

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2021

SAXLUND INTERNATIONAL  
LIMITED

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# SAXLUND INTERNATIONAL LIMITED

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## COMPANY INFORMATION

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Directors	M J Drew S S O Wallerman
Company secretary	K A Moore
Registered number	03538743
Registered office	3 Lake Court Hursley Winchester Hampshire SO21 2LD
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor 3000a Parkway Whiteley Hampshire PO15 7FX

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# SAXLUND INTERNATIONAL LIMITED

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# SAXLUND INTERNATIONAL LIMITED

REGISTERED NUMBER:03538743

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	5	1,992	2,301
Investments	6	-	30,466
		<u>1,992</u>	<u>32,767</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	1,149,229	850,522
Cash at bank and in hand		289,292	97,974
		<u>1,438,521</u>	<u>948,496</u>
Creditors: amounts falling due within one year	9	(780,164)	(522,559)
<b>Net current assets</b>		<u>658,357</u>	<u>425,937</u>
<b>Total assets less current liabilities</b>		<u>660,349</u>	<u>458,704</u>
Creditors: amounts falling due after more than one year	11	(401,608)	(314,108)
<b>Provisions for liabilities</b>			
Other provisions	13	(38,579)	(21,498)
		<u>(38,579)</u>	<u>(21,498)</u>
<b>Net assets</b>		<u><u>220,162</u></u>	<u><u>123,098</u></u>
<b>Capital and reserves</b>			
Called up share capital		10,000	10,000
Share premium account		163,484	163,484
Profit and loss account		46,678	(50,386)
		<u>220,162</u>	<u>123,098</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**M J Drew**

Director

Date: 9 March 2022

The notes on pages 2 to 10 form part of these financial statements.

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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1. Company information

Saxlund International Limited is a private company limited by shares incorporated in England and Wales. The address of the registered office is disclosed on the company information page. The registered address is the same as the trading address.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### 2.2 Going concern

In terms of the impact that the COVID-19 pandemic and restrictions imposed by the UK Government has had on the business, has not been as significant in the current year. Trading performance has improved and is expected to continue to do so.

The directors continually review ongoing contracts and are constantly looking to win new contracts, with several in the pipeline.

The Company has taken steps to mitigate the impact of COVID-19 and has secured a Coronavirus Interruption Business Scheme Loan and also has continued support from its parent company Saxlund Group AB. Taking this into consideration along with the expected performance over the foreseeable future, the directors consider that the Company has sufficient resources to continue operational existence for the for that time.

For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 2. Accounting policies (continued)

#### 2.3 Revenue

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

The Directors have adopted the Urgent Issues Task Force (UITF) abstract 40 "Revenue recognition and service contracts" issued by the Accounting Standards Board (ASB) in accordance with Generally Accepted Accounting Practice (GAAP) in the United Kingdom. is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Directors have adopted the Urgent Issues Task Force (UITF) abstract 40 "Revenue recognition and service contracts" issued by the Accounting Standards Board (ASB) in accordance with Generally Accepted Accounting Practice (GAAP) in the United Kingdom. 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 revenue is recognised:

##### **Sale of goods**

The Directors have adopted the Urgent Issues Task Force (UITF) abstract 40 "Revenue recognition and service contracts" issued by the Accounting Standards Board (ASB) in accordance with Generally Accepted Accounting Practice (GAAP) in the United Kingdom. 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 revenue 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.

##### **Contracts in progress**

The Directors have adopted the Urgent Issues Task Force (UITF) abstract 40 "Revenue recognition and service contracts" issued by the Accounting Standards Board (ASB) in accordance with Generally Accepted Accounting Practice (GAAP) in the United Kingdom.

Where the Company enters into a contractual obligation to be performed over a period of time the revenue is recognised in the income statement as the contract activity progresses to reflect the proportion of the contract undertaken. A provision is made for the full amount of foreseeable losses on contracts.

Contracts in progress balances represent sales or cost of sales in excess of, or the shortfall of the amounts transferred to sales or costs of sales, as appropriate, in respect of work recorded as turnover, less foreseeable losses and payments on account not matched with turnover.

#### 2.4 Tangible fixed assets

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.

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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance basis.

Depreciation is provided on the following basis:

Motor vehicles	-	25%	Reducing balance
Fixtures and fittings	-	20%	Straight line
Equipment	-	33%	Straight line

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 profit or loss.

