

Switchtec Components Limited

ABBREVIATED FINANCIAL STATEMENTS

31 December 2013

UNAUDITED

Company Registration No. 02612994



Switchtec Components Limited

UNAUDITED

ABBREVIATED BALANCE SHEET

at 31 December 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	1	255,000	259,500
Investments	2	998	998
		<u>255,998</u>	<u>260,498</u>
CURRENT ASSETS			
Debtors (including £10,337 due in more than one year (2012: £nil))	3	35,966	2
Cash at bank and in hand		155,016	174,451
		<u>190,982</u>	<u>174,453</u>
CREDITORS: Amounts falling due within one year		<u>(5,684)</u>	<u>(26,726)</u>
NET CURRENT ASSETS		<u>185,298</u>	<u>147,727</u>
NET ASSETS		<u>441,296</u>	<u>408,225</u>
CAPITAL AND RESERVES			
Called up share capital	4	1,000	1,000
Profit and loss account		440,296	407,225
		<u>441,296</u>	<u>408,225</u>
SHAREHOLDERS' FUNDS		<u>441,296</u>	<u>408,225</u>

STATEMENT BY THE DIRECTORS UNDER SECTION 477 COMPANIES ACT 2006

For the year ending 31 December 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the company to obtain an audit of its financial statements 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 financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 1 to 5 were approved by the board of directors and authorised for issue on 15 March 2014 and are signed on its behalf by:



A Lester
Director

Company Registration No. 02612994

Switchtec Components Limited

ACCOUNTING POLICIES

UNAUDITED

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008), "the FRSSE 2008".

The financial statements present information about the company as an individual undertaking and not about its group, as the company has taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group accounts.

GOING CONCERN

The company remained profitable during the year despite the difficult market conditions by closely monitoring its key business risk, this being the viability of its tenant, its subsidiary company. The company has considerable financial resources in place and has received forecasts to demonstrate its subsidiary will continue to be profitable. The directors therefore consider the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

TURNOVER

Turnover represents the invoiced value of rental income, net of value added tax, to its 100% subsidiary and is recognised on an accruals basis and arises in the UK.

INVESTMENTS

Long term investments are classified as fixed assets and are stated at cost in the company balance sheet.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost, net of depreciation and any provision for impairment. Depreciation is provided on tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Freehold land	-	No depreciation
Freehold buildings	-	2% per annum on cost

DEFERRED TAXATION

Deferred tax is recognised in respect of timing 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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. The directors consider the recoverability of all deferred tax assets before providing for these in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Switchtec Components Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

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1 TANGIBLE FIXED ASSETS

	Total £
<i>Cost</i>	
At beginning and end of year	300,000
<i>Depreciation</i>	
At beginning of year	40,500
Charge in the year	4,500
At end of year	45,000
<i>Net book value</i>	
At 31 December 2013	255,000
At 31 December 2012	259,500

The net book value of freehold land and buildings includes £75,000 (2012: £75,000) relating to freehold land which is not depreciated.

The freehold land and buildings are let to the company's wholly owned subsidiary.

2 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £
<i>Cost</i>	
At beginning and end of year	998
<i>Net book value</i>	
At 31 December 2013 and 31 December 2012	998

The investment above represents the holding of 100% of the ordinary share capital of Switchtec Limited, whose principal activity is the distribution of electrical components.

Financial information relating to the subsidiary undertaking for the year ended 31 December 2013 is as follows:

	£
Capital and reserves	931,926
Profit after taxation	19,855

Switchtec Components Limited

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

3 DEBTORS

	2013	2012
<i>In more than one year:</i>		
Amounts owed from group undertakings	10,337	-

4 SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid:		
80,000 'A' Ordinary shares of 1p each	800	800
10,000 'B' Ordinary shares of 1p each	100	100
5,000 'C' Ordinary shares of 1p each	50	50
5,000 'D' Ordinary shares of 1p each	50	50
	1,000	1,000

5 SECURITY

The company is secured by a legal charge dated 2 September 2011 with Barclays Bank plc over the freehold property of the company.

6 RELATED PARTY TRANSACTIONS

Switchtec Components Limited owns 100% of the share capital of Switchtec Limited. During the year Switchtec Components Limited charged rental income of £25,000 (2012: £20,000) to Switchtec Limited. In addition Switchtec Limited paid expenses on behalf of the company of £1,265 (2012: £nil).

Switchtec Components Limited also loaned monies to Switchtec Limited during the year amounting to £20,675 (2012: £27,814). This is repayable via quarterly instalments over 3 years. Interest repayments of £3,446 were made during the year (2012: £nil) and interest of 7.53% being £259 has been charged on the loan (2012: £nil).

A dividend of £20,000 was received from Switchtec Limited during the year (2012: £6,849). Subsequently, the £20,000 (2012: £nil) has been loaned back to Switchtec Limited and this is repayable on demand.

At the end of the year £35,964 was due from Switchtec Limited (2012: £nil).

Switchtec Components Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

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6 RELATED PARTY TRANSACTIONS (continued)

During the year the following dividends were paid to directors:

	2013 £	2012 £
A Lester	-	3,000
J Lester	-	12,000
JA Lester	-	5,000
	-	20,000

7 ULTIMATE CONTROLLING PARTY

The company is under the control of A Lester.