

Cadenas UK Solutions Ltd
Report and Financial Statements
31 December 2021

Cadenas UK Solutions Ltd
Report and accounts
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Cadenas UK Solutions Ltd

Company Information

Directors

J Heimbach

CS Johnson - appointment terminated 21 May 2021

Secretary

CS Johnson - appointment terminated 21 May 2021

Auditors

Harwood, Lane & Co

Units 1-4, Crossley Farm Business Centre

Swan Lane, Winterbourne

Bristol

South Gloucestershire

BS36 1RH

Bankers

DZ Bank AG

London Branch

150 Cheapside

London

EC2V 6ET

Registered office

Units 1-4, Crossley Farm Business Centre

Swan Lane, Winterbourne

Bristol

South Gloucestershire

BS36 1RH

Registered number

09157274

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2021.

Principal activities

The company's principal activity during the year continued to be business and domestic software development, strategic parts management and electronic product catalogs.

Strategic report

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report.

Events since the balance sheet date

There are no matters to report as post balance sheet events.

Directors

The following persons served as directors during the year:

J Heimbach

CS Johnson - appointment terminated 21 May 2021

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

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

This report was approved by the board on 15 April 2022 and signed on its behalf.

J Heimbach

Director

Cadenas UK Solutions Ltd

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 and applicable law). 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Cadenas UK Solutions Ltd

Strategic Report

Business review

The director considers the performance of the company to be satisfactory given the difficult trading conditions in the general economy.

Financial instruments

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are largely conducted in sterling. The company does not enter into any formally designated hedging arrangements.

This report was approved by the board on 15 April 2022 and signed on its behalf.

J Heimbach
Director

Cadenas UK Solutions Ltd

Independent auditor's report

to the member of Cadenas UK Solutions Ltd

Opinion

We have audited the financial statements of Cadenas UK Solutions Ltd (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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.

Matters on which we are required to report by exception

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.

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.

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.

A further description of our responsibilities for the audit of the financial statements is available 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.

D C Cox

(Senior Statutory Auditor)

for and on behalf of

Harwood, Lane & Co

Statutory Auditor

15 April 2022

Units 1-4, Crossley Farm Business Centre

Swan Lane, Winterbourne

Bristol

South Gloucestershire

BS36 1RH

Cadenas UK Solutions Ltd
Income Statement
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	2	207,145	259,727
Cost of sales		(61)	-
Gross profit		<u>207,084</u>	<u>259,727</u>
Administrative expenses		(199,730)	(274,532)
Operating profit/(loss)	3	<u>7,354</u>	<u>(14,805)</u>
Profit/(loss) on ordinary activities before taxation		<u>7,354</u>	<u>(14,805)</u>
Tax on profit/(loss) on ordinary activities	6	(1,397)	2,740
Profit/(loss) for the financial year		<u><u>5,957</u></u>	<u><u>(12,065)</u></u>

Cadenas UK Solutions Ltd
Statement of Financial Position
as at 31 December 2021

	Notes	2021	2020
		£	£
Fixed assets			
Tangible assets	7	980	509
Current assets			
Debtors	8	39,908	98,044
Cash at bank and in hand		38,999	44,951
		<u>78,907</u>	<u>142,995</u>
Creditors: amounts falling due within one year	9	(25,254)	(94,828)
Net current assets		<u>53,653</u>	<u>48,167</u>
Net assets		<u>54,633</u>	<u>48,676</u>
Capital and reserves			
Called up share capital	11	80,000	80,000
Profit and loss account	12	(25,367)	(31,324)
Total equity		<u>54,633</u>	<u>48,676</u>

J Heimbach

Director

Approved by the board on 15 April 2022

Cadenas UK Solutions Ltd
Statement of Changes in Equity
for the year ended 31 December 2021

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 January 2020	80,000	-	-	(19,259)	60,741
Loss for the financial year				(12,065)	(12,065)
At 31 December 2020	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>(31,324)</u>	<u>48,676</u>
At 1 January 2021	80,000	-	-	(31,324)	48,676
Profit for the financial year				5,957	5,957
At 31 December 2021	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>(25,367)</u>	<u>54,633</u>

Cadenas UK Solutions Ltd
Statement of Cash Flows
for the year ended 31 December 2021

	Notes	2021	2020
		£	£
Operating activities			
Profit/(loss) for the financial year		5,957	(12,065)
Adjustments for:			
Tax on profit/(loss) on ordinary activities		1,397	(2,740)
Depreciation		325	279
Decrease/(increase) in debtors		56,739	(28,684)
(Decrease)/increase in creditors		(69,574)	11,258
		<u>(5,156)</u>	<u>(31,952)</u>
Cash used in operating activities		<u>(5,156)</u>	<u>(31,952)</u>
Investing activities			
Payments to acquire tangible fixed assets		(796)	(382)
Cash used in investing activities		<u>(796)</u>	<u>(382)</u>
Net cash used			
Cash used in operating activities		(5,156)	(31,952)
Cash used in investing activities		(796)	(382)
Net cash used		<u>(5,952)</u>	<u>(32,334)</u>
Cash and cash equivalents at 1 January		<u>44,951</u>	<u>77,285</u>
Cash and cash equivalents at 31 December		<u>38,999</u>	<u>44,951</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>38,999</u>	<u>44,951</u>

Cadenas UK Solutions Ltd
Notes to the Accounts
for the year ended 31 December 2021

