

**ELECTROCOMPONENTS OVERSEAS LIMITED**

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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COMPANIES HOUSE

Registered Number: 2397713

## ELECTROCOMPONENTS OVERSEAS LIMITED

### Directors' Report

The Directors present their report and the audited accounts for the year ended 31 March 2021. This report has been prepared in accordance with the special provisions related to small companies within Part 15 of the Companies Act 2006.

#### Principal activity

Electrocomponents Overseas Limited (the Company) is a holding company of certain companies in the Electrocomponents Group.

#### Business review and dividends

The Company received £279,402 (2020: £nil) income from shares in group undertakings in the year. The Company has net assets of £552,342 (2020: £272,940). During the year, the Company paid no dividends (2020: £400,000 in respect of the year ended 31 March 2019). The Directors propose a final dividend of £300,000 for the year ended 31 March 2021 (2020: £nil).

#### Directors

The Directors who held office during the year were as follows:

I P Haslegrave

V E Gough

#### Directors' and Officers' liability insurance

In accordance with the Company's Articles of Association, the ultimate parent company (Note 13) entered into a deed in 2007 to indemnify the Directors (from time to time) of the Company to the extent permitted by law. A copy of this indemnity (which remains in force as of the date on which this report was approved) is available at the registered office of the Company. The ultimate parent company purchased and maintained Directors' and Officers' liability insurance throughout 2020, which was renewed for 2021, for each of its Directors and each of the Directors of its subsidiary companies. It remains in force at the date of approval of this Directors' Report. Neither the indemnity nor insurance provides cover in the event that a Director or Officer is proved to have acted fraudulently.

#### Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the auditors are unaware; and each Director has taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### Statement of Directors' responsibilities in respect of the accounts

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulation.

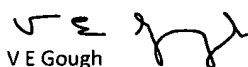
Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have prepared the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law). Under company law the Directors must not approve the accounts 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 the accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the accounts;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the accounts 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 enable them to ensure that the accounts comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:



V E Gough  
Director

22 September 2021

## ELECTROCOMPONENTS OVERSEAS LIMITED

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### Independent auditors' report to the members of Electrocomponents Overseas Limited

#### **Report on the audit of the accounts**

##### **Opinion**

In our opinion, Electrocomponents Overseas Limited's accounts:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the accounts, included within the Annual Report and Accounts (the Annual Report), which comprise: the balance sheet as at 31 March 2021; the statement of income and retained earnings for the year then ended; and the notes to the accounts, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the accounts section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Independence**

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

In auditing the accounts, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the accounts and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the accounts does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

##### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2021 is consistent with the accounts and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

##### **Responsibilities for the accounts and the audit**

##### ***Responsibilities of the Directors for the accounts***

As explained more fully in the Statement of Directors' responsibilities in respect of the accounts, the Directors are responsible

**Independent auditors' report to the members of Electrocomponents Overseas Limited (continued)**

for the preparation of the accounts in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the accounts. We evaluated management's incentives and opportunities for fraudulent manipulation of the accounts (including the risk of override of controls), and determined that the principal risks were related to areas where the Directors made subjective judgements, for example in respect of accounting estimates that involved making assumptions and considering future events that are inherently uncertain. Audit procedures performed by the engagement team included:

- Discussions with management.
- Challenging assumptions and judgements made by management in their accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the accounts. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the accounts is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the accounts are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Claire Turner (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
22 September 2021

# ELECTROCOMPONENTS OVERSEAS LIMITED

## Statement of Income and Retained Earnings for the year ended 31 March 2021

	Note	2021 £	2020 £
Income from shares in group undertakings		<u>279,402</u>	-
Profit before taxation		<u>279,402</u>	-
Tax on profit	6	<u>-</u>	-
<b>Profit and total comprehensive income for the year</b>		<u><b>279,402</b></u>	-
Dividends	11	-	(400,000)
Profit and loss account at the beginning of the year		<u>272,938</u>	<u>672,938</u>
<b>Profit and loss account at the end of the year</b>		<u><b>552,340</b></u>	<u><b>272,938</b></u>

The notes on pages 6 to 7 are an integral part of these accounts.

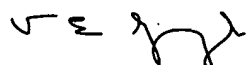
# ELECTROCOMPONENTS OVERSEAS LIMITED

## Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investment	7	<u>231,558</u>	<u>231,558</u>
<b>Current assets</b>			
Called-up share capital not paid		2	2
Debtors: amounts falling due within one year	8	<u>688,916</u>	<u>409,514</u>
<b>Total current assets</b>		<u>688,918</u>	<u>409,516</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(368,134)</u>	<u>(368,134)</u>
<b>Net current assets</b>		<u>320,784</u>	<u>41,382</u>
<b>Total assets less current liabilities</b>		<u>552,342</u>	<u>272,940</u>
<b>Net assets</b>		<u>552,342</u>	<u>272,940</u>
<b>Capital and reserves</b>			
Share capital	10	2	2
Profit and loss account		<u>552,340</u>	<u>272,938</u>
<b>Total equity</b>		<u>552,342</u>	<u>272,940</u>

The notes on pages 6 to 7 are an integral part of these accounts.

