

BEE LIGHTING LTD

Financial statements

Information for filing with the registrar

For the Year Ended 31 December 2021

Balance Sheet
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible fixed assets	4	41,524	56,624
Tangible fixed assets	5	901,695	677,149
		943,219	733,773
Current assets			
Stocks	6	1,462,182	859,550
Debtors: amounts falling due within one year	7	1,443,166	1,280,369
Cash at bank and in hand	8	4,842,657	1,282,951
		7,748,005	3,422,870
Creditors: amounts falling due within one year	9	(5,369,319)	(2,162,853)
Net current assets		2,378,686	1,260,017
Total assets less current liabilities		3,321,905	1,993,790
Provisions for liabilities			
Deferred tax	10	(169,623)	(81,914)
Net assets		3,152,282	1,911,876
Capital and reserves			
Called up share capital		2	2
Profit and loss account		3,152,280	1,911,874
		3,152,282	1,911,876

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 comprehensive income 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 on 30 August 2022.

N Morgan
Director

The notes on pages 3 to 11 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	2	1,167,016	1,167,018
Comprehensive income for the year			
Profit for the year	-	1,144,858	1,144,858
Dividends: Equity capital	-	(400,000)	(400,000)
Total transactions with owners	-	(400,000)	(400,000)
At 1 January 2021	2	1,911,874	1,911,876
Comprehensive income for the year			
Profit for the year	-	1,640,406	1,640,406
Total comprehensive income for the year	-	1,640,406	1,640,406
Dividends: Equity capital	-	(400,000)	(400,000)
Total transactions with owners	-	(400,000)	(400,000)
At 31 December 2021	2	3,152,280	3,152,282

The notes on pages 3 to 11 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2021**

1. General information

The Company is a limited company and is incorporated in England and Wales and details of its registered office are set out in the company information page. The principal activity of the Company is the manufacture of electrical and electronic equipment for motor vehicles.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have not considered it necessary to prepare formal forecasts for the Company given the overall strength of the cash generation of the Company with no external debt.

The directors, therefore, consider that they have a reasonable expectation that the Company had adequate resources to continue in operational existence for the foreseeable future, for a variety of potential scenarios. The Company therefore, continues to adopt the going concern basis in preparing its financial statements.

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.

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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

Notes to the Financial Statements
For the Year Ended 31 December 2021

2. Accounting policies (continued)

2.4 Revenue

Revenue 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. Revenue 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

Revenue 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Profit on long-term contracts is taken as the work is carried out if the final outcome can be measured reliably. Profits are recognised as stages of the overall contracts are completed. Where an element of the contract has not yet completed no profit is recognised until the outcome can be assessed with reasonable certainty. Turnover is calculated as that proportion of total contract value that covers costs incurred to date for completed contract stages and profit in relation to any completed stages of the contract based on the specific performance of the contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Monies received over the value of work done are classified as payments on account and included in creditors.

2.5 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.

**Notes to the Financial Statements
For the Year Ended 31 December 2021**

2. Accounting policies (continued)

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.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.8 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.

2.9 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the Financial Statements
For the Year Ended 31 December 2021

2. Accounting policies (continued)

2.10 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 balance sheet 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 balance sheet 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 balance sheet date.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development expenditure	-	20% Straight Line
Goodwill	-	20% Straight Line

2.12 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.

Notes to the Financial Statements
For the Year Ended 31 December 2021

2. Accounting policies (continued)

2.12 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.

Depreciation is provided on the following basis:

Short-term leasehold property	- 20% Straight Line
Plant and machinery	- 20% Straight Line
Motor vehicles	- 20% Straight Line
Fixtures and fittings	- 20% Straight Line
Computer equipment	- 20% 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.

2.13 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.15 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.

2.16 Creditors

Short-term creditors are measured at the transaction price.

2.17 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.

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Notes to the Financial Statements
For the Year Ended 31 December 2021

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
	<u>69</u>	<u>61</u>
Employees		

4. Intangible assets

	Development expenditure £	Goodwill £	Total £
Cost			
At 1 January 2021	150,998	30,068	181,066
Disposals	(75,499)	(30,068)	(105,567)
	<u>75,499</u>	<u>-</u>	<u>75,499</u>
At 31 December 2021			
Amortisation			
At 1 January 2021	94,374	30,068	124,442
Charge for the year on owned assets	15,100	-	15,100
On disposals	(75,499)	(30,068)	(105,567)
	<u>33,975</u>	<u>-</u>	<u>33,975</u>
At 31 December 2021			
Net book value			
At 31 December 2021	<u>41,524</u>	<u>-</u>	<u>41,524</u>
At 31 December 2020	<u>56,624</u>	<u>-</u>	<u>56,624</u>

Notes to the Financial Statements
For the Year Ended 31 December 2021

5. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2021	294,664	1,261,982	-	1,556,646
Additions	-	374,296	58,181	432,477
Disposals	(210,867)	(335,597)	-	(546,464)
At 31 December 2021	83,797	1,300,681	58,181	1,442,659
Depreciation				
At 1 January 2021	231,814	647,683	-	879,497
Charge for the year on owned assets	16,760	186,457	4,714	207,931
Disposals	(210,867)	(335,597)	-	(546,464)
At 31 December 2021	37,707	498,543	4,714	540,964
Net book value				
At 31 December 2021	46,090	802,138	53,467	901,695
At 31 December 2020	62,850	614,299	-	677,149

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Short-term leasehold	46,090	62,850

6. Stocks

	2021 £	2020 £
Raw materials and consumables	986,930	651,226
Work in progress (goods to be sold)	431,486	158,602
Finished goods and goods for resale	43,766	49,722
	1,462,182	859,550

Notes to the Financial Statements
For the Year Ended 31 December 2021

7. Debtors

	2021 £	2020 £
Trade debtors	1,145,613	909,806
Amounts owed by group undertakings	-	93,190
Other debtors	231,347	188,242
Prepayments and accrued income	66,206	89,131
	<u>1,443,166</u>	<u>1,280,369</u>

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>4,842,657</u>	<u>1,282,951</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	921,533	695,959
Corporation tax	32,810	-
Other taxation and social security	69,233	65,350
Accruals and deferred income	4,345,743	1,401,544
	<u>5,369,319</u>	<u>2,162,853</u>

10. Deferred taxation

	2021 £
At beginning of year	(81,914)
Charged to profit or loss	(87,709)
At end of year	<u>(169,623)</u>

Notes to the Financial Statements
For the Year Ended 31 December 2021

10. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(179,651)	(89,535)
Tax losses carried forward	10,028	7,621
	<u>(169,623)</u>	<u>(81,914)</u>

The expected net reversal of deferred tax liabilities is not expected to be material to the financial statements.

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £67,188 (2020 - £56,927). Contributions totalling £Nil (2020 - £Nil) were payable to the fund at the balance sheet date and are included in creditors

12. Related party transactions

The Company has the following transactions with its parent company, purchases of £22,888 (2020: £16,080), sales of £2,456 (2020: £9,840).

Also purchases of £893,946 (2020: £555,799) from a company under common control.

13. Controlling party

The Company's ultimate parent company is Pektron Group Limited, a company registered in England and Wales, which has a beneficial interest in 75% of the Company's share capital. No one party is considered to have control of Pektron Group Limited.

14. Auditors' information

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

The audit report was signed on 31 August 2022 by James Delve (Senior Statutory Auditor) on behalf of PKF Smith Cooper Audit 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.