

ANTEX (ELECTRONICS) LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019



ANTEX (ELECTRONICS) LIMITED
REGISTERED NUMBER:04762632

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	9,575	13,287
Tangible assets	5	9,535	11,521
		<u>19,110</u>	<u>24,808</u>
Current assets			
Stocks	6	353,130	283,547
Debtors: amounts falling due within one year	7	208,560	238,712
Cash at bank and in hand		17,898	95,226
		<u>579,588</u>	<u>617,485</u>
Creditors: amounts falling due within one year	8	(302,972)	(308,397)
Net current assets		<u>276,616</u>	<u>309,088</u>
Total assets less current liabilities		<u>295,726</u>	<u>333,896</u>
Creditors: amounts falling due after more than one year	9	(410,000)	(410,000)
Net liabilities		<u>(114,274)</u>	<u>(76,104)</u>
Capital and reserves			
Called up share capital	10	3,000	3,000
Profit and loss account		(117,274)	(79,104)
		<u>(114,274)</u>	<u>(76,104)</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:

Mr I L Lockhart
 Director



Date: 12th November 2020

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

ANTEX (ELECTRONICS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

Antex (Electronics) Limited is a limited liability company incorporated in the United Kingdom. The registered office is 4 Darklake View, Estover, Plymouth, Devon, PL6 7TL.

The principal activity of the company during the year was the manufacture and sale of electric and electronic soldering irons, stations and accessories.

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 following principal accounting policies have been applied:

2.2 GOING CONCERN

The directors have considered the outbreak of COVID-19 in early 2020 and what impact it will have on the ongoing operations of the business.

The directors are confident that the Company will be able to meet the demands of its customer base, despite potential restrictions in staff availability. The Company has taken advantage of the government furlough scheme and is meeting current demand with a reduced workforce. A reduction to supply of product to date has been mitigated with stockholdings. There has been little change in the customer base and orders are have seen a 20% reduction during the COVID-19 period. The directors do not anticipate any material change to the current business model as a result of COVID-19. The Company's parent has also indicated its willingness and ability to continue to provide such financial support as is necessary for the Company to continue to trade for the foreseeable future. In light of this, the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

The Company relies on its staff to manufacture and pack products for dispatch and on the postal network for wider distribution. It also relies on the supply of product from China. A shortage of resources in any one of these categories could have a significant impact on the ability of the Company to effectively operate. The directors' assumptions and outlook assumes that COVID-19 causes no material unanticipated changes to the business model. The financial statements do not reflect the adjustments that would be necessary should the ability of the Company to trade be jeopardised due to a further restrictions on trading being put in place. As such there is a material uncertainty related to events or conditions that may cast doubt on the Company's ability to continue to trade as a going concern.

ANTEX (ELECTRONICS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.3 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.

2.4 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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.

2.5 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.6 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

ANTEX (ELECTRONICS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.7 FINANCE COSTS

Finance costs are charged to the Statement of income and retained earnings 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 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 the Statement of income and retained earnings 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.

2.9 TAXATION

Tax is recognised in the Statement of income and retained earnings, 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.

2.10 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.

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.

Depreciation is provided on the following basis:

Plant and machinery	- 5 years straight line
Fixtures and fittings	- 5 years 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 the Statement of income and retained earnings.

ANTÉX (ELECTRONICS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.11 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 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.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 14 (2018: 17).

ANTEX (ELECTRONICS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. INTANGIBLE ASSETS

	Development expenditure £
COST	
At 1 January 2019	18,544
At 31 December 2019	18,544
AMORTISATION	
At 1 January 2019	5,257
Charge for the year	3,712
At 31 December 2019	8,969
NET BOOK VALUE	
At 31 December 2019	9,575
At 31 December 2018	13,287

ANTEX (ELECTRONICS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Total £
COST OR VALUATION			
At 1 January 2019	67,709	55,745	123,454
Additions	1,700	553	2,253
At 31 December 2019	69,409	56,298	125,707
DEPRECIATION			
At 1 January 2019	66,900	45,033	111,933
Charge for the year on owned assets	692	3,547	4,239
At 31 December 2019	67,592	48,580	116,172
NET BOOK VALUE			
At 31 December 2019	1,817	7,718	9,535
At 31 December 2018	809	10,712	11,521