These accounts on pages 4 to 7 were approved by the Board of Directors on 22 September 2021 and signed on its behalf by:



**V E Gough**

Director

Company number: 2397713

## Notes to the accounts

**1. General Information**

The Company is a wholly-owned subsidiary of Electrocomponents plc. The Company is a private company limited by shares and is incorporated, registered and domiciled in England and Wales. The address of its registered office is Fifth Floor, Two Pancras Square, London N1C 4AG, UK.

**2. Statement of compliance**

These separate accounts of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and the Companies Act 2006. They are presented in sterling.

**3. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these accounts are set out below and have been consistently applied unless otherwise stated.

**a) Basis of preparation**

These accounts are prepared on a going concern basis, under the historical cost convention.

The preparation of accounts under FRS 102 requires the Company to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant that are included in these accounts. Judgements have been reviewed to take account of the Company's latest assumptions of any likely further impact of the COVID-19 pandemic.

*Exemptions for qualifying entities under FRS 102*

The Company has taken advantage of the following disclosure exemptions available under FRS 102:

- preparation of a cash flow statement
- financial instrument disclosures
- key management personnel compensation disclosure

**b) Foreign currencies**

Transactions in foreign currencies are recorded using the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rate ruling at that date and the gains and losses on translation are recognised in profit or loss.

**c) Investment**

Investment is held at cost less any accumulated impairment losses.

At each balance sheet date the investment is assessed for any indication of impairment. If there is such an indication the recoverable amount of the investment is compared to its carrying amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the continued trading of the relevant subsidiary. The cash flows are discounted at the Group's pre-tax weighted average cost of capital adjusted for the estimated tax cash flows and risk applicable for the investment.

If the recoverable amount is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised in profit or loss. If an impairment loss is subsequently reversed, the carrying amount of the investment is increased to the revised estimate of its recoverable amount to the extent that it does not exceed the carrying amount that would have been determined excluding any previous impairment losses. This reversal is recognised in profit or loss.

**d) Basic financial instruments**

Debtors are initially recognised at transaction price and then subsequently at amortised cost less any provision for impairment.

Creditors are initially recognised at transaction price and then subsequently at amortised cost.

**4. Auditors' remuneration**

The fees payable to the Company's auditors for the audit of the accounts were £400 (2020: £400) and were borne by the ultimate parent company (Note 13) and not recharged to the Company.

# ELECTROCOMPONENTS OVERSEAS LIMITED

## Notes to the accounts (continued)

### 5. Employees and Directors

The Company did not employ any staff during the year (2020: none). The Directors received no (2020: £nil) emoluments for their qualifying services to the Company. They predominantly perform services for and are remunerated by the ultimate parent company (Note 13). 2 Directors (2020: 2) became entitled to receive shares under the ultimate parent company's Long Term Incentive Plan.

### 6. Tax on profit

The tax expense for the year can be reconciled to the statement of income and retained earnings as follows:

	2021 £	2020 £
Profit before taxation	<u>279,402</u>	-
Corporation tax charge at 19% (2020: 19%)	53,086	-
Effects of:		
Non-taxable income	<u>(53,086)</u>	-
Tax for the year	<u>-</u>	<u>-</u>

#### Factors that may affect future tax

In March 2021, the UK government announced a change in the UK corporation tax rate from 19% to 25% effective from 1 April 2023, which was substantively enacted on 24 May 2021. This is not expected to have a material impact.

### 7. Investment

	£
Cost and net book value at 1 April 2020 and 31 March 2021	<u>231,558</u>

The Company owns 3.67% of the ordinary share capital of RS Components S.r.l, an Electrocomponents Group company incorporated in Italy whose registered address is Sesto san Giovanni, Viale Thomas Alva Edison, 110, 20099, MI, Italy.

### 8. Debtors: amounts falling due within one year

Amounts falling due within one year are comprised of amounts owed by immediate parent company and are unsecured, interest free and repayable on demand.

### 9. Creditors: amounts falling due within one year

Amounts falling due within one year are comprised of amounts owed to ultimate parent company and are unsecured, interest free and repayable on demand.

### 10. Share capital

	Number	£
Issued ordinary shares of £1.00 each		
At 1 April 2020 and 31 March 2021	<u>2</u>	<u>2</u>

### 11. Dividends

The Company paid no dividends during the year (2020: £400,000 in respect of the year ended 31 March 2019). The Directors recommend the payment of a final ordinary dividend of £300,000 for the year ended 31 March 2021 (2020: £nil).

### 12. Related party transactions and balances

There were no related party transactions during the year other than between the Company and other wholly-owned Electrocomponents Group companies.

### 13. Controlling parties

The immediate parent company is Electrocomponents U.K. Limited.

The ultimate parent company and the smallest and largest group to consolidate these accounts is Electrocomponents plc. Copies of the Electrocomponents plc Annual Report and Accounts are available to the public and may be obtained from Fifth Floor, Two Pancras Square, London N1C 4AG, UK.