

Company registration number SC171778 (Scotland)

**KEY-TECH (SCOTLAND) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2023**

**PAGES FOR FILING WITH REGISTRAR**

# KEY-TECH (SCOTLAND) LIMITED

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# KEY-TECH (SCOTLAND) LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	4		176,947		301,484
<b>Current assets</b>					
Stocks		751,149		883,995	
Debtors	5	3,004,804		2,797,686	
Cash at bank and in hand		170,550		207,952	
		<u>3,926,503</u>		<u>3,889,633</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(1,604,461)</u>		<u>(1,944,230)</u>	
<b>Net current assets</b>			<u>2,322,042</u>		<u>1,945,403</u>
<b>Total assets less current liabilities</b>			<u>2,498,989</u>		<u>2,246,887</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(105,016)		(174,010)
<b>Provisions for liabilities</b>			<u>(57,192)</u>		<u>(53,408)</u>
<b>Net assets</b>			<u><u>2,336,781</u></u>		<u><u>2,019,469</u></u>
<b>Capital and reserves</b>					
Called up share capital			51,189		51,189
Share premium account			11,664		11,664
Profit and loss reserves			<u>2,273,928</u>		<u>1,956,616</u>
<b>Total equity</b>			<u><u>2,336,781</u></u>		<u><u>2,019,469</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 5 December 2023 and are signed on its behalf by:

**Mr J Spence**  
*Director*

**Company Registration No. SC171778**

# KEY-TECH (SCOTLAND) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2023

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 May 2021</b>		51,189	11,664	1,563,153	1,626,006
<b>Year ended 30 April 2022:</b>					
Profit and total comprehensive income for the year		-	-	494,563	494,563
Dividends	3	-	-	(101,100)	(101,100)
<b>Balance at 30 April 2022</b>		51,189	11,664	1,956,616	2,019,469
<b>Year ended 30 April 2023:</b>					
Profit and total comprehensive income for the year		-	-	417,812	417,812
Dividends	3	-	-	(100,500)	(100,500)
<b>Balance at 30 April 2023</b>		51,189	11,664	2,273,928	2,336,781

# KEY-TECH (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

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### 1 Accounting policies

#### Company information

Key-Tech (Scotland) Limited is a private company limited by shares incorporated in Scotland. The registered office is Crescent House, Carnegie Campus, Dunfermline, Fife, KY11 8GR.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors consider that the company has adequate resources to continue in operational existence for a period of not less than twelve months. The directors have reviewed the cashflow requirements and are satisfied that the business has sufficient cash reserve and net income and consider that both short term liquidity and longer term financial viability is appropriate and as such continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	7.7% straight line
Plant and machinery	20% straight line
Fixtures and fittings	20% straight line
Computer equipment	33% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# KEY-TECH (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# KEY-TECH (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and hire purchase agreements, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.10 Taxation**

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

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.11 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

# KEY-TECH (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 1 Accounting policies

(Continued)

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	66	63

### 3 Dividends

	2023 £	2022 £
Final paid	100,500	101,100



# KEY-TECH (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 4 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 May 2022	216,814	1,797,121	34,519	50,398	92,679	2,191,531
Additions	-	17,914	2,240	5,102	-	25,256
Disposals	-	-	-	-	(92,679)	(92,679)
At 30 April 2023	216,814	1,815,035	36,759	55,500	-	2,124,108
<b>Depreciation and impairment</b>						
At 1 May 2022	213,358	1,599,050	23,093	31,377	23,169	1,890,047
Depreciation charged in the year	1,505	63,860	3,656	11,262	-	80,283
Eliminated in respect of disposals	-	-	-	-	(23,169)	(23,169)
At 30 April 2023	214,863	1,662,910	26,749	42,639	-	1,947,161
<b>Carrying amount</b>						
At 30 April 2023	1,951	152,125	10,010	12,861	-	176,947
At 30 April 2022	3,456	198,071	11,426	19,021	69,510	301,484

Assets with a carrying amount of £176,947 (2022 - £301,484) have been pledged to secure borrowings of the company.

### 5 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,105,799	1,501,022
Amounts owed by group undertakings	1,351,021	1,277,789
Other debtors	547,984	18,875
	3,004,804	2,797,686

# KEY-TECH (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 6 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,317,372	1,384,572
Taxation and social security	158,854	156,567
Other creditors	128,235	403,091
	<u>1,604,461</u>	<u>1,944,230</u>

The Royal Bank of Scotland plc holds a bond and floating charge dated 11 August 2000 and 12 May 2005 over all the assets of the company.

### 7 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other creditors	<u>105,016</u>	<u>174,010</u>

### 8 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
<b>Balances:</b>		
Accelerated capital allowances	19,921	37,438
Tax losses	-	(21,301)
	<u>19,921</u>	<u>16,137</u>
<b>Movements in the year:</b>		2023 £
Liability at 1 May 2022		16,137
Charge to profit or loss		3,784
Liability at 30 April 2023		<u>19,921</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

# KEY-TECH (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2023**

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### 9 Audit report information

As the income statement 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.

Senior Statutory Auditor:	Sharon Collins
Statutory Auditor:	Thomson Cooper

### 10 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023	2022
£	£
457,125	525,124
<u>          </u>	<u>          </u>

### 11 Parent company

The parent company of Key-Tech (Scotland) Limited is Key-Tech Electronics Limited and its registered office is is Crescent House, Carnegie Campus, Dunfermline, Fife KY11 8GR.

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.