

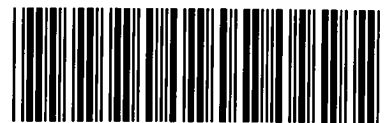
Registered number: 10956230

STELLAR ASSOCIATES 1 LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

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COMPANIES HOUSE

STELLAR ASSOCIATES 1 LIMITED

COMPANY INFORMATION

Directors

M S Ansari
R M Johnson
A Schemmel
T Shah
M Vandamme

Registered number

10956230

Registered office

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Independent auditor

Cooper Parry Group Limited
Chartered Accountants & Statutory Auditor
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

STELLAR ASSOCIATES 1 LIMITED

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STELLAR ASSOCIATES 1 LIMITED
REGISTERED NUMBER: 10956230

CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2021

	Note	2021 £	Unaudited 2020 £
Fixed assets			
Intangible assets	3	6,152,530	7,158,231
Tangible assets	4	151,649	146,530
		<u>6,304,179</u>	<u>7,304,761</u>
Current assets			
Stocks	6	2,044,353	1,530,297
Debtors	7	1,153,886	1,109,386
Cash at bank and in hand		1,771,991	767,878
		<u>4,970,230</u>	<u>3,407,561</u>
Creditors: amounts falling due within one year	8	<u>(3,297,003)</u>	<u>(2,456,980)</u>
Net current assets		<u>1,673,227</u>	<u>950,581</u>
Total assets less current liabilities		<u>7,977,406</u>	<u>8,255,342</u>
Creditors: amounts falling due after more than one year	9	<u>(2,385,000)</u>	<u>(3,225,000)</u>
Provisions for liabilities			
Deferred tax		(2,510)	-
Net assets		<u><u>5,589,896</u></u>	<u><u>5,030,342</u></u>
Capital and reserves			
Called up share capital	11	4,300,943	4,300,943
Profit and loss account	12	1,288,953	729,399
Shareholders' funds		<u><u>5,589,896</u></u>	<u><u>5,030,342</u></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 consolidated profit and loss account 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:

DocuSigned by:
M S Ansari
 Director
 Date: 15 November 2021

Sagun Ansari
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The notes on pages 4 to 14 form part of these financial statements.

STELLAR ASSOCIATES 1 LIMITED
REGISTERED NUMBER: 10956230

COMPANY BALANCE SHEET
AS AT 30 APRIL 2021

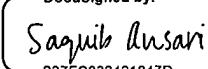
	Note	2021 £	2020 £
Fixed assets			
Investments		542,918	542,918
	5	<u> </u>	<u> </u>
Current assets			
Debtors	7	3,758,025	3,758,025
		<u> </u>	<u> </u>
Total assets less current liabilities		4,300,943	4,300,943
		<u> </u>	<u> </u>
Net assets		<u>4,300,943</u>	<u>4,300,943</u>
Capital and reserves			
Called up share capital	11	4,300,943	4,300,943
		<u> </u>	<u> </u>
Shareholders' funds		<u>4,300,943</u>	<u>4,300,943</u>

The company's 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..

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 consolidated 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:

DocuSigned by:

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M S Ansari
 Director

Date: 15 November 2021

The notes on pages 4 to 14 form part of these financial statements.

STELLAR ASSOCIATES 1 LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2021

	2021 £	Unaudited 2020 £
Cash flows from operating activities		
Profit/(loss) for the financial year	559,554	(40,910)
Adjustments for:		
Amortisation of intangible assets	1,005,701	1,005,701
Depreciation of tangible assets	58,484	59,213
(Profit)/loss on disposal of tangible assets	(12,820)	9,704
Interest paid	142,864	188,273
Interest received	-	(828)
Taxation charge	155,446	65,490
Increase in stocks	(514,056)	(282,699)
(Increase)/decrease in debtors	(30,930)	280,706
Increase/(decrease) in creditors	765,535	(991,872)
Corporation tax paid	(166,506)	(91,446)
Net cash generated from operating activities	1,963,272	201,332
Cash flows used in investing activities		
Purchase of tangible fixed assets	(82,491)	(78,377)
Sale of tangible fixed assets	31,708	-
Interest received	-	828
Net cash used in investing activities	(50,783)	(77,549)
Cash flows used in financing activities		
Repayment of loans	(770,000)	(490,476)
Interest paid	(142,864)	(188,273)
Net cash used in financing activities	(912,864)	(678,749)
Net increase/(decrease) in cash and cash equivalents	999,625	(554,966)
Cash and cash equivalents at beginning of year	767,878	1,322,844
Cash and cash equivalents at the end of year	1,767,503	767,878
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,771,991	767,878
Bank overdrafts	(4,488)	-
	1,767,503	767,878

The notes on pages 4 to 14 form part of these financial statements.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

Stellar Associates 1 Limited (the 'company') and its subsidiary undertakings (the 'group') are limited liability companies incorporated and domiciled in the United Kingdom. The address of the company's registered office is shown on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the group. The financial statements are for the year ended 30 April 2021 (2020: year ended 30 April 2020).