#### 2.5 Financial instruments

The Company only enters into basic financial instrument 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 ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 2. Accounting policies (continued)

#### 2.6 Foreign currency translation

##### Functional and presentation currency

The Company's functional and presentational currency is GBP.

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

#### 2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.8 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.9 Pensions

##### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

#### 2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.



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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 2. Accounting policies (continued)

#### 2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

#### 2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

#### Completion stage of contracts

The majority of contracts are either longer than a year or span the period end. Each month the project director reviews the stage of completion and appropriate levels of revenue and costs are recorded according to this stage of completion, for each contract.

#### Warranty provision

The provision is calculated on an individual basis, each contract is looked at by the project director and assessed as to what percentage is appropriate. The warranty provision is calculated as a percentage of the revenue held multiplied by the completion percentage. The warranty provision percentage used on recent contracts has been 1%.

### 4. Employees

The average monthly number of employees, including directors, during the year was 9 (2020 - 10).

# SAXLUND INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 5. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2021	13,728	80,118	93,846
Additions	1,008	-	1,008
At 31 December 2021	14,736	80,118	94,854
<b>Depreciation</b>			
At 1 January 2021	13,675	77,870	91,545
Charge for the year on owned assets	541	776	1,317
At 31 December 2021	14,216	78,646	92,862
<b>Net book value</b>			
At 31 December 2021	520	1,472	1,992
<i>At 31 December 2020</i>	53	2,248	2,301

### 6. Fixed asset investments

	Deposits with Bankers £
At 1 January 2021	30,466
Returns	(30,466)

The requirements of some projects mean money is held on bond as a security, the items above reflect these transactions.

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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 7. Debtors

	2021 £	2020 £
Trade debtors	263,923	59,187
Amounts owed by group undertakings	66,266	-
Other debtors	460,299	471,928
Prepayments and accrued income	146,434	160,963
Deferred taxation	212,307	158,444
	<u>1,149,229</u>	<u>850,522</u>

### 8. Other Debtors

	2021 £	2020 £
Amounts recoverable on completed contracts	384,172	387,604
Amounts recoverable on on-going contracts	29,488	82,275
Contract costs in advance of revenue recognition	40,502	2,049
Other	6,137	-
	<u>460,299</u>	<u>471,928</u>

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

	2021 £	2020 £
Bank loans	112,500	41,250
Trade creditors	454,643	237,402
Other taxation and social security	15,486	89,524
Other creditors	143,696	118,298
Accruals and deferred income	53,839	36,085
	<u>780,164</u>	<u>522,559</u>

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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 10. Other creditors

	2021 £	2020 £
Additional costs on completed contracts where revenue has been recognised	610	6,676
Additional costs on on-going contracts where revenue has been recognised	110,752	104,191
Contract sales in advance of revenue recognition	32,334	7,431
	<u>143,696</u>	<u>118,298</u>

### 11. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	211,250	123,750
Amounts owed to group undertakings	190,358	190,358
	<u>401,608</u>	<u>314,108</u>

### 12. Security & Guarantees

The bank has provided guarantees on certain commercial contracts totalling £nil (2020 - £60,932), in the form of the bank loan and the £nil (2020 - £30,466) bond held in investments. In providing this guarantee the bank has secured its borrowing with a fixed and floating charge over the company's assets.

### 13. Provisions

	Warranties £
At 1 January 2021	21,498
Charged to profit or loss	17,081
At 31 December 2021	<u>38,579</u>

Saxlund International Limited accrue a percentage of each job and hold it as a provision should any remedial works be required. Should this work not be required this amount will be released at the end of the contract term.

### 14. Pension commitments

At 31 December 2021 the Company had liabilities totalling £1,659 (2020 - £1,623) relating to pension commitments.

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# SAXLUND INTERNATIONAL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 15. Ultimate parent company

The company's parent undertaking is Saxlund International Holding AB, a company incorporated in Sweden.

The ultimate parent undertaking of the company is Saxlund Group AB, a company incorporated in Sweden.

The largest and smallest company which prepares group accounts in the Group is Saxlund Group AB.

Consolidated group accounts are available by application from;

Saxlund Group AB

Fannys Vag 3

131 54 Nacka

Sweden

### 16. Controlling party

The ultimate controlling party is Saxlund Group AB, by right of its shares in the group.

### 17. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 10 March 2022 by Andrew Galliers FCA (Senior Statutory Auditor) on behalf of Menzies LLP.

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.