

Pacer Technologies Limited

Report and Financial Statements

For the year ended

31 March 2021

Company number: 07231303



Directors' Report

For the year ended 31 March 21

Principal Activities, Review of the Business and Future Developments

The principal activities of the Company during the year continued to be those of a holding company.

The key performance indicators recognised by management are set out in the KPI section of the strategic report.

An overall review of the Company's trading performance, financial risk management and future developments is given in the Strategic Report.

Dividends

No dividends have been paid or declared in the current or the prior period.

Directors

The Directors of the Company during the year were:

J L Macmichael

G S Marsh

P Haining

P O James

The Directors submit their report together with the strategic report and the financial statements of the company for the year ended 31 March 2021.

Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements 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 financial statements comply with the Companies Act 2006. They 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.

Qualifying third party indemnity provisions

The company has granted to the directors of the company a deed of indemnity which constitutes a third-party indemnity provision for the purposes of the Companies Act 2006. In addition, the company has in place appropriate Directors and Officers liability insurance cover which has been in place for the entire year and at the date of approval of the financial statements.

This report was approved by the board on 17 December 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J L Macmichael', with a stylized flourish at the end.

J L Macmichael
Director

Strategic Report

For the year ended 31 March 2021

The directors present their strategic report for the year ended 31 March 2021.

Financial review

Pacer Technologies Limited has become a dormant intermediate holding company other than the utilisation of brought forward tax losses in the prior period. There is no trading activity in the period, however there are capital tax losses which have been carried forward which are potentially available for use via group relief in future periods.

Principal Risks and Uncertainties

As an integral part of the Solid State PLC Group the Company's principal risks and uncertainties are consistent with those of the Group. The principal risks and uncertainties of the Group are disclosed in the publicly available accounts of Solid State PLC.

However, specifically the company's risk management programme seeks to minimise potential adverse effects on the company's financial performance.

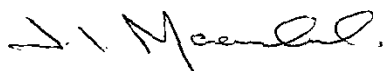
Key performance indicators

Given the nature of the business the Company's directors are of the opinion that analysis using key performance indicators *beyond the key financial metrics given above and in these financial statements is not necessary for an understanding of the development, performance or position of the business.*

Audit Exemption

Pacer Technologies Limited is exempt from the requirements to file audited accounts by virtue of section 479a of the Companies Act 2006. A statutory guarantee has been provided to Pacer Technologies Limited by Solid State PLC the ultimate controlling party.

This report was approved by the board on 17 December 2021 and is signed on its behalf by:



J L Macmichael
Director

Statement of Comprehensive Income

For the year ended 31 March 2021

	Note	Total 2021 £'000	Total 2020 £'000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Sales, general and administrative expenses		-	-
Operating profit		-	-
Interest payable and similar charges		-	-
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	5
Profit for the financial year		-	5
Other comprehensive income		-	-
Total comprehensive income for the year		-	5

The notes on pages 7 to 10 form part of these financial statements.

PACER TECHNOLOGIES LIMITED

Statement of Changes in Equity

For the year ended 31 March 2021

	Called up share capital £'000	Share Premium £'000	Treasury shares £'000	Profit and loss account £'000	Shareholders ' funds £'000
At 1 April 2019	1	191	-	182	374
Total comprehensive income for the year	-	-	-	5	5
At 31 March 2020	1	191	-	187	379
Total comprehensive income for the year	-	-	-	-	-
At 31 March 2021	1	191	-	187	379

The notes on pages 7 to 10 form part of these financial statements.

Statement of Financial Position

As at 31 March 2021

	Note	2021		2020	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	6	4,596		4,596	
			4,596		4,596
Current assets					
Debtors	7	23		23	
		23		23	
Creditors: amounts falling due within one year	7	(4,240)		(4,240)	
Net current liabilities			(4,217)		(4,217)
Total assets less current liabilities			379		379
Provisions for liabilities			-		-
Net assets			379		379
Capital and reserves					
Called up share capital	9		1		1
Share Premium			191		191
Treasury shares			-		-
Profit and loss account	10		187		187
Shareholder's funds			379		379

Subsidiary Audit Exemption

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to the accounting records and for the preparation of the accounts.

The financial statements on pages 4 to 10 were approved by the board and authorised for issue on 17 December 2021.

The notes on pages 7 to 10 form part of these financial statements



P O James
Director

Notes to the financial statements

For the year ended 31 March 2021

1 Company Information

The company is a limited company incorporated in England. The registered office address is:

2 Ravensbank Business Park
Hedera Road
Redditch
United Kingdom
B98 9EY

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom Accounting standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and with the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in pounds sterling and all values are rounded to the nearest thousand (£'000) except when otherwise indicated.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Solid State Plc as at 31 March 2021 and these financial statements may be obtained from the registered office.

