

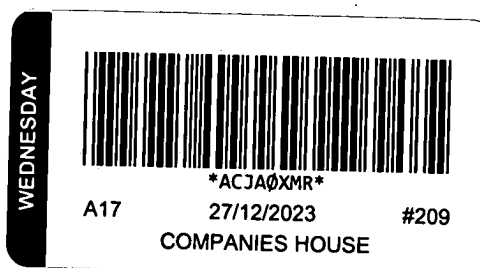
Registered number: 08669636

ELCOTEQ MAGYARORSZAG KFT. LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



ELCOTEQ MAGYARORSZAG KFT. LIMITED
REGISTERED NUMBER: 08669636

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 \$	2022 \$
Fixed assets			
Investments	4	150,000	150,000
Current assets			
Cash at bank and in hand		1	1
		<u>1</u>	<u>1</u>
Creditors: amounts falling due within one year	5	(177,115)	(177,115)
Net current liabilities		<u>(177,114)</u>	<u>(177,114)</u>
Net liabilities		<u>(27,114)</u>	<u>(27,114)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(27,115)	(27,115)
		<u>(27,114)</u>	<u>(27,114)</u>

ELCOTEQ MAGYARORSZAG KFT. LIMITED
REGISTERED NUMBER: 08669636

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

For the year ended 31 March 2023 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

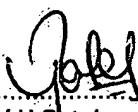
The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the 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:


.....
Mr V H Patel
Director

Date: 22.12.23

The notes on pages 3 to 6 form part of these financial statements.

ELCOTEQ MAGYARORSZAG KFT. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Elcoteq Magyarország Kft. Limited ("the company") is a private company limited by shares, incorporated in England and Wales under the Companies Act.

The registered number and address of the registered office is given in the company information.

The functional and presentational currency of the company is US Dollars (\$) and rounded to the nearest whole dollar.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon continued financial support from its directors. The financial statements do not include any adjustments that would result if such support is not continuing.

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 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.

2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.6 Financial instruments (continued)

out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2022 - 1).

ELCOTEQ MAGYARORSZAG KFT. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Fixed asset investments

	Investments in subsidiary companies \$
Cost	
At 1 April 2022	177,115
At 31 March 2023	177,115
Impairment	
At 1 April 2022	27,115
At 31 March 2023	27,115
Net book value	
At 31 March 2023	150,000
At 31 March 2022	150,000

Elcoteq Magyarország KFT. Limited owns 100% of the share capital of Tyne Tools Limited and 100% of the common stock of ISI of Indiana, Inc. The investment in Tyne Tools has been fully provided against.

5. Creditors: Amounts falling due within one year

	2023 \$	2022 \$
Amounts owed to group undertakings	54,000	54,000
Other creditors	123,115	123,115
	177,115	177,115

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

ELCOTEQ MAGYARORSZAG KFT. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Related party transactions

Included within other creditors is a balance owed to Systemation Euro Limited, company with directors and shareholders in common totalling \$116,232 (2022: \$116,232).

Included within other creditors is a balance owed to Tapia Investments Limited, company with directors and shareholders in common totalling \$6,883 (2022: \$6,883).

These balances are interest free and repayable on demand.