

STELLAR FINANCE 1 LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022



STELLAR FINANCE 1 LIMITED

COMPANY INFORMATION

Directors

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

Registered number

10960873

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

Bankers

Clydesdale Yorkshire Bank
137 New Street
Birmingham
B2 4NS

STELLAR FINANCE 1 LIMITED

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STELLAR FINANCE 1 LIMITED
REGISTERED NUMBER: 10960873

CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2022

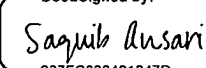
	Note	2022 £	2021 £
Fixed assets			
Intangible assets	3	5,121,768	6,067,320
Tangible fixed assets	4	337,301	151,649
		<u>5,459,069</u>	<u>6,218,969</u>
Current assets			
Stocks	6	2,703,152	2,044,353
Debtors		1,080,990	1,153,886
Cash at bank and in hand		1,009,723	1,769,339
		<u>4,793,865</u>	<u>4,967,578</u>
Creditors: amounts falling due within one year	7	<u>(3,581,823)</u>	<u>(3,599,315)</u>
Net current assets		<u>1,212,042</u>	<u>1,368,263</u>
Total assets less current liabilities		<u>6,671,111</u>	<u>7,587,232</u>
Creditors: amounts falling due after more than one year	8	<u>(8,688,954)</u>	<u>(6,050,000)</u>
Provisions for liabilities			
Deferred taxation		(33,527)	(2,510)
Net (liabilities)/assets		<u>(2,051,370)</u>	<u>1,534,722</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	(2,051,371)	1,534,721
Shareholders' (deficit)/funds		<u>(2,051,370)</u>	<u>1,534,722</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 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:

237FC832421847D...

M S Ansari
Director

Date: 25 October 2022

The notes on pages 5 to 15 form part of these financial statements.

STELLAR FINANCE 1 LIMITED
REGISTERED NUMBER: 10960873

COMPANY BALANCE SHEET
AS AT 30 APRIL 2022

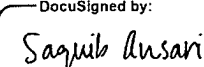
	Note	2022 £	2021 £
Fixed assets			
Investments	5	14,719,337	14,719,337
Current assets			
Debtors		16,000	16,000
Cash at bank and in hand		15,289	-
		<u>31,289</u>	<u>16,000</u>
Creditors: amounts falling due within one year	7	(695,838)	(1,030,287)
Net current liabilities		(664,549)	(1,014,287)
Total assets less current liabilities		14,054,788	13,705,050
Creditors: amounts falling due after more than one year	8	(13,237,118)	(8,843,539)
Net assets		<u>817,670</u>	<u>4,861,511</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account		817,669	4,861,510
Shareholders' funds		<u>817,670</u>	<u>4,861,511</u>

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

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STELLAR FINANCE 1 LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 May 2021	1	1,534,721	1,534,722
Profit for the year	-	1,145,908	1,145,908
Dividends paid	-	(4,732,000)	(4,732,000)
At 30 April 2022	1	(2,051,371)	(2,051,370)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 May 2020	1	914,580	914,581
Profit for the year	-	620,141	620,141
At 30 April 2021	1	1,534,721	1,534,722

The notes on pages 5 to 15 form part of these financial statements.

STELLAR FINANCE 1 LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 May 2021	1	4,861,510	4,861,511
Profit for the year	-	688,159	688,159
Dividends paid	-	(4,732,000)	(4,732,000)
At 30 April 2022	1	817,669	817,670

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 May 2020	1	5,068,846	5,068,847
Loss for the year	-	(207,336)	(207,336)
At 30 April 2021	1	4,861,510	4,861,511

The notes on pages 5 to 15 form part of these financial statements.

STELLAR FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

Stellar Finance 1 Limited (the 'company') is a limited liability company incorporated and domiciled in England and Wales. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in Sterling (£), which the functional currency of the company. The financial statements are for the year ended 30 April 2022 (2021: year ended 30 April 2021).

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 company's accounting policies.

The following principal accounting policies have been consistently applied:

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 exemptions:

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.

Under FRS 102 Section 1.12, the company is exempt from the requirements to prepare a statement of cash flows on the grounds that its parent company, Stellar Associates 1 Limited, includes the company's cash flows in its consolidated financial statements.

1.4 Going concern

At the balance sheet date, the group had strong cash balances of £1,009,723 and net current assets balance of £1,212,042 but net liabilities of £2,051,370 following the payment of a dividend of £4,732,000 to the ultimate parent company, Stellar Associates 1 Limited. 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 FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

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, services 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 agreement, 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 consolidated profit and loss account under this policy is classified as deferred income and held within other creditors in the balance sheet.

Service and maintenance contracts - the company recognises revenue in line with its obligations based on the contract. Revenue not recognised in the 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 profit and loss account in the same period as the related expenditure.

1.7 Intangible assets

Goodwill

Goodwill represents the difference between the 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 FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

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 losses.

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 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the group becomes aware of the obligation, and are measured at the best estimate of the recoverable amount at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

STELLAR FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

1. Accounting policies (continued)

1.12 Financial instruments

The group 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, loans from banks and other third parties and loans to related parties.

