

FINANCIAL RISK MANAGEMENT

Interest rate risk, liquidity risk and capital risk are managed on a group-wide basis by the Company's ultimate parent company, Wilmington plc. The Company operates in accordance with funding policies controlled by the executive directors of the ultimate parent company.

KEY PERFORMANCE INDICATORS (KPI'S)

The directors of SWAT UK Limited and Wilmington plc manage the group's operations on a divisional basis. For this reason, the directors believe that analysis of key performance indicators for the Company is not necessary or appropriate.

By order of the board



R Amos
Director

2 December 2020

SWAT UK Limited

DIRECTORS' REPORT

for the year ended 30 June 2020

The directors submit their report and the financial statements of SWAT UK Limited for the year ended 30 June 2020. Please refer to the Strategic Report on page 2 for the disclosure on the Company's financial risk management.

DIVIDENDS

The Company did not pay a dividend in the year (2019: nil). Refer to the Strategic Report for future developments.

DIRECTORS

The directors of the Company who were in office during the period and up to the date of signing the financial statements, unless otherwise stated were:

M Morgan (resigned 27 August 2019)

R Amos

M Milner (appointed 27 August 2019)

DIRECTORS' THIRD PARTY INDEMNITY PROVISIONS

A qualifying third party indemnity provision was in place for Directors throughout the period and at the date of the approval of the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report and Directors' Report 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SWAT UK Limited

DIRECTORS' REPORT

for the year ended 30 June 2020

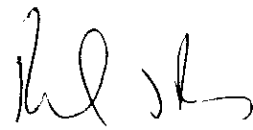
EXEMPTION FROM AUDIT

For the year ending 30 June 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary 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;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

On behalf of the board



R Amos
Director
2 December 2020

SWAT UK Limited

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2020

	<i>Note</i>	2020	2019
		£	£
Revenue	2	—	4,861,306
Cost of sales		—	(1,614,050)
Gross profit		—	3,247,256
Administrative expenses		—	(1,084,218)
OPERATING PROFIT			2,163,038
Loss on disposal of property		—	(6,268)
		—	2,156,770
Interest payable and similar expenses		—	(5,349)
PROFIT BEFORE TAXATION	3	—	2,151,421
Tax on profit	5	—	(414,074)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		—	1,737,347

The Company has no other comprehensive income other than those included in the results above.

SWAT UK Limited

BALANCE SHEET

as at 30 June 2020

Company Registration No. 03041771

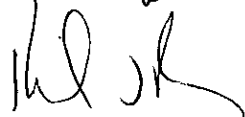
	Note	2020	2019
		£	£
CURRENT ASSETS			
Debtors	6	3,077,543	3,081,788
Cash at bank and in hand		4,245	—
		<u>3,081,788</u>	<u>3,081,788</u>
NET CURRENT ASSETS		<u>3,081,788</u>	<u>3,081,788</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,081,788</u>	<u>3,081,788</u>
NET ASSETS		<u>3,081,788</u>	<u>3,081,788</u>
CAPITAL AND RESERVES			
Called up share capital	7	13,695	13,695
Share premium account		34,400	34,400
Capital redemption reserve		2	2
Retained Earnings		<u>3,033,691</u>	<u>3,033,691</u>
TOTAL SHAREHOLDERS' FUNDS		<u>3,081,788</u>	<u>3,081,788</u>

For the year ending 30 June 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary 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;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements and related notes on pages 5 to 12 were approved by the board of directors and authorised for issue on 2 December 2020 and are signed on its behalf by



R Amos
Director

SWAT UK Limited

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2020

Company Registration No. 03041771

	Capital redemption reserve £	Share premium account £	Called up share capital £	Retained earnings £	Total shareholders' funds £
At 1 July 2018	2	34,400	13,695	1,296,344	1,344,441
Profit and total comprehensive income for the financial year	—	—	—	1,737,347	1,737,347
At 30 June 2019	2	34,400	13,695	3,033,691	3,081,788
Result for the financial year	—	—	—	—	—
At 30 June 2020	2	34,400	13,695	3,033,691	3,081,788

SWAT UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2020

GENERAL INFORMATION

SWAT UK Limited ('the Company') on 30 June 2019 the shares of the Company were transferred from SWAT Holdings Limited to Mercia Group Limited. On the same day the Company's trade and assets were also transferred to Mercia Group Limited and the business ceased trading. There is no current intention to recommence trading. The directors anticipate the Company to become dormant in the near future. The Company is a private company and is incorporated and domiciled in the UK. Its registered office is 10 Whitechapel High Street, London, E1 8QS.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';
 - (iii) paragraph 118(e) of IAS 38 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from Contracts with Customers'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 'Business Combinations'.
- Paragraph 18A of IAS 24, 'Related party disclosures', related to key management services provided by a separate management entity.
- Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets' (disclosures when the recoverable amount is fair value less costs of disposal, assumptions involved in estimating recoverable amounts of cash generating units containing goodwill or intangible assets with indefinite useful lives and management's approach to determining these amounts).

SWAT UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN

The directors confirm that they are satisfied that the Company has adequate resources to continue in business for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. For these reasons the directors continue to adopt the going concern basis in preparing the financial statements.

As at the date of this report, the Management of the Company has assessed the overall impact of the Covid-19 pandemic on the Company's operational and financial position for at least 12 months. Management shall continuously assess the impact of Covid-19 on its operations as well as the financial position going forward.

REVENUE

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and other sales-related taxes.

Revenue is recognised at a point in time when a performance obligation is satisfied by transferring a good or service to the customer. An asset is transferred when the customer obtains control of that asset. Revenue is recognised over time when a performance obligation is satisfied by the customer simultaneously receiving and consuming the benefits over the period of the contract.