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the United Kingdom 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 the directors to exercise judgement in the process of applying group's accounting policies.

The following principal accounting policies have been applied consistently throughout the year:

1.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries (the 'group') as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

1.3 Disclosure exemptions

The company has adopted the following disclosure exemption:

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements.

1.4 Coronavirus and going concern

At the balance sheet date, the group had strong cash balances of £1,771,991 and net assets of £5,589,896 having traded effectively through the period of the Coronavirus pandemic. At the time of signing the accounts, the directors have considered the going concern position and, based on the forecasts, are satisfied that the group will continue to trade for a period of at least 12 months from the date of signing these accounts.

On that basis the directors have prepared these financial statements on a going concern basis.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1. Accounting policies (continued)

1.5 Turnover

Turnover comprises revenue recognised by the group in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

The group derives revenue from the sale of machinery, service and maintenance contracts, software licences and software support contracts.

Machines - the group recognises revenue on delivery of the machine.

Software licences - the group recognises revenue when evidenced by a signed agreements, the delivery of the produce has occurred, and the fee is fixed and determinable.

Software support contracts - the group recognises revenue on a straight-line basis over the period of the contract. Revenue not recognised in the profit and loss account under this policy is classified as deferred income in the balance sheet.

Service and maintenance contracts - the group recognises revenue in line with its obligations based on the contract. Revenue not recognised in the consolidated profit and loss account under this policy is classified as deferred income and held within other creditors in the balance sheet.

1.6 Government grants

Grants of a revenue nature are recognised in the consolidated profit and loss account in the same period as the related expenditure.

1.7 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the consolidated profit and loss account over its useful economic life assessed at 10 years.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1. Accounting policies (continued)

1.8 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 bases:

- | | |
|--------------------------|------------------------------|
| • Leasehold improvements | Over the period of the lease |
| • Plant and equipment | 20% straight-line |
| • Motor vehicles | 25% straight-line |
| • Fixtures and fittings | 15 - 33% 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 consolidated profit and loss account.

1.9 Investments

In the parent company financial statements the investment in the subsidiary is accounted for at cost less accumulated impairment.

Investments in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in the consolidated profit and loss account.

1.10 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 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 the consolidated profit and loss account.

1.11 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, and amounts owed to group undertakings.

All basic financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1. Accounting policies (continued)

1.12 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date 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 the consolidated profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

1.13 Operating leases

Rentals paid under operating leases are charged to the consolidated profit and loss account on a straight-line basis over the lease term.

1.14 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

1.15 Research and development

Research and development is written off in the year in which it is incurred.

1.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. The tax charge for the year comprises current and deferred tax.

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 by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

STELLAR ASSOCIATES 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

1. Accounting policies (continued)

1.17 Share options

On 13 December 2017 EMI options over 1,720 ordinary shares were granted to two managers in the company. These options have an exercise price of £0.36 per share. 25% of the option share will vest within 24 months, 25% will vest within 36 months, 25% within 48 months and vest in full within 60 months of the vesting commencement date.

On 1 June 2019 EMI options over 1,035 ordinary shares were granted to two managers in the company. These options have an exercise price of £0.36 per share. 25% of the option share will vest within 24 months, 25% will vest within 36 months, 25% within 48 months and vest in full within 60 months of the vesting commencement date.

On 1 September 2020 EMI options over 150 ordinary shares were granted to one manager in the company. These options have an exercise price of £0.36 per share. 25% of the option share will vest within 24 months, 25% will vest within 36 months, 25% within 48 months and vest in full within 60 months of the vesting commencement date.

No such charge was made to the consolidated profit and loss account under FRS 102 as the directors considered that such a charge would not be material.

2. Employees

The average monthly number of group employees, including directors, during the year was 49 (2020: 50).

The company has no employees other than the directors, who were remunerated via other group companies.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

3. Intangible assets

Group

	Goodwill £
Cost	
At 1 May 2020 and 30 April 2021	9,756,292
	<hr/>
Amortisation	
At 1 May 2020	2,598,061
Charge for the year	1,005,701
	<hr/>
At 30 April 2021	3,603,762
	<hr/>
Net book value	
At 30 April 2021	6,152,530
	<hr/> <hr/>
At 30 April 2020	7,158,231
	<hr/> <hr/>

The company has no intangible assets.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

4. Tangible fixed assets

Group

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 May 2020	28,516	177,994	231,525	102,359	540,394
Additions	1,650	2,851	59,883	18,107	82,491
Disposals	-	-	(88,206)	(941)	(89,147)
At 30 April 2021	30,166	180,845	203,202	119,525	533,738
Depreciation					
At 1 May 2020	7,683	166,872	150,692	68,617	393,864
Charge for the year	2,372	4,103	32,697	19,312	58,484
Disposals	-	-	(69,475)	(784)	(70,259)
At 30 April 2021	10,055	170,975	113,914	87,145	382,089
Net book value					
At 30 April 2021	20,111	9,870	89,288	32,380	151,649
At 30 April 2020	20,833	11,122	80,833	33,742	146,530

The company has no tangible fixed assets.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

5. Fixed asset investments

Company

Investments
in subsidiary
companies
£

Cost and net book value

At 1 May 2020 and at 30 April 2021

542,918

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Stellar Finance 1 Limited	United Kingdom	Ordinary	100%
Stellar Associates Limited	United Kingdom	Ordinary	100%
Esprit Automation Limited *	United Kingdom	Ordinary	100%
Esprit Automation SARL *	France	Ordinary	100%

* The investments in Esprit Automation Limited and Esprit Automation SARL are held indirectly.

