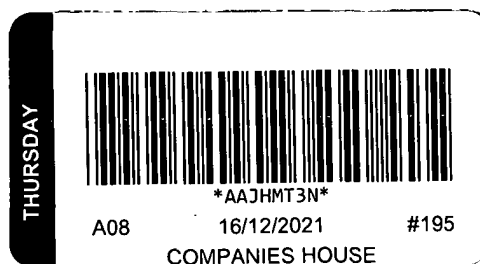


CARVILLE SWITCHGEAR LIMITED
Annual Report and audited Financial Statements
Year ended 31 December 2020



Registered in England and Wales No. 02997335

CARVILLE SWITCHGEAR LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

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CARVILLE SWITCHGEAR LIMITED
STRATEGIC REPORT

PRINCIPAL ACTIVITY

The principal activity of the company is the manufacture of low voltage switchboards and motor control panels.

BUSINESS REVIEW

The year ended 31st December 2020 saw the company produce a loss on ordinary activities before taxation of £(119,449) (2019: profit £252,869).

The company had an average of 22 employees during the current financial year (2019: 24).

The audited financial statements of the company for the year ended 31st December 2020 are set out on pages 6 to 13.

KEY PERFORMANCE INDICATORS

The Board of Directors use the following key performance indicators to measure the performance of the company compared to the previous annualised period:

	2020	2019
Sales decrease compared to previous year	(36)%	(9)%
- fall in sales due to pandemic		
Sales per employee (£'000)	102	146
- shows the reduced demand from customers		
Shareholders' funds (£ millions)	1.13	1.23
- decrease in net assets reflects loss during the pandemic		
No. of employees		
- reduction due to fall in orders due to the pandemic	22	24

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors identify, assess and monitor the principal risks that the company faces as a business.

Covid 19 risk

Since the balance sheet date the vaccination programme has reduced the level of Covid deaths significantly and we have reached step 4 on the government's roadmap of easing restrictions, the Directors are cautiously optimistic that the economic recovery will continue.

Market risk

We continue to face uncertainty in the market from the United Kingdom's exit from the European Union and how that will affect exports and imports from and into the United Kingdom. Where possible the Directors have replaced European suppliers with UK based suppliers of components to reduce the risk.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a variety of financial risks: credit risk and liquidity risk.

Credit Risk

The company's principal financial assets are bank balances, stock, trade and other receivables.

The company's credit risk is attributable to its trade receivables, an allowance for impairment is only made where there is an identified loss event.

Credit risk management is carried out by the Directors using financial data obtained from Companies House in order to monitor the credit risk of the company's major customers.

Liquidity Risk

Liquidity risk management includes maintaining sufficient cash and having available funding from cash reserves to meet the day to day requirements of the company.

The company's forecasts and projections show that taking into account reasonably possible changes in the trading performance of the company, it will be able to operate within the current facilities available.

The strategic report of Carville Switchgear Limited was approved by the Board of Directors and signed on its behalf on 10 December 2021 by:



C.L. Boundy
Secretary

CARVILLE SWITCHGEAR LIMITED

DIRECTORS' REPORT

The Directors present their Annual Report and the audited financial statements for the year ended 31 December 2020.

GOING CONCERN

The Directors have adopted the going concern basis in preparing these financial statements after assessing the principal risks and having considered the impact of ongoing Covid 19 regulations in the forecasts and projections. The forecasts after taking account of reasonably possible changes in trading performance, do not indicate that the company will need any financial support for the coming period of not less than twelve months from the date of signing the financial statements, and the ultimate parent has confirmed that it will provide financial support, the provision of which is not a legally binding commitment, for the next twelve months should it be required.

DIRECTORS

The Directors who served during the year ended 31 December 2020 and thereafter, except as otherwise noted were:

D.A.Smith
M.L.Colling
N.E.Barnes
A.R. Seccombe
K.J.Chapman (appointed 15 February 2021)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of financial risk management objectives and policies are included in the Strategic Report.

DIVIDENDS

The Directors do not propose a final dividend (2019: £nil).