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

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

Office equipment	over 3 years
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Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only 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 measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Analysis of turnover	2021	2020
	£	£
Services rendered	<u>207,145</u>	<u>259,727</u>
By geographical market:		
UK	113,901	158,087
Europe	93,244	77,199
North America	-	24,441
	<u>207,145</u>	<u>259,727</u>
 3 Operating profit	 2021	 2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	325	279
Auditors' remuneration for audit services	<u>1,500</u>	<u>1,500</u>
 4 Directors' emoluments	 2021	 2020
	£	£
Emoluments	29,381	76,647

Company contributions to defined contribution pension plans	513	1,314
	<u>29,894</u>	<u>77,961</u>

Number of directors to whom retirement benefits accrued:

	2021 Number	2020 Number
Defined contribution plans	<u>1</u>	<u>1</u>

5 Staff costs

	2021 £	2020 £
Wages and salaries	54,281	112,268
Social security costs	5,589	8,732
Other pension costs	1,135	2,021
	<u>61,005</u>	<u>123,021</u>

Average number of employees during the year

	Number	Number
Sales	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

6 Taxation

	2021 £	2020 £
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Analysis of charge in period

Deferred tax:		
Origination and reversal of timing differences	<u>1,397</u>	<u>(2,740)</u>
Tax on profit/(loss) on ordinary activities	<u>1,397</u>	<u>(2,740)</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	<u>7,354</u>	<u>(14,805)</u>
Standard rate of corporation tax in the UK	19%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	1,397	(2,813)

Effects of:		
Expenses not deductible for tax purposes	-	66
Capital allowances for period in excess of depreciation	(89)	(20)
Utilisation of tax losses	(1,308)	2,767
Current tax charge for period	<u>-</u>	<u>-</u>

7 Tangible fixed assets

Plant and machinery

At cost

£

Cost or valuation

At 1 January 2021	839
Additions	796
At 31 December 2021	<u>1,635</u>

Depreciation

At 1 January 2021	330
Charge for the year	325
At 31 December 2021	<u>655</u>

Carrying amount

At 31 December 2021	<u>980</u>
At 31 December 2020	<u>509</u>

8 Debtors

2021

£

2020

£

Trade debtors	34,514	86,483
Deferred tax asset (see note 10)	5,394	6,791
Prepayments and accrued income	-	4,770
	<u>39,908</u>	<u>98,044</u>

9 Creditors: amounts falling due within one year

2021

£

2020

£

Trade creditors	6,928	52,959
Other taxes and social security costs	7,592	24,988
Other creditors	964	256
Accruals and deferred income	9,770	16,625
	<u>25,254</u>	<u>94,828</u>

10 Deferred taxation	2021	2020
	£	£
Accelerated capital allowances	186	97
Tax losses carried forward	(5,580)	(6,888)
	<u>(5,394)</u>	<u>(6,791)</u>

	2021	2020
	£	£
At 1 January	(6,791)	(4,051)
Charged/(credited) to the profit and loss account	1,397	(2,740)
At 31 December	<u>(5,394)</u>	<u>(6,791)</u>

11 Share capital	Nominal value	2021 Number	2021	2020
			£	£
Allotted, called up and fully paid:				
Ordinary shares	£1 each	-	<u>80,000</u>	<u>80,000</u>

12 Profit and loss account	2021	2020
	£	£
At 1 January	(31,324)	(19,259)
Profit/(loss) for the financial year	5,957	(12,065)
At 31 December	<u>(25,367)</u>	<u>(31,324)</u>

13 Related party transactions

During the year the company was charged for services by Cadenas Technologies AG, Cadenas Solutions GmbH, Cadenas GmbH, Canvas GmbH, and Cadenas Services d.o.o., on normal commercial terms, to the sums of £4,936, £49,093, £39,291, £2,583, and £32,748 respectively. The company also provided services to Cadenas Solutions GmbH, on normal commercial terms, to the sum of £18,180. At the balance sheet date, the amounts outstanding were £0 (2020 - £25,930) to Cadenas Solutions GmbH, £4,805 (2020 - £7,323) to Cadenas GmbH, £2,119 (2020 - £1,073) to Canvas GmbH, and £0 (2020 - £4,111) to Cadenas Services d.o.o.

14 Controlling party

Cadenas Technologies AG is the company's immediate and ultimate parent undertaking and Mr J Heimbach is the company's ultimate controlling party. Cadenas Technologies AG is a company registered in Germany.

15 Presentation currency

The financial statements are presented in Sterling.

16 Legal form of entity and country of incorporation

Cadenas UK Solutions Ltd is a private company limited by shares and incorporated in England.

17 Principal place of business

The address of the company's principal place of business and registered office is:

Units 1-4, Crossley Farm Business Centre
Swan Lane, Winterbourne
Bristol
South Gloucestershire
BS36 1RH

18 Reconciliations on adoption of FRS 102

Profit and loss for the year ended 31 December 2020

Loss under former UK GAAP	(12,065)
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Loss under FRS 102	<u>(12,065)</u>
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Balance sheet at 31 December 2020

Equity under former UK GAAP	48,676
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Equity under FRS 102	<u>48,676</u>
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Balance sheet at 1 January 2020

Equity under former UK GAAP	-
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Equity under FRS 102	<u>-</u>
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19 Going concern

The director has considered the possible effects on the company of the worldwide pandemic, COVID-19. Taking into account a period exceeding 12 months from the date of approval of the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, the company's parent undertaking, Cadenas Technologies AG remains fully supportive of the company. Therefore, the director considers that the going concern basis of preparation of the financial statements is appropriate.