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 group would receive for the asset if it were to be sold at the balance sheet date.

1.13 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year 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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated profit and loss account.

1.14 Operating leases

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

1.15 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.

1.16 Research and development

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

STELLAR FINANCE 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

1. Accounting policies (continued)

1.17 Taxation

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.

2. Employees

The average monthly number of employees, including directors, during the year was 62 (2021: 49).

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

STELLAR FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

3. Intangible assets

Group

	Goodwill £
Cost	
At 1 May 2021 and 30 April 2022	9,455,548
Amortisation	
At 1 May 2021	3,388,228
Charge for the year	945,552
At 30 April 2022	4,333,780
Net book value	
At 30 April 2022	5,121,768
At 30 April 2021	6,067,320

The company has no intangible assets.

STELLAR FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

4. Tangible fixed assets

Group

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 May 2021	30,166	180,845	203,202	119,525	533,738
Additions	6,342	119,924	88,471	40,723	255,460
Disposals	-	-	(44,736)	-	(44,736)
At 30 April 2022	36,508	300,769	246,937	160,248	744,462
Depreciation					
At 1 May 2021	10,055	170,975	113,914	87,145	382,089
Charge for the year	2,379	9,416	34,174	21,046	67,015
Disposals	-	-	(41,943)	-	(41,943)
At 30 April 2022	12,434	180,391	106,145	108,191	407,161
Net book value					
At 30 April 2022	24,074	120,378	140,792	52,057	337,301
At 30 April 2021	20,111	9,870	89,288	32,380	151,649

The company has no assets.

STELLAR FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

5. Fixed asset investments

Company

Investments
in subsidiary
companies
£

Cost and net book value

At 1 May 2021 and at 30 April 2022

14,719,337

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Esprit Automation Limited	(1)	Ordinary	100%
Esprit Automation SARL *	(2)	Ordinary	100%
Esprit Automation Sp. z o.o. *	(3)	Ordinary	100%

* The investments in Esprit Automation SARL & Esprit Automation Sp. z o.o. are held indirectly.

Registered offices:

(1) Plackett Mill, Church Drive, Sandiacre, Nottingham, NG10 5EE

(2) 8 Chemin de la noue, 21600, Longvic, France

(3) ul. Kapitałowa 3, 35-213 Rzeszów, Poland

6. Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Raw materials	1,380,128	890,580	-	-
Work in progress	1,323,024	1,153,773	-	-
	<u>2,703,152</u>	<u>2,044,353</u>	<u>-</u>	<u>-</u>

STELLAR FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

7. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank overdrafts	-	4,488	-	4,488
Bank loans	693,016	719,448	693,016	719,448
Trade creditors	1,605,525	1,208,881	-	-
Amounts owed to group undertakings	1,583	303,527	-	303,527
Corporation tax	72,458	-	-	-
Other taxation and social security	506,026	776,442	-	-
Other creditors	700,393	583,705	-	-
Accruals and deferred income	2,822	2,824	2,822	2,824
	<u>3,581,823</u>	<u>3,599,315</u>	<u>695,838</u>	<u>1,030,287</u>

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	4,600,000	2,385,000	4,600,000	2,385,000
Amounts owed to group undertakings	4,088,954	3,665,000	8,637,118	6,458,539
	<u>8,688,954</u>	<u>6,050,000</u>	<u>13,237,118</u>	<u>8,843,539</u>

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

9. Loans

The bank loans comprise of facility A with amounts borrowed of £4,000,000 and facility B with amounts borrowed for £2,000,000. The interest rate charged is the Bank of England base rate plus a margin on facility A of 3.50% and facility B of 4.00%.

Facility A is repayable in quarterly instalments of £200,000 with the remaining balance to be repaid on 30 September 2026. Facility B is repayable in full on 30 September 2026.

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts falling due within one year				
Bank loans	693,016	719,448	693,016	719,448
Amounts falling due 2-5 years				
Bank loans	4,600,000	2,385,000	4,600,000	2,385,000
Amounts falling due after more than 5 years				
	<u>5,293,016</u>	<u>3,104,448</u>	<u>5,293,016</u>	<u>3,104,448</u>

STELLAR FINANCE 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
10 Ordinary shares of £0.10 each	1	1

11. Reserves

Profit and loss account

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

12. Pension commitments

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

The pension cost represents contributions payable by the group of £43,440 (2021: £34,071). The amount unpaid at the year end totalled £12,295 (2021: £9,855).

13. Commitments under operating leases

At 30 April 2022 the group had future minimum lease payments due under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £
Not later than 1 year	102,214	102,214
Later than 1 year and not later than 5 years	384,625	392,277
Later than 5 years	-	94,562
	<u>486,839</u>	<u>589,053</u>

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

14. 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.

STELLAR FINANCE 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

15. Ultimate parent company and controlling party

The company is controlled by the board of directors of its immediate and ultimate parent company Stellar Associates 1 Limited.

The parent undertaking of the largest group for which consolidated financial statements are prepared is Stellar Associates 1 Limited. Consolidated financial statements are available from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

16. 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.