

REGISTERED NUMBER: 06368840 (England and Wales)

FINANCIAL STATEMENTS FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023

FOR

**SWAN ELECTRONICS MANUFACTURING SOLUTIONS
LTD**

**SWAN ELECTRONICS MANUFACTURING SOLUTIONS
LTD (REGISTERED NUMBER: 06368840)**

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FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

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**SWAN ELECTRONICS MANUFACTURING SOLUTIONS
LTD**

**COMPANY INFORMATION
FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

DIRECTORS:

L C Pope
P M Simmonds

REGISTERED OFFICE:

Unit 4 Newton Court
Rankine Road
Basingstoke
Hampshire
RG24 8GF

REGISTERED NUMBER:

06368840 (England and Wales)

AUDITORS:

Francis Maxwell LLP
Statutory Auditor
Chartered Certified Accountants
The Stables
23b Lenten Street
Alton
Hampshire
GU34 1HG

**SWAN ELECTRONICS MANUFACTURING SOLUTIONS
LTD (REGISTERED NUMBER: 06368840)**

**BALANCE SHEET
30 JUNE 2023**

		2023		2022 (Unaudited)	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>198,515</u>		<u>182,707</u>
			198,515		182,707
CURRENT ASSETS					
Stocks		1,565,126		1,324,167	
Debtors	6	1,699,522		1,219,646	
Cash at bank		<u>409,813</u>		<u>519,266</u>	
		3,674,461		3,063,079	
CREDITORS					
Amounts falling due within one year	7	<u>858,506</u>		<u>641,798</u>	
NET CURRENT ASSETS			<u>2,815,955</u>		<u>2,421,281</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,014,470		2,603,988
CREDITORS					
Amounts falling due after more than one year	8		(33,298)		-
PROVISIONS FOR LIABILITIES			<u>(50,815)</u>		<u>-</u>
NET ASSETS			<u>2,930,357</u>		<u>2,603,988</u>
CAPITAL AND RESERVES					
Called up share capital			1,000		1,000
Retained earnings			<u>2,929,357</u>		<u>2,602,988</u>
SHAREHOLDERS' FUNDS			<u>2,930,357</u>		<u>2,603,988</u>

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 26 March 2024 and were signed on its behalf by:

P M Simmonds - Director

The notes form part of these financial statements

**SWAN ELECTRONICS MANUFACTURING SOLUTIONS
LTD (REGISTERED NUMBER: 06368840)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

1. STATUTORY INFORMATION

Swan Electronics Manufacturing Solutions Ltd 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" and the Companies Act 2006. The financial statements for the period ended 30 September 2022 were 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.

Critical accounting judgements and key sources of estimation uncertainty

The Directors do not consider there to be any critical accounting estimates in applying FRS 102 or the Company's accounting policies that give rise to significant estimation uncertainty.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Plant and machinery etc - 25% on reducing balance and 20% on reducing balance

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making the allowance for obsolete and slow moving items.

Cost is calculated using the weighted average method and includes all purchase, transport and handling costs in bringing stocks to their present location and condition.

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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 and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Taxation

Taxation for the period 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.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

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 period 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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 77 (2022 - 75).

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 October 2022	
and 30 June 2023	<u>10,000</u>
AMORTISATION	
At 1 October 2022	
and 30 June 2023	<u>10,000</u>
NET BOOK VALUE	
At 30 June 2023	<u><u>-</u></u>
At 30 September 2022	<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 October 2022	456,625
Additions	73,721
Disposals	<u>(65,517)</u>
At 30 June 2023	<u>464,829</u>
DEPRECIATION	
At 1 October 2022	273,918
Charge for period	32,185
Eliminated on disposal	<u>(39,789)</u>
At 30 June 2023	<u>266,314</u>
NET BOOK VALUE	
At 30 June 2023	<u>198,515</u>
At 30 September 2022	<u>182,707</u>

The net book value of assets under finance leases or hire purchase contracts, included above, are as follows.

	2023	2022
£		
Motor vehicles	<u>38,471</u>	-
	<u>38,471</u>	-

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
		(Unaudited)
£		£
Trade debtors	1,085,695	1,090,443
Other debtors	<u>613,827</u>	<u>129,203</u>
	<u>1,699,522</u>	<u>1,219,646</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 (Unaudited)
	£	£
Hire purchase contracts	5,757	-
Trade creditors	438,964	347,602
Taxation and social security	320,453	267,021
Other creditors	93,332	27,175
	<u>858,506</u>	<u>641,798</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022 (Unaudited)
	£	£
Hire purchase contracts	<u>33,298</u>	<u>-</u>

9. SECURED DEBTS

At the financial year end the following legal charges were registered against the company:

Rockpool (Security Trustee) Limited fixed and floating charge over the leasehold property at Units A and B, Roseheyworth Business Park North, Abertillery, NP13 1SX. The floating charge covers all property or undertaking of the company. Charge code: 0636 8840 0003.

Barclays Bank PLC fixed and floating charge over the property or undertaking of the company. Charge code: 0636 8840 0004.

The following charges were satisfied during the accounting period:

Close Invoice Finance Limited charge by way of debenture, containing fixed and floating charge over the property or undertaking of the company. Satisfied on 8 December 2022.

Connexxion UK Limited charge by way of debenture, containing fixed and floating charge over the property or undertaking of the company. Satisfied on 22 November 2022.

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Kevin Howard Lee (Senior Statutory Auditor)
for and on behalf of Francis Maxwell LLP

11. RELATED PARTY DISCLOSURES

Following investment in the Group by Rockpool Investments LLP on 6 December 2022 EC Electronics Bidco Limited, a subsidiary of EC Electronics Group Limited, acquired 100% of the share capital of the company.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2022 TO 30 JUNE 2023**

12. POST BALANCE SHEET EVENTS

On the 1 July 2023 the trade and trading assets were hived up into EC Electronics Limited (a subsidiary group company of the new EC Electronics group)

13. ULTIMATE CONTROLLING PARTY

The company was under the control of EC Electronics Bideo Limited from 6 December 2022. Previously there was no ultimate controlling party.

The ultimate holding company is EC Electronics Group Limited.

Rockpool Investment Nominee Limited is regarded by the directors as being the company's ultimate parent company.

There is no single ultimate controlling party of Rockpool Investment Nominee Limited.

EC Electronics Group Limited produces consolidated accounts and these are publically available at:

Unit 4 Newton Court
Rankline Road
Basingstoke
Hampshire
RG24 8GF

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