6. STOCKS

	2019 £	2018 £
Components and work in progress	314,866	245,190
Finished goods and goods for resale	38,264	38,357
	353,130	283,547

ANTEX (ELECTRONICS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019****7. DEBTORS**

	2019 £	2018 £
Trade debtors	181,128	183,045
Other debtors	362	147
Prepayments and accrued income	27,070	55,520
	<u>208,560</u>	<u>238,712</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	233,811	207,334
Other taxation and social security	30,492	25,841
Other creditors	1,103	616
Accruals and deferred income	37,566	74,606
	<u>302,972</u>	<u>308,397</u>

The loan from the parent company is secured by a fixed and floating charge over the company's assets.

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

	2019 £	2018 £
Amounts owed to group undertakings	350,000	350,000
Share capital treated as debt	60,000	60,000
	<u>410,000</u>	<u>410,000</u>

The loan from the parent company is secured by a fixed and floating charge over the company's assets.

ANTEX (ELECTRONICS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. SHARE CAPITAL

	2019 £	2018 £
SHARES CLASSIFIED AS EQUITY		
ALLOTTED, CALLED UP AND FULLY PAID		
300,000 (2018: 300,000) Ordinary shares of £0.01 each	3,000	3,000
	<u>2019</u> £	<u>2018</u> £
SHARES CLASSIFIED AS DEBT		
ALLOTTED, CALLED UP AND FULLY PAID		
60,000 (2018: 60,000) Preference shares of £1.00 each	60,000	60,000

Preference shares

The preference shareholders accepted that they will not be redeemed until at least a year after the signing date of these accounts, and the liability has been included as due after one year on that basis. Preference shares are redeemable at par, and have no voting rights.

11. RELATED PARTY TRANSACTIONS

Included in other creditors, is a loan from TSC Group Holdings Limited, the parent company. At the year end the company owed TSC Group Holdings Limited £350,000 (2018: £350,000). Interest is charged at 6% (2018: 4%) per annum on this loan. Interest charged was £21,856 for the period. Interest is chargeable at 8% (2018: 8%) per annum on the preference shares held by TSC Group Holdings Limited. Interest charged was £4,800 for the period.

During the year, Ensota GZ Ltd (formally known as DTS Mechelec Ltd), a company under common ownership, made supplies to the company totalling £234,252 (2018: £209,339) and the company made sales to them of £37,541 (2018: £88,967). At the year end, the company owed Ensota GZ Ltd £149,318 (2018: £151,576). Interest of £5,256 (2018: £3,659) was charged on the overdue debt at 6% during the year. At the year end, Ensota GZ Ltd owed the company £19,523 which is included in trade debtors.

During the year, Ensota HK Limited, a company under common control, made purchases from the company of £Nil (2018: £3,461). At the year end, Ensota HK Limited was owed £Nil (2018: £3,472).

During the year, Ensota UK Limited, a company under common control, supplied management services to the company totalling £4,362 which is included in accruals.

12. CONTROLLING PARTY

The parent company is TSC Group Holdings Limited, a company incorporated in the British Virgin Islands. The registered address of the parent company for which consolidated accounts are drawn up is 2nd Floor, Abbot Building, Road Town, Tortola, British Virgin Islands.

TSC Group Holdings Limited is not under the control of any one person.

ANTEX (ELECTRONICS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

13. AUDITORS' INFORMATION

These financial statements have been audited by Bishop Fleming Chartered Accountants & Statutory Auditors, with an unqualified audit opinion being issued. The audit report was signed by Fleur Lewis as Senior Statutory Auditor.

We draw attention to note 2.2 in the financial statements, which refers to the significant challenges and uncertainties caused by the current Coronavirus (COVID-19) pandemic. As stated in note 2.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In accordance with the provisions applicable to companies subject to the small companies' regime and s444 of the Companies Act 2006, this audit report has not been filed.