

**POWER ELECTRONICS CORP UK LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Tax and Advise Ltd

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Power Electronics Corp UK Ltd
Unaudited Financial Statements
For The Year Ended 31 December 2022

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Power Electronics Corp UK Ltd
Balance Sheet
As at 31 December 2022

Registered number: 08172439

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		7,421		4,642
			7,421		4,642
CURRENT ASSETS					
Stocks	4	894,171		712,932	
Debtors	5	10,492,909		606,193	
Cash at bank and in hand		1,821,011		1,857,700	
		13,208,091		3,176,825	
Creditors: Amounts Falling Due Within One Year	6	(10,236,369)		(719,371)	
NET CURRENT ASSETS (LIABILITIES)			2,971,722		2,457,454
TOTAL ASSETS LESS CURRENT LIABILITIES			2,979,143		2,462,096
NET ASSETS			2,979,143		2,462,096
CAPITAL AND RESERVES					
Called up share capital	7		1		1
Profit and Loss Account			2,979,142		2,462,095
SHAREHOLDERS' FUNDS			2,979,143		2,462,096

Power Electronics Corp UK Ltd
Balance Sheet (continued)
As at 31 December 2022

For the year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit 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 accounting records and the preparation of accounts.

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

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

David Salvo Lillo

Director

27/01/2023

The notes on pages 3 to 6 form part of these financial statements.

Power Electronics Corp UK Ltd
Notes to the Financial Statements
For The Year Ended 31 December 2022

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	25% Straight Line
Fixtures & Fittings	20% Straight Line
Office Equipment	25% Straight Line

1.4. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

1.5. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Power Electronics Corp UK Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

1.6. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows 28 (2021: 22)

3. Tangible Assets

	Plant & Machinery	Fixtures & Fittings	Office Equipment	Total
	£	£	£	£
Cost				
As at 1 January 2022	12,148	3,020	8,775	23,943
Additions	-	550	5,637	6,187
As at 31 December 2022	<u>12,148</u>	<u>3,570</u>	<u>14,412</u>	<u>30,130</u>
Depreciation				
As at 1 January 2022	11,480	2,266	5,555	19,301
Provided during the period	668	580	2,160	3,408
As at 31 December 2022	<u>12,148</u>	<u>2,846</u>	<u>7,715</u>	<u>22,709</u>
Net Book Value				
As at 31 December 2022	<u>-</u>	<u>724</u>	<u>6,697</u>	<u>7,421</u>
As at 1 January 2022	<u>668</u>	<u>754</u>	<u>3,220</u>	<u>4,642</u>

4. Stocks

	2022	2021
	£	£
Stock - finished goods	894,171	712,932
	<u>894,171</u>	<u>712,932</u>

Power Electronics Corp UK Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

5. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	8,668,250	503,637
Prepayments and accrued income	896,374	26,988
Advance to employees	9,000	9,532
Import VAT	96	38,568
Provision for unissued invoices	890,418	-
Net wages	1,988	-
Amounts owed by subsidiaries	515	-
	<u>10,466,641</u>	<u>578,725</u>
Due after more than one year		
Deposit	<u>26,268</u>	<u>27,468</u>
	<u>26,268</u>	<u>27,468</u>
	<u><u>10,492,909</u></u>	<u><u>606,193</u></u>

6. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	4,610,497	13,743
Corporation tax	724,419	304,557
Other taxes and social security	32,915	61,511
VAT Liability	1,556,834	177,886
Advance from customers	8,265	80,281
Accruals and deferred income	3,303,439	81,393
	<u>10,236,369</u>	<u>719,371</u>

7. Share Capital

	2022	2021
Allotted, Called up and fully paid	<u>1</u>	<u>1</u>

8. Related Party Transactions

The ultimate parent company is Power Electronics International SL, a company incorporated in Spain. The parent company prepares consolidated accounts. The company made sales amounting to £803,927.12 (2021:£610,788) during the year. The total amount outstanding as at 31st December 2022 is £109,320.12 (2021:£65,495) and same is included in Trade debtor note no.5 above.

During the year, the company made purchases amounting to £11,305,322.83 (2021: £922,813.46) from one of the group companies, Power Electronics Espana SL, a company incorporated in Spain and 100% owned by Power Electronic International SL. The total amount outstanding as at 31st December 2022 is £4,547,991.43 (2021 : £-2,461.77) and is included in trade creditors note no. 6 above.

9. Controlling Party

The company's controlling party is Power Electronics Internacional SI by virtue of his ownership of 75% or more of the issued share capital in the company.

Power Electronics Corp UK Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

10. General Information

Power Electronics Corp UK Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 08172439 . The registered office is Tork Mk Unit 2 Madingley Court, Chippenham Drive Kingston, Milton Keynes, MK10 0BZ.

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.