FUTURE DEVELOPMENTS

Since the balance sheet date the vaccination programme has reduced the level of Covid deaths significantly and we have reached step 4 on the government's roadmap of easing restrictions, the Directors are cautiously optimistic that the economic recovery will continue.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the year liability insurance for its Directors and Officers as permitted by Section 236 of the Companies Act 2006 was maintained.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and the Financial Statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year.

Under that law the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland."

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As permitted by Section 414c of the Companies Act 2006, details of future developments, financial risk management objectives and policies are presented in the Strategic Report.

CARVILLE SWITCHGEAR LIMITED
DIRECTORS' REPORT (CONTINUED)

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware there is no relevant audit information of which the company's auditor is unaware; and
- the Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BDO LLP have expressed their willingness to continue in office as auditor and a resolution to re-appoint BDO LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:



C.L. Boundy
Secretary
10 December 2021

CARVILLE SWITCHGEAR LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARVILLE SWITCHGEAR LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Carville Switchgear Limited ("the company") for the year ended 31 December 2020 which comprise the profit and loss account, balance sheet, statement of changes in equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding and accumulated knowledge of the company and the sector in which it operates we considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the company accounting policies, United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the UK Companies Act 2006; those that relate to the payment of employees; and industry related such as compliance with health and safety legislation. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates as well as inappropriate revenue cut-off. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the recoverability of receivables;
- Identifying and testing journal entries, in particular review of journal entries posted over the weekend, journals posted with rounded amounts, journals posted to the least used accounts, manual journals to revenue, manual journals to cash, high value journals recorded, journals posted by specific users and journals including specific keywords;
- Testing a sample of revenue recognised either side of the period end to ensure revenue has been recognised in the correct period;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- Review of minutes of Board meetings throughout the period.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Gary Harding

GARY HARDING (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Manchester

United Kingdom

Date: 10 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CARVILLE SWITCHGEAR LIMITED
PROFIT AND LOSS ACCOUNT
Year ended 31st December 2020

	<u>Notes</u>	Year ended <u>31.12.20</u> £	Year ended <u>31.12.19</u> £
<u>TURNOVER</u>	3	2,235,396	3,504,671
Less: Cost of sales		<u>(1,763,142)</u>	<u>(2,665,241)</u>
<u>GROSS PROFIT</u>		472,254	839,430
Distribution costs		(37,310)	(52,964)
Administration expenses		(601,239)	(544,309)
OPERATING (LOSS)/PROFIT		<u>(166,295)</u>	<u>242,157</u>
Other income	4	46,846	10,712
<u>(LOSS)/PROFIT BEFORE TAXATION</u>	4	<u>(119,449)</u>	<u>252,869</u>
Tax on loss/(profit)	7	22,219	(48,971)
<u>(LOSS)/PROFIT FOR THE YEAR</u>		<u><u>(97,230)</u></u>	<u><u>203,898</u></u>

All amounts relate to continuing operations.

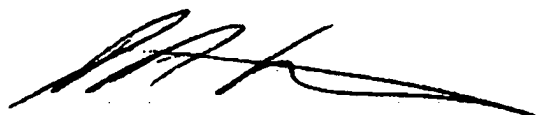
The company has no items of comprehensive income other than those included in the profit and loss account above and therefore no separate statement of comprehensive income has been presented.

The accompanying notes form part of these financial statements.

CARVILLE SWITCHGEAR LIMITED
BALANCE SHEET
As at 31 December 2020

	<u>Notes</u>	<u>31.12.20</u>	<u>31.12.19</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible assets	8	100,220	125,973
<u>CURRENT ASSETS</u>			
Stocks	9	325,903	195,371
Debtors	10	363,493	786,196
Cash at bank and in hand		774,358	674,783
		<u>1,463,754</u>	<u>1,656,350</u>
<u>CREDITORS: amounts falling due within one year</u>	11	<u>(421,773)</u>	<u>(540,029)</u>
<u>NET CURRENT ASSETS</u>		<u>1,041,981</u>	<u>1,116,321</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>1,142,201</u>	<u>1,242,294</u>
<u>PROVISIONS FOR LIABILITIES</u>	12	<u>(8,609)</u>	<u>(11,472)</u>
<u>NET ASSETS</u>		<u><u>1,133,592</u></u>	<u><u>1,230,822</u></u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	13	676	676
Share premium		1,365	1,365
Capital redemption reserve		459	459
Profit and loss account	14	1,131,092	1,228,322
<u>TOTAL SHAREHOLDERS' FUNDS</u>		<u><u>1,133,592</u></u>	<u><u>1,230,822</u></u>