6. Stocks

	Group 2021 £	Unaudited Group 2020 £	Company 2021 £	Unaudited Company 2020 £
Raw materials	890,580	661,801	-	-
Work in progress	1,153,773	868,496	-	-
	<u>2,044,353</u>	<u>1,530,297</u>	<u>-</u>	<u>-</u>

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

7. Debtors

	Group 2021 £	Unaudited Group 2020 £	Company 2021 £	Unaudited Company 2020 £
Due after more than one year				
Amounts owed by group undertakings	-	-	3,665,000	3,665,000
Due within one year				
Trade debtors	827,945	906,483	-	-
Amounts owed by group undertakings	-	-	93,025	93,025
Other debtors	325,941	202,903	-	-
	<u>1,153,886</u>	<u>1,109,386</u>	<u>3,758,025</u>	<u>3,758,025</u>

8. Creditors: amounts falling due within one year

	Group 2021 £	Unaudited Group 2020 £	Company 2021 £	Unaudited Company 2020 £
Bank overdrafts	4,488	-	-	-
Bank loans	719,448	614,924	-	-
Trade creditors	1,208,880	738,098	-	-
Other taxation and social security	776,442	252,200	-	-
Other creditors	584,921	848,934	-	-
Accruals and deferred income	2,824	2,824	-	-
	<u>3,297,003</u>	<u>2,456,980</u>	<u>-</u>	<u>-</u>

The bank loans are secured against the assets of the group.

9. Creditors: amounts falling due after more than one year

	Group 2021 £	Unaudited Group 2020 £	Company 2021 £	Unaudited Company 2020 £
Bank loans	<u>2,385,000</u>	<u>3,225,000</u>	<u>-</u>	<u>-</u>

The bank loans are secured against the assets of the group.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

10. Loans

The bank loans comprise of facility A with amounts borrowed of £3,500,000 and facility B with amounts borrowed for £2,000,000. The interest rate charged is LIBOR plus a margin on facility A is 3.45% and facility B is 3.95%.

The loans are repayable in quarterly instalments of £192,500 with the remaining balance to be repaid 2 April 2023.

	Group 2021 £	Unaudited Group 2020 £	Company 2021 £	Unaudited Company 2020 £
Amounts falling due within one year				
Bank loans	719,448	614,924	-	-
Amounts falling due 2-5 years				
Bank loans	2,385,000	1,575,000	-	-
Amounts falling due after more than 5 years				
Bank loans	-	1,650,000	-	-
	<u>3,104,448</u>	<u>3,839,924</u>	<u>-</u>	<u>-</u>

11. Share capital

	2021 £	Unaudited 2020 £
Allotted, called up and fully paid		
43,008 Ordinary shares of £1.00 each	43,008	43,008
14,335 Ordinary shares of £0.01 each	143	143
4,257,792 Preference shares of £1.00 each	4,257,792	4,257,792
	<u>4,300,943</u>	<u>4,300,943</u>

The preference shareholders have no voting rights.

12. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses, less dividends paid.

STELLAR ASSOCIATES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

13. Pension commitments

The group operates a defined contributions pension scheme. The assets of the schemes are held separately from those of the company in an independently-administered fund.

The pension cost represents contributions payable by the group of £34,071 (2020: £32,443). The amount unpaid at the year end totalled £9,855 (2020: £6,850).

14. Commitments under operating leases

At 30 April 2021 the group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Unaudited Group 2020 £
Not later than 1 year	102,214	100,551
Later than 1 year and not later than 5 years	392,277	378,248
Later than 5 years	94,562	189,124
	<u>589,053</u>	<u>667,923</u>

The company had no commitments under non-cancellable operating leases as at the balance sheet date.

15. Related party transactions

There were no related party transactions during the year other than with wholly-owned group companies. Amounts due from and amounts due to group undertakings are recorded on an arm's length basis. These amounts do not incur any interest unless specifically stated in a loan agreement between the two companies. Amounts due from and amounts due to group undertakings are repayable on demand.

The company has taken advantage of the exemption in FRS 102 Section 1AC.35 and has therefore not disclosed transactions or balances with entities which form part of the group.

16. Controlling party

The company is controlled by the board of directors by virtue of their position as officers of the company and also their shareholdings.

17. Auditor's information

As the profit and loss account 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.

The auditor was Cooper Parry Group Limited.

Neil Calder signed the auditor's report as Senior Statutory Auditor.