

Company registration number 03270136 (England and Wales)

**ELITE KL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**ELITE KL LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	Mr M Holmes	(Appointed 29 February 2024)
	Ms C Maund	(Appointed 29 February 2024)
	Mr G Wilson	(Appointed 29 February 2024)

**Company number** 03270136

**Registered office** Elite House  
Sandy Way  
Amington Industrial Estate  
Tamworth  
Staffordshire  
B77 4DS

**Auditor** Edwards  
34 High Street  
Aldridge  
Walsall  
West Midlands  
WS9 8LZ

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# ELITE KL LIMITED

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# ELITE KL LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The directors present the strategic report for the year ended 31 December 2023.

#### Review of the business

As anticipated by the directors, the Company reported an increase in turnover for the year ended 31 December 2023. The company was able to report an operating profit, which was in line with the expectations of management.

The Company moves into 2024 with a healthy order book and more than adequate liquidity.

#### Principal risks and uncertainties

Supply chain costs have increased during 2023, due in part to COVID-19, high inflation, the cost of living crisis, impact of Brexit and the Ukraine war.

This has created further pressures on a number of industries, the supply chain and to Company profitability.

The Company has healthy financial resources, combined with a number of long term contracts with various customers in a variety of sectors. Therefore, the directors believe that the Company is well placed to manage its business risks successfully, despite the current uncertain economic outlook.

#### Development and performance

The Company continues to commit significant resource and time to the development of new and enhanced products that reinforce the competitive edge of the Company's range of thermal management systems.

#### Key performance indicators

Key performance indicators are used to measure and evaluate company performance against targets and monitor various activities throughout the company. The main key performance indicators employed by the company are:

- Turnover levels (by product and market)
- Profit levels (gross and net)
- Staff productivity
- Cash flows

#### Section 172 statement

Under Section 172 of the Companies Act 2006, directors are required to promote the success of the Company for the benefit of its shareholders and, in doing so, to have regard to the interest of all of our stakeholders.

The Board of Directors of Elite KL Ltd considers, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in S172(1) (a-f) of the Companies Act 2006) in the decisions taken during the year ended 31 December 2023.

The board of directors have identified the key stakeholders that are impacted by the company's activities and have identified the activities through which the board can either directly or indirectly (through senior management or the wider group's engagement) engage with these stakeholders. The key stakeholders identified are customers, suppliers, employees and Elite KL during 2023.

## **ELITE KL LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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Examples of direct and indirect engagement activities with the stakeholders are:

Regular