These Financial Statements of Carville Switchgear Limited (Company registration number 02997335) were approved by the Board of Directors on 10 December 2021 and were signed on its behalf by:



D.A.Smith
 Director

The accompanying notes form part of these financial statements.

CARVILLE SWITCHGEAR LIMITED
STATEMENT OF CHANGES IN EQUITY
Year ended 31st December 2020

		Called up share capital £	Capital reserves £	Profit and loss account £	Total £
	<u>Notes</u>				
At 1st January 2019		676	1,824	1,024,424	1,026,924
Profit and other comprehensive income for year		-	-	203,898	203,898
Total comprehensive income in year		-	-	203,898	203,898
<u>Contribution by and distribution to owners</u>					
Dividends paid on equity shares	6	-	-	-	-
At 31st December 2019		676	1,824	1,228,322	1,230,822
Loss and other comprehensive expense for year		-	-	(97,230)	(97,230)
Total comprehensive expense in year		-	-	(97,230)	(97,230)
At 31st December 2020		676	1,824	1,131,092	1,133,592

The accompanying notes form part of these financial statements.

CARVILLE SWITCHGEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st December 2020

1 ACCOUNTING POLICIES

Carville Switchgear Limited is a private company limited by shares and is incorporated in England and Wales, registration number 02997335. The principal place of business and registered office is Consort House, Jubilee Road, Burgess Hill, West Sussex, RH15 9SA.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of these financial statements. Exemptions have been taken in relation to financial instruments, related group transactions and remuneration of key management personnel.

Going concern

The Directors have adopted the going concern basis in preparing these financial statements after assessing the principal risks and having considered the impact of ongoing Covid 19 regulations in the forecasts and projections. The forecasts after taking account of reasonably possible changes in trading performance, do not indicate that the company will need any financial support for the coming period of not less than twelve months from the date of signing the financial statements, and the ultimate parent has confirmed that it will provide financial support, the provision of which is not a legally binding commitment, for the next twelve months should it be required.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided on all assets other than freehold land, at rates calculated to write off the cost less estimated residual value, of each asset, over its expected useful life as follows:

Plant and machinery - 20% per year reducing balance basis

Motor vehicles - 25% per year reducing balance basis

Leasehold land and buildings improvements - straight line over 10 years

Taxation

Current taxation is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Pensions

The company operates a defined contribution pension scheme and the amount charged to the profit and loss account is the contributions payable in the year. Differences between contributions payable and contributions actually paid are shown as either accruals or prepayments in the balance sheet (2020 & 2019: £nil).

Financial Instruments

Financial Instruments and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price, except for those financial assets classified at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the transaction constitutes a financing transaction where it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

CARVILLE SWITCHGEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st December 2020

1 ACCOUNTING POLICIES (CONTINUED)

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises the actual cost of raw materials and an appropriate proportion of labour and overheads in the case of work in progress and finished goods. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow moving items where appropriate.

Hire purchase and operating leases

Assets obtained under hire purchase agreements are capitalised in the balance sheet and depreciated over their useful lives. The interest element of these obligations is charged to the profit and loss account over the relevant period. Rentals on operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements

In the opinion of the Directors there are no critical accounting judgements.

Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed below:

Stock provisions

Stocks are stated at the lower of cost and net realisable value and the Directors review items for impairment and where appropriate provision is made and the loss recognised in the profit and loss account.

3 TURNOVER

Turnover comprises the sale of goods and services from continuing operations excluding sales related taxes and after deducting discounts taken and retentions. Sales are recognised after despatch of the goods and completion of the services. All sales are to businesses located in the United Kingdom.

