

Company registration number 04345151 (England and Wales)

**RAND TECHNOLOGY (EUROPE) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**  
**PAGES FOR FILING WITH REGISTRAR**

# **RAND TECHNOLOGY (EUROPE) LIMITED**

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# RAND TECHNOLOGY (EUROPE) LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023	2022
	Notes	£	£
<b>Fixed assets</b>			
Investments	4	9,600	9,600
<b>Current assets</b>			
Debtors	6	2,803,492	2,607,700
Cash at bank and in hand		49,967	69,820
		<u>2,853,459</u>	<u>2,677,520</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(6,122,996)</u>	<u>(6,232,458)</u>
<b>Net current liabilities</b>		<u>(3,269,537)</u>	<u>(3,554,938)</u>
<b>Net liabilities</b>		<u>(3,259,937)</u>	<u>(3,545,338)</u>
<b>Capital and reserves</b>			
Called up share capital		12,500	12,500
Profit and loss reserves	8	<u>(3,272,437)</u>	<u>(3,557,838)</u>
<b>Total equity</b>		<u>(3,259,937)</u>	<u>(3,545,338)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 13 March 2024 and are signed on its behalf by:

Ms A Klein  
**Director**

**Company Registration No. 04345151**

# **RAND TECHNOLOGY (EUROPE) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### **1 Accounting policies**

#### **Company information**

Rand Technology (Europe) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff, Wales, CF23 8AB.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis, despite the existence of net liabilities of £3.3m at the year end. The parent company, Rand Technology LLC, has confirmed its intention to continue to provide support to its wholly owned subsidiary Rand Technology (Europe) Limited for a period of at least 12 months from the date of approval of the financial statements. As at the year end there was a balance payable to Rand Technology LLC, of £6.1m. Whilst this balance has no set repayment terms the parent company has confirmed that it will not seek repayment until such time as the company is able to repay. Excluding this balance, which is not required to be repaid within 12 months, the company has net assets of £2.8m at the year end. On the basis of the continued support of the parent company, the directors consider the going concern basis of preparation to be appropriate.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the provision of services relates to management services provided by the parent company to all subsidiaries and is recognised in the period to which the service was provided.

#### **1.4 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities 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.

# RAND TECHNOLOGY (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 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 in the company's balance sheet 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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the 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.

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# RAND TECHNOLOGY (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.11 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### **1.12 Exceptional items**

The Company classifies certain one-off charges or credits that have a material impact on the Company's financial results as 'Exceptional Items'. These are disclosed separately in the notes to provide further understanding of the financial position of the financial performance of the Company.

# RAND TECHNOLOGY (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### (i) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See the notes to the financial statements for the net carrying amount of the debtors and associated impairment provision.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	2	2

### 4 Fixed asset investments

	2023 £	2022 £
Shares in group undertakings and participating interests	9,600	9,600

Included within fixed asset investments is an investment in the Company's subsidiary Rand Technology (Europe) Kft.

### 5 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	
Rand Technology (Europe) Kft	Hungary	Distribution of electronic parts	Ordinary	100.00	0

# RAND TECHNOLOGY (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 6 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	2,801,563	2,607,528
Other debtors	1,929	172
	<u>2,803,492</u>	<u>2,607,700</u>

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 7 Creditors: amounts falling due within one year

	2023	2022
	£	£
Amounts owed to group undertakings	6,104,917	6,190,518
Taxation and social security	-	22,893
Other creditors	18,079	19,047
	<u>6,122,996</u>	<u>6,232,458</u>

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 8 Profit and loss reserves

	2023	2022
	£	£
At the beginning of the year	(3,557,838)	(2,938,680)
Profit/(loss) for the year	285,401	(619,158)
	<u>(3,272,437)</u>	<u>(3,557,838)</u>

### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:  
Statutory Auditor:

Andrew Howells  
Azets Audit Services



## **RAND TECHNOLOGY (EUROPE) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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#### **10 Financial commitments, guarantees and contingent liabilities**

The company and its parent undertaking, Rand Technology LLC maintain a revolving line of credit agreement (the "agreement") with Comerica Bank. The line of credit is guaranteed by the shareholder of the borrowing entities. The bank also maintains a security interest in substantially all of the borrowing entities' assets as collateral on the line.

#### **11 Parent company**

The ultimate controlling party is Ms A Klein.

Ms A Klein is the 100% shareholder of the parent company, Rand Technology LLC, which, in turn, is the 100% shareholder of Rand Technology (Europe) Limited.

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.