

REGISTERED NUMBER: 01892238 (England and Wales)

SCULLY U.K. LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

SCULLY U.K. LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2023**

DIRECTOR: Ms R Scully

SECRETARY: Shakespeares Legal Secretaries Limited

REGISTERED OFFICE: Unit 33 - 37
Meridian House
Road One, Winsford Industrial Estate
Winsford
Cheshire
CW7 3QG

REGISTERED NUMBER: 01892238 (England and Wales)

AUDITORS: Murray Smith LLP
Chartered Accountants
Statutory Auditors
Darland House
44 Winnington Hill
Northwich
Cheshire
CW8 1AU

BALANCE SHEET
30 JUNE 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	4		21,239		24,863
Investments	5		<u>2</u>		<u>2</u>
			21,241		24,865
CURRENT ASSETS					
Stocks	6	132,087		139,592	
Debtors	7	913,326		760,713	
Cash at bank		<u>509,901</u>		<u>311,443</u>	
		1,555,314		1,211,748	
CREDITORS					
Amounts falling due within one year	8	<u>157,173</u>		<u>135,182</u>	
NET CURRENT ASSETS			<u>1,398,141</u>		<u>1,076,566</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,419,382		1,101,431
CREDITORS					
Amounts falling due after more than one year	9		(109,303)		(113,598)
PROVISIONS FOR LIABILITIES	11		<u>(4,528)</u>		<u>(5,262)</u>
NET ASSETS			<u>1,305,551</u>		<u>982,571</u>
CAPITAL AND RESERVES					
Called up share capital	12		127		127
Share premium	13		363,499		363,499
Retained earnings	13		<u>941,925</u>		<u>618,945</u>
SHAREHOLDERS' FUNDS			<u>1,305,551</u>		<u>982,571</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 director and authorised for issue on 21 March 2024 and were signed by:

Ms R Scully - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. STATUTORY INFORMATION

Scully U.K. Limited 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The accounts have been prepared on a going concern basis, having carried out a detailed review of the company and group position and at the date of signing the accounts with regard to the challenges presented by the current economic and health climate. Notwithstanding these uncertainties, the pledge by the parent undertaking to provide financial support as the company requires to meet its liabilities as they fall due for a period of not less than 12 months from the date of these accounts being signed has satisfied the Director that it has adequate resources and sufficient cash flows to enable it to continue in operational existence for the foreseeable future.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary course of business. Turnover is recognised at the point of exchange of goods and services. Turnover is shown net of Value Added Tax.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Plant and machinery	- 10% reducing balance
Office equipment	- 20% reducing balance
Computer equipment	- 20% reducing balance
Motor vehicles	- 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the statement of income.

Investments in subsidiaries

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its fixed assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised immediately in the statement of income.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost or estimated selling price less costs to complete and sell.

At each reporting date, the company assesses whether stocks are impaired. Any excess of the carrying amount of stock over its estimated selling price less costs to sell is recognised as an impairment loss in the statement of income. Reversals of impairment losses are also recognised in the statement of income.

Taxation

Taxation for the year 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.

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 year 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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade debtors, other debtors and amounts owed by group undertakings are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade creditors, other creditors and amounts owed to group undertakings, are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES - continued

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 the present value basis.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset and liabilities measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit and loss, except to the extent that they relate to gains and losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2022 - 4) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Office equipment £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2022	8,004	116,368	34,686	56,491	215,549
Additions	138	-	-	1,580	1,718
At 30 June 2023	<u>8,142</u>	<u>116,368</u>	<u>34,686</u>	<u>58,071</u>	<u>217,267</u>
DEPRECIATION					
At 1 July 2022	3,271	114,882	18,981	53,552	190,686
Charge for year	478	297	3,926	641	5,342
At 30 June 2023	<u>3,749</u>	<u>115,179</u>	<u>22,907</u>	<u>54,193</u>	<u>196,028</u>
NET BOOK VALUE					
At 30 June 2023	<u>4,393</u>	<u>1,189</u>	<u>11,779</u>	<u>3,878</u>	<u>21,239</u>
At 30 June 2022	<u>4,733</u>	<u>1,486</u>	<u>15,705</u>	<u>2,939</u>	<u>24,863</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

4. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 July 2022 and 30 June 2023	<u>25,990</u>
DEPRECIATION	
At 1 July 2022	10,108
Charge for year	<u>3,926</u>
At 30 June 2023	<u>14,034</u>
NET BOOK VALUE	
At 30 June 2023	<u>11,956</u>
At 30 June 2022	<u>15,882</u>

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2022 and 30 June 2023	<u>2</u>
NET BOOK VALUE	
At 30 June 2023	<u>2</u>
At 30 June 2022	<u>2</u>

6. STOCKS

	2023 £	2022 £
Stocks	<u>132,087</u>	<u>139,592</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	227,738	363,471
Amounts owed by group undertakings	677,541	386,057
Prepayments	<u>8,047</u>	<u>11,185</u>
	<u>913,326</u>	<u>760,713</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Hire purchase contracts (see note 10)	4,295	6,760
Trade creditors	9,672	12,371
Corporation tax	83,486	49,475
Social security and other taxes	49,796	57,320
Other creditors	24	6
Accrued expenses	9,900	9,250
	<u>157,173</u>	<u>135,182</u>

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

	2023	2022
	£	£
Amounts owed to group undertakings	105,710	105,710
Hire purchase contracts (see note 10)	3,593	7,888
	<u>109,303</u>	<u>113,598</u>

Creditors falling due after more than one year include a loan from the company's ultimate parent company, Scully Signal Co. The value of the loan is £105,710 (2022: £105,710). The loan has no fixed date of repayment. Scully Signal Co has agreed that no amount will be payable before 30 June 2024 and have agreed to provide financial support for the company for the foreseeable future.

10. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2023	2022
	£	£
Net obligations repayable:		
Within one year	4,295	6,760
Between one and five years	3,593	7,888
	<u>7,888</u>	<u>14,648</u>

11. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	<u>4,528</u>	<u>5,262</u>
		Deferred tax
		£
Balance at 1 July 2022		5,262
Provided during year		(734)
Balance at 30 June 2023		<u>4,528</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2023 £	2022 £
127	Ordinary		<u>127</u>	<u>127</u>

13. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 July 2022	618,945	363,499	982,444
Profit for the year	<u>322,980</u>		<u>322,980</u>
At 30 June 2023	<u>941,925</u>	<u>363,499</u>	<u>1,305,424</u>

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

The Report of the Auditors was unqualified.

Michael Benson (Senior Statutory Auditor)
 for and on behalf of Murray Smith LLP

15. RELATED PARTY TRANSACTIONS

During the year, the company purchased £529 (2022: £691) of goods and engineering services from Scully Systems NV, a fellow subsidiary of Scully Signal Co. group. During the year, the company sold £72,640 (2022: £49,200) of goods to Scully Systems NV. At the year end £1,191,136 (2022: £1,190,608) was owed to Scully Systems NV and £1,477,614 (2022: £1,404,973) was due from Scully Systems NV.

During the year, the company purchased £686,539 (2022: £623,032) of goods and engineering services from Scully Signal Co, the company's parent company. During the year, the company sold £2,057 (2022: £4,059) of goods to Scully Signal Co. At the year end £14,818 (2022: £200,794) was owed to Scully Signal Co. and £374,545 (2022: £372,486) was owed from Scully Signal Co.

At the year end £105,710 (2022: £105,710) was owed to Scully Signal Co, in respect of a loan due for repayment in more than one year.

16. ULTIMATE CONTROLLING PARTY

The company's parent company is Scully Signal Co., a company incorporated in the United States of America. Scully U.K. Limited accounts are consolidated in the accounts of Scully Signal Co. The registered office is 70 Industrial Way, Wilmington, MA 01887-4607, United States of America.

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.