	<u>Y/E 31.12.20</u>	<u>Y/E 31.12.19</u>
	£	£
Product sales	2,158,363	3,524,451
Sundry sales	8,146	19,118
Retentions and other	68,887	(38,898)
	<u>2,235,396</u>	<u>3,504,671</u>

4 (LOSS)/PROFIT BEFORE TAXATION

	<u>Y/E 31.12.20</u>	<u>Y/E 31.12.19</u>
	£	£
(Loss)/profit before taxation is stated after charging:		
Cost of stock recognised within cost of sales	1,080,813	1,468,367
Defined contribution scheme costs (excluding life assurance)	33,667	32,858
Depreciation	28,736	36,665
Rent on leasehold land and buildings	32,250	64,500
Grant income from Job retention scheme	43,456	-
Bank interest receivable	3,390	10,712
Fees payable to the Company's Auditor for the audit of the Company's annual financial statements	<u>9,000</u>	<u>8,000</u>

No non-audit services were provided by BDO LLP (2019: nil).

CARVILLE SWITCHGEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st December 2020

5 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

a. Staff costs (including Directors)

Wages and salaries
Social security costs
Other pension costs

Y/E 31.12.20	Y/E 31.12.19
£	£
866,445	928,047
88,675	93,582
33,667	32,858
988,787	1,054,487

The average number of persons (including Directors) employed by the Company during the year was:

Administrative staff
Direct production staff

Y/E 31.12.20	Y/E 31.12.19
Number	Number
15	17
7	7
22	24

b. Directors' Remuneration

The total amounts for Directors' remuneration was as follows:

Directors' remuneration
Directors' pension contributions to money purchase schemes

Y/E 31.12.20	Y/E 31.12.19
£	£
-	33,000
-	-
-	33,000

Directors' Remuneration (continued)

Remuneration of highest paid Director:

Emoluments
Contribution to money purchase pension schemes

Y/E 31.12.20	Y/E 31.12.19
£	£
-	33,000
-	-
-	33,000

6 DIVIDENDS PAID

Interim dividends paid per share - £nil (2019: £nil)

Y/E 31.12.20	Y/E 31.12.19
£	£
-	-

7 ANALYSIS OF TAX CHARGE

Current tax

UK corporation tax on profit for the year
Prior year adjustment

Y/E 31.12.20	Y/E 31.12.19
£	£
(19,278)	54,009
(78)	75
(19,356)	54,084

Deferred tax

Origination and reversal of timing differences
Total tax (credit)/charge

Y/E 31.12.20	Y/E 31.12.19
(2,863)	(5,113)
(22,219)	48,971

The standard rate of tax applied to reported profit is 19% (2019: 19%).

Reconciliation of current tax charge:

The current tax charge is higher than that arising from applying the standard rate of UK corporation tax of 19% (2019: 19%), the differences are explained below:

	Y/E 31.12.20	Y/E 31.12.19
	£	£
(Loss)/profit on activities before taxation	(119,449)	252,869
UK corporation tax at standard rate of 19% (2019: 19%)	(22,695)	48,045
Effect of:		
Expenses not deductible for tax purposes	-	698
Prior year adjustment	(78)	75
Short term timing differences	554	153
Total tax (credit)/charge	(22,219)	48,971

Factors that may affect future tax charges:

An increase in the future main corporation tax rate to 25% from 1 April 2023, from the previously enacted 19%, was announced at the budget on 3 March 2021 and substantively enacted on 24 May 2021.

CARVILLE SWITCHGEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st December 2020

8 <u>TANGIBLE FIXED ASSETS</u>	<u>Leasehold land & Buildings</u>	<u>Motor Vehicles</u>	<u>Plant and Machinery</u>	<u>Total</u>
<u>Cost</u>	£	£	£	£
<u>At 1st January 2020</u>	39,102	112,214	150,864	302,180
Additions	-	-	2,983	2,983
Disposals	-	-	-	-
<u>At 31st December 2020</u>	<u>39,102</u>	<u>112,214</u>	<u>153,847</u>	<u>305,163</u>
<u>Depreciation</u>				
<u>At 1st January 2020</u>	39,102	52,537	84,568	176,207
Charge for the year	-	14,919	13,817	28,736
On disposals	-	-	-	-
<u>At 31st December 2020</u>	<u>39,102</u>	<u>67,456</u>	<u>98,385</u>	<u>204,943</u>
<u>NET BOOK VALUE</u>				
<u>At 31st December 2020</u>	<u>-</u>	<u>44,758</u>	<u>55,462</u>	<u>100,220</u>
<u>At 31st December 2019</u>	<u>-</u>	<u>59,677</u>	<u>66,296</u>	<u>125,973</u>

