

Company Registration No. 03951010 (England and Wales)

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

PAGES FOR FILING WITH REGISTRAR

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	5	1,025,487		711,339	
Investments	6	311,211		311,211	
		<u>1,336,698</u>		<u>1,022,550</u>	
Current assets					
Stocks		492,969		388,709	
Debtors	7	687,566		690,221	
Cash at bank and in hand		108,853		134,569	
		<u>1,289,388</u>		<u>1,213,499</u>	
Creditors: amounts falling due within one year	8	<u>(512,331)</u>		<u>(178,050)</u>	
Net current assets		<u>777,057</u>		<u>1,035,449</u>	
Total assets less current liabilities		<u>2,113,755</u>		<u>2,057,999</u>	
Creditors: amounts falling due after more than one year	9	<u>(787,638)</u>		<u>(576,243)</u>	
Net assets		<u>1,326,117</u>		<u>1,481,756</u>	
Capital and reserves					
Called up share capital	10	580,100		580,100	
Profit and loss reserves		746,017		901,656	
Total equity		<u>1,326,117</u>		<u>1,481,756</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 21 March 2022 and are signed on its behalf by:

Mr J A Hutchison
Director

Company Registration No. 03951010

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

UEI Fine Cut Limited t/a UEI Falcontec Limited is a private company limited by shares incorporated in England and Wales. The registered office is Falcon House, Mucklow Hill, Halesowen, West Midlands, B62 8DT.

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 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.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 4 or 5 years.

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:

Land and buildings Leasehold	20% straight line basis
Plant and machinery	6% - 33% straight line basis
Fixtures, fittings & equipment	25% straight line basis
Computer equipment	20% - 33% straight line basis
Motor vehicles	25% straight line basis
Computer software	20% - 33% straight line basis

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.

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 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.

1.8 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.

1.9 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.

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

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.

1.10 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.

1.11 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.13 Leases

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.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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:

	2021 Number	2020 Number
Total	31	40

3 Taxation

The company has estimated losses of £1,145,026 (2020 £620,479) available for carry forward against future trading profits.

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2021 and 31 December 2021	586,892
Amortisation and impairment	
At 1 January 2021 and 31 December 2021	586,892
Carrying amount	
At 31 December 2021	-
At 31 December 2020	-

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Tangible fixed assets									
		Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Computer software	Total	
Cost		£	£	£	£	£	£	£	
At 1 January 2021		122,281	1,678,231	48,780	73,631	22,767	17,684	1,963,374	
Additions		12,513	442,482	5,749	2,589	-	-	463,333	
Disposals		-	(172,362)	-	-	-	-	(172,362)	
At 31 December 2021		134,794	1,948,351	54,529	76,220	22,767	17,684	2,254,345	
Depreciation and impairment									
At 1 January 2021		116,538	997,194	41,420	62,759	18,924	15,200	1,252,035	
Depreciation charged in the year		6,217	112,612	2,995	6,876	3,843	468	133,011	
Eliminated in respect of disposals		-	(156,188)	-	-	-	-	(156,188)	
At 31 December 2021		122,755	953,618	44,415	69,635	22,767	15,668	1,228,858	
Carrying amount									
At 31 December 2021		12,039	994,733	10,114	6,585	-	2,016	1,025,487	
At 31 December 2020		5,743	681,037	7,360	10,872	3,843	2,484	711,339	

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	311,211	311,211

Fixed asset investments not carried at market value

The value of investments has been determined by historical cost rather than market value, and represents the holding of shares in the dormant company, UEI Falcontec Limited.

7 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	648,192	628,983
Other debtors	-	36,094
Prepayments and accrued income	39,374	25,144
	687,566	690,221

8 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	106,295	76,792
Amounts owed to group undertakings	349,039	-
Taxation and social security	37,085	77,490
Other creditors	19,912	23,768
	512,331	178,050

Included within creditors is an amount due to the parent company of £444,444 that is secured by a fixed and floating charge over all assets, property and undertaking of the company. An amount of £63,492 (2020 £0) is included within creditors due within one year and £380,952 (2020 £0) is included in creditors due in more than one year.

9 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Amounts owed to parent company	787,638	576,243

UEI FINE CUT LIMITED T/A UEI FALCONTEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Creditors: amounts falling due after more than one year (Continued)

Creditors which fall due after five years are as follows:	2021	2020
	£	£
Payable by instalments	126,984	-
Payable other than by instalments	406,686	582,787
	<u>533,670</u>	<u>582,787</u>

10 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary Shares of £1 each	100	100	580,100	580,100
	<u>100</u>	<u>100</u>	<u>580,100</u>	<u>580,100</u>

11 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.

The senior statutory auditor was Frances Clapham and the auditor was CK Audit.

12 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:

	2021	2020
	£	£
	80,746	130,508
	<u>80,746</u>	<u>130,508</u>

13 Parent company

The immediate and ultimate parent company is UEI Group Inc., a company incorporated in the United States of America.

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.