
PERLE SYSTEMS EUROPE LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2024

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	5	93	704
Investments	6	720,000	720,000
		720,093	720,704
Current assets			
Stocks		103	3,088
Debtors: amounts falling due after more than one year	7	39,772	-
Debtors: amounts falling due within one year	7	564,449	486,624
Cash at bank and in hand	8	171,522	175,450
		775,846	665,162
Creditors: amounts falling due within one year	9	(107,944)	(98,906)
Net current assets		667,902	566,256
Total assets less current liabilities		1,387,995	1,286,960
Creditors: amounts falling due after more than one year	10	(2,668,000)	(2,668,000)
Net liabilities		(1,280,005)	(1,381,040)
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account	13	(1,280,007)	(1,381,042)
		(1,280,005)	(1,381,040)

PERLE SYSTEMS EUROPE LIMITED
REGISTERED NUMBER: 02058845

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

D Barnett
Director

Date: 10 March 2025

The notes on pages 3 to 11 form part of these financial statements.

PERLE SYSTEMS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. General information

Perle Systems Europe Limited is a private company limited by shares incorporated in England & Wales under the Companies Act 2006. The address of the registered office is C/O Tmf Group 13th Floor, One Angel Court, London, United Kingdom, EC2R 7HJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, except where departure is necessary to ensure the financial statements show a true and fair view, and the Companies Act 2006. Where relevant details of departures from FRS 102 are specified within the accounting policies which follow.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company accounting policies. The estimation of the deferred tax asset is the only matter of judgment that has a significant effect on the amounts recognised in the financial statements.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis as the parent entity has agreed to continue to provide financial and operational support for the foreseeable future, being not less than twelve months from the date of signing of the balance sheet. The parent entity provides the stock to this subsidiary and so going concern is contingent on this being provided. A letter has been provided by the parent entity confirming such continued support is in place.

The Directors have taken all necessary measures to satisfy themselves that the Company will continue to be able to operate throughout any predicted cost increases and beyond. The company is in a net current assets position and are not concerned about the preference shares, as these are held by the parent entity and appropriate disclaimers have been made by the parent. See preference share note for further details.

Therefore the Company is considered to be a going concern and no further adjustments have been made to the figures in these financial statements.

2.3 Consolidation

The Company and its subsidiary form a group. The company is exempt from producing consolidated accounts under s401 of the Companies Act 2006.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Operating leases: the Company as lessee

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

2.7 Dividends on preference shares

The parent entity is the holder of the preference shares that carry a cumulative dividend. The parent entity has given written representations waiving their right to these cumulative dividends and corresponding liability. As such, these dividends and corresponding liability do not exist and are not recorded in these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 3 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.12 Cash and cash equivalents

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Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

The deferred tax asset recognised is a material accounting estimate, calculated as the projected utilisation of brought forward tax losses against probable future profits of the following three years. Management deem three years to be a suitable timeframe to reliably estimate future profits.

Bad Debt provision is recognised as a significant accounting estimate. The recoverability of the trade debtors has been assessed at year end and up until the date of signing the financial statements.

4. Employees

The average monthly number of employees, including directors, during the year was 6 (2023 - 6).

PERLE SYSTEMS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

5. Tangible fixed assets

**Computer
Equipment
£**

Cost or valuation

At 1 January 2024 **5,023**

At 31 December 2024 **5,023**

Depreciation

At 1 January 2024 **4,319**

Charge for the year on owned assets **611**

At 31 December 2024 **4,930**

Net book value

At 31 December 2024 **93**

At 31 December 2023 **704**

6. Fixed asset investments

**Share in group
undertakings and
participating
interests**

£

Cost or valuation

At 1 January 2024 **720,000**

At 31 December 2024 **720,000**

PERLE SYSTEMS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Debtors

	2024 £	2023 £
Due after more than one year		
Deferred tax asset	39,772	-
	<u>39,772</u>	<u>-</u>
	2024 £	2023 £
Due within one year		
Trade debtors	335,301	95,490

Amounts owed by group undertakings	194,323	332,960
Prepayments and accrued income	14,597	9,174
Deferred taxation	20,228	49,000
	564,449	486,624

8. Cash at bank and in hand

	2024	2023
	£	£
Cash at bank and in hand	171,522	175,450
	171,522	175,450

9. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	7,474	15,026
Amounts owed to group undertakings	17,209	16,769
Other taxation and social security	49,937	31,559
Accruals and deferred income	33,324	35,552
	107,944	98,906

PERLE SYSTEMS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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

	2024 £	2023 £
Share capital treated as debt	2,668,000	2,668,000
	<u>2,668,000</u>	<u>2,668,000</u>

11. Deferred taxation

	2024 £
At beginning of year	49,000
Charged to profit or loss	11,000
At end of year	<u>60,000</u>

The deferred tax asset is made up as follows:

	2024 £	2023 £
Tax losses carried forward	60,000	49,000
	<u>60,000</u>	<u>49,000</u>

The deferred tax asset is regarded as due in more than one year with the exception of £20,228 which relates to the expected net reversal of timing differences within the next 12 months.

PERLE SYSTEMS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12. Share capital

2024

2023

Shares classified as equity

Allotted, called up and fully paid

2 (2023 - 2) Ordinary shares of £1.00 each

2 2

2024 **2023**
£ £

Shares classified as debt

Allotted, called up and fully paid

2,668,000 (2023 - 2,668,000) Preference shares of £1.00 each

2,668,000 **2,668,000**

The rights attached to the 5% Cumulative Redeemable Preference Shares of £1 each are as follows:

- Holders are entitled to receive any dividend payment in priority over any other class of shares;
- Holders are entitled to a repayment of capital in priority over any other class of shares on a winding up;
- Holders are entitled to one vote at a general meeting only if there is a proposed resolution for winding up the company or varying the voting rights of the preference shares;
- Shares can be redeemed at par in full or part at the option of the Company;
- Shares can be converted into ordinary shares at the option of the holders of the preference shares.

13. Reserves

Profit & loss account

The balance in the profit and loss account represents the total distributable reserves of the Company. However, as there are no positive reserves no distribution is permissible.

14. Commitments under operating leases

At 31 December 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

2024 **2023**
£ £

Not later than 1 year **13,825** **14,896**

13,825 **14,896**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. Related party transactions

At the year end the following balances were outstanding with other companies in the group:

	2024	<i>2023</i>
	£	<i>£</i>
Perle Systems GmbH	325	<i>-</i>
Perle Systems Limited	194,647	<i>332,961</i>
Perle Systems S.A.R.L	(17,209)	<i>(16,770)</i>
	<u>177,763</u>	<i><u>316,191</u></i>

Perle Systems Europe Limited is a wholly owned subsidiary of Perle Systems Limited and has taken advantage of the exemption from disclosing intra-group transactions as permitted by FRS 102 1AC.35.

The parent of the smallest group for which consolidated financial statements are prepared is the group headed by Perle Systems Limited (incorporated in Canada).

Registered address:

60 Renfew Drive
Markham
Ontario
L3R 0E1
Canada

16. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2024 was unqualified.

The audit report was signed on 13 March 2025 by Elizabeth Wicks (Senior Statutory Auditor) on behalf of Moore Kingston Smith LLP.