9 <u>STOCKS</u>	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Raw materials	118,342	158,874
Work in progress	207,561	36,497
	<u>325,903</u>	<u>195,371</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

10 <u>DEBTORS</u>	<u>31.12.20</u>	<u>31.12.19</u>
<u>Amounts falling due within one year:</u>	£	£
Trade debtors	264,579	680,158
Prepayments and other debtors	98,914	106,038
	<u>363,493</u>	<u>786,196</u>

11 <u>CREDITORS</u>	<u>31.12.20</u>	<u>31.12.19</u>
<u>Amounts falling due within one year:</u>	£	£
Obligations under hire purchase agreements	-	8,158
Trade creditors	207,064	195,063
Due to related company	-	804
Taxes and social security	55,094	138,569
Accruals and deferred income	124,962	143,426
Corporation tax	34,653	54,009
	<u>421,773</u>	<u>540,029</u>

The amount due to a related company is interest free and payable at the end of the month after invoice.

12 <u>PROVISIONS FOR LIABILITIES</u>	<u>Accelerated capital allowances</u>
Deferred tax liability:	£
At 1 January 2020	11,472
Released to profit and loss account	(2,863)
At 31 December 2020	<u>8,609</u>

CARVILLE SWITCHGEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st December 2020

13 <u>SHARE CAPITAL</u>	31.12.20	31.12.19
<u>Allotted, Issued and Fully Paid</u>	£	£
476 'A' ordinary shares of £1 each	476	476
100 'B' ordinary shares of £1 each	100	100
100 'S' ordinary shares of £1 each	100	100
	<u>676</u>	<u>676</u>

14 RESERVES

Called up share capital represents the nominal value of shares that have been issued.

Profit and loss account includes all current and prior period retained profits and losses net of dividends.

15 PENSIONS

The company operates a defined contribution benefit scheme for all qualifying employees, contributions charged to the profit and loss account in the year ended 31st December 2020 were £33,667 (2019: £32,858). Life assurance costs also charged to the profit and loss account in the year ended 31st December 2020 were £6,092 (2019: £5,930).

16 CAPITAL COMMITMENTS

At 31 December 2020 the company had capital commitments of £nil (2019: £nil).

17 FINANCIAL COMMITMENTS

Total future minimum payments under non-cancellable operating leases are:

	31.12.20	31.12.19
Leasehold land and buildings	£	£
Within 1 year	94,031	48,375
Between 1 and 2 years	94,031	-
Between 2 and 5 years	70,523	-
	<u>258,585</u>	<u>48,375</u>

The lease is for 10 years at a rent of £94,031, with a break clause option which can be exercised by the company, which would see the lease terminate on the 28 September 2023.

18 RELATED PARTY TRANSACTIONS

During the year, the Company purchased goods from Dunford & Pearson Limited for £nil (2019: £1,812), at the year end the Company owed £nil (2019: £804) to Dunford & Pearson Limited.

19 ULTIMATE HOLDING COMPANY

Carville Switchgear Limited is a wholly owned subsidiary undertaking of Tarka Controls Limited. The ultimate parent company is Otter Controls Limited, incorporated in the United Kingdom, and the ultimate controlling party is Dr D.Smith, a Director of Otter Controls Limited and members of his family who control the management of the company as a result of controlling, directly or indirectly 76% of the Ordinary A shares of the company. The largest and smallest Group in which the results of the Company are consolidated is Otter Controls Limited, a company incorporated in the United Kingdom.

Copies of the group accounts for the ultimate parent company may be obtained from the registered office: Otter Controls Limited, Unit 12, Tongue Lane Industrial Estate, Dew Pond Lane, Fairfield, Buxton, Derbyshire, SK17 7LF.