When payment is received in advance of a performance obligation being satisfied it is recorded on the balance sheet as deferred revenue. Revenue is then recognised at the point in time or over the period that the performance obligation is satisfied.

TAXATION

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. None of the deferred tax balance relates to unprovided deferred tax.

Current tax for the current and prior years is provided at the amount expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

PENSIONS

The Company operates a defined contribution pension scheme, the assets of which are held separately from those of the Company in an independently administered fund. Contributions are charged to the statement of comprehensive income in the period in which they are incurred. The Company has no further obligation once the contributions have been paid.

SWAT UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NEW STANDARDS AND INTERPRETATIONS APPLIED

The following new standards, amendments and interpretations have been adopted in the current year:

International Financial Reporting Standards (IFRS/IAS)		Effective for accounting periods starting after
IFRS 16	Leases	1 January 2019

The adoption of these new standards, amendments and interpretations has not led to any material impact on the financial position or performance of the Company.

NEW STANDARDS AND INTERPRETATIONS NOT APPLIED

The International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRS IC) have issued new standards and interpretations with an effective date after the year starting 1 July 2020.

International Financial Reporting Standards (IFRS/IAS)		Effective for accounting periods starting after
IFRS Standards	Amendments to References to Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IAS 1 and IAS 8	Definition of Material	1 January 2020
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform	1 January 2020

Management is currently assessing the impact of the above new standards. During the year to 30 June 2021 the Company will put in place necessary processes to capture all of the adjustments and additional disclosures required for those standards taking effect before this date.

2 REVENUE

	2020 £	2019 £
Revenue is attributable to one class of business. Revenue arose within the following locations		
United Kingdom	—	4,859,977
Rest of the world	—	1,329
	—	4,861,306

3 PROFIT BEFORE TAXATION

	2020 £	2019 £
Profit before taxation is stated after charging:		
Depreciation of tangible assets	—	26,676
Amortisation of intangible assets	—	213
Operating lease rentals	—	140,331
Loss on disposal of property, plant and equipment	—	6,268
Taxation compliance	—	2,739

SWAT UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2020

4 STAFF COSTS

	2020	2019
	£	£
Wages and salaries	—	1,042,454
Social security costs	—	109,651
Other pension costs	—	42,674
	<u>—</u>	<u>1,194,779</u>

	2020	2019
	Number	Number
Monthly average number of employees during the year, including directors		
Administration	<u>—</u>	<u>22</u>

Three (2019: four) of the Company's directors are remunerated by Wilmington plc, the ultimate parent company, their emoluments are disclosed in the financial statements of the ultimate parent company. No loss of office for the directors has been incurred during the year.

Two directors (2019: three) are entitled to shares under a long term incentive plan. No directors (2019: two) are accruing benefits under money purchase pension schemes during the year.

5 TAX ON PROFIT

	2020	2019
	£	£
Current taxation:		
UK corporation tax on profits of the year	—	409,140
Adjustments in respect of prior years	—	4,934
Tax on profit	<u>—</u>	<u>414,074</u>

Factors affecting the tax charge for the year:

The tax assessed for the year is equal (2019: higher) to the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%).

	2020	2019
	£	£
Profit before taxation	<u>—</u>	<u>2,151,421</u>
Profit before taxation multiplied by the standard rate of UK corporation tax of 19.00% (2019: 19.00%)	—	408,770
Effects of:		
Adjustments in respect of prior years	—	4,934
Other items not taxable	<u>—</u>	<u>370</u>
Total tax charge for the year	<u>—</u>	<u>414,074</u>

Factors affecting current and future tax charges

At the UK Government's 2020 Budget, it was announced that the Corporation tax main rate for years starting 1 April 2020 and 2021 would remain at 19%, reversing the previous decision announced on 23 November 2016 to reduce the rate from 19% to 17% from 1 April 2020.

SWAT UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2020

6	DEBTORS	2020	2019
		£	£
	Amounts falling due within one year:		
	Amounts owed by group undertakings	<u>3,077,543</u>	<u>3,081,788</u>
		<u>3,077,543</u>	<u>3,081,788</u>

Amounts owed by group undertakings are unsecured, interest free and receivable on demand.

7	CALLED UP SHARE CAPITAL	2020	2019	2020	2019
		Number	Number	£	£
	Allotted, issued and fully paid:				
	Ordinary shares of £1 each	<u>13,695</u>	<u>13,695</u>	<u>13,695</u>	<u>13,695</u>

8 COMMITMENTS UNDER OPERATING LEASES

At 30 June 2020 and 30 June 2019 the Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Land and buildings 2020	Land and buildings 2019
	£	£
Not later than one year	—	139,625
Later than one year and not later than five years	<u>—</u>	<u>—</u>
	<u>—</u>	<u>139,625</u>

9 ULTIMATE PARENT UNDERTAKING

The Company is controlled by Mercia Group Limited. The ultimate parent company, and the parent undertaking of the largest and smallest group for which consolidated financial statements are prepared, is Wilmington plc, which is incorporated in the UK and for which financial statements are available from 10 Whitechapel High Street, London, E1 8QS.

10 RELATED PARTY TRANSACTIONS

Wilmington plc, together with its other wholly owned subsidiaries, offers certain group-wide purchasing facilities to the company and other subsidiaries whereby the actual costs are recharged. Transactions during the year with other group entities were cost recharges and cash movements.

The Company is a wholly owned subsidiary of a group that prepares publicly available consolidated financial statements, namely the group headed by Wilmington plc, so it has taken advantage of the exemption in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.