2 Principal accounting policies

a) Going concern

The going concern basis of accounting has been used in the preparation of these financial statements. The directors have not identified any material uncertainties in this regard as the business is effectively a dormant holding company other than the utilisation of tax losses via group relief in the prior period.

b) Investments in subsidiaries

Investments in subsidiaries are stated at cost less amounts provided for impairment. When the trade and assets of a subsidiary are consolidated / re-organised the investment is re-allocated based on the cost method where the commercial substance and economic reality is that the Investment carrying value remains intact. The carrying value of the revised investments are evaluated for impairment in accordance with FRS102.

c) 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.

Notes to the financial statements

For the year ended 31 March 2021

d) 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.

e) Taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

The charge for the year takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date. However, deferred tax assets are recognised only to the extent that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average rate that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the Statement of Financial Position date.

3 Significant judgements and estimates

In the process of applying its accounting policies, the directors are required to make certain estimates, judgements, and assumptions that they believe are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented.

On an ongoing basis, the directors evaluate their estimates using historical experience, consultation with experts and other methods considered reasonable in the circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

The following paragraphs detail the estimates and judgements the directors believe to have the most significant impact on the annual results under FRS 102.

a) Carrying value of investments in subsidiaries

Investments in subsidiaries are stated at cost less amounts provided for impairment.

The directors are required to evaluate the carrying values of Investments for impairment whenever circumstances indicate, in management's judgement, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgements concerning the cash flows, growth rates and discount rates of the Investment cash generating units under review.

During the year, the board has evaluated if the carrying value of the investment based on discounted future cash flows and the market value of the investments.

Based on the expected discounted future cash flows and the change of ownership in the year providing a recent market value, both supported than the carrying value of the investment was appropriate and no impairment was required in the period.

4 Dividends

	2021 £'000	2020 £'000
Paid during the year	-	-
Received during the year	-	-

Notes to the financial statements

For the year ended 31 March 2021

5 Tax on profit on ordinary activities

	2021 £'000	2020 £'000
UK Corporation tax based on the adjusted profits	-	36
	-	36
Deferred taxation	-	(31)
	-	5

The tax assessed for the year is different than the standard rate of corporation tax in the UK. The differences are explained below:

	2021 £'000	2020 £'000
Profit on ordinary activities before taxation	-	-
Corporation tax thereon at the standard rate of 19% (2020: 19%)	-	-
Tax deduction on exercise of share options	-	-
Recognition of losses group relieved	-	5
	-	5

The UK corporation tax rate is 19% (effective from 1 April 2017). As a result of the amendment in 2020 which was substantially enacted on 17 March 2020 the rate of corporation tax is set at 19%. The deferred tax liabilities at 31 March 2021 have been calculated based on this rate. As announced in the budget on the 03 March 2021, the UK corporation tax rate is expected to increase to 25% with effect from 1 April 2023. This change was not substantively enacted at the balance sheet date and has not been reflected in the tax calculations.

6 Investments in subsidiary undertakings

	Total £'000
Cost	
At 1 April 2020 and 31 March 2021	4,596
Provision for impairment	
At 1 April 2020 and 31 March 2021	-
Net book value at 31 March 2021	4,596
Net book value at 31 March 2020	4,596

Provision for impairment of investments is included in administrative expenses.

The company's investments at the balance sheet date comprised a 100% holding in Pacer Components Limited.

Notes to the financial statements

For the year ended 31 March 2021

7 Debtors

	2021 £'000	2020 £'000
Amounts due from group undertakings	23	23
Deferred tax asset	-	-
	<u>23</u>	<u>23</u>

8 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to group undertakings	4,240	4,240
	<u>4,240</u>	<u>4,240</u>

9 Called up share capital

	2021 £	2020 £
Allotted, called up and fully paid:		
25,000 (2020: 25,000) ordinary A shares of £0.01 each	250	250
68,000 (2020: 70,821) ordinary B shares of £0.01 each	680	680
	<u>930</u>	<u>930</u>

10 Capital and reserves

Called up share capital	– represents the nominal value of shares that have been issued.
Share premium	– represents the excess to the nominal value of shares that has been paid up when the shares were issued.
Treasury shares	– represents the reserves arising from the company repurchasing its own shares and holding them to either cancel them or reissue them to fulfil the vested share options obligations.
Profit and loss account	– includes all current and prior period retained profits and losses.

11 Parent company

The company is a wholly owned subsidiary of Solid State plc, a company registered in England and Wales. This company is the ultimate parent company. Group financial statements are available from Solid State plc, 2 Ravensbank Business Park, Hedera Road, Redditch, B98 9EY.

12 Related party transactions

Transactions with wholly owned subsidiaries of the Solid State plc group are not disclosed, as allowed by FRS 102 section 33.1A.

13 Contingent liabilities

The company participates in a cross-guarantee of bank borrowings of its parent company, Solid State plc and fellow subsidiary companies. At 31 March 2021, liabilities covered by this guarantee amounted to £nil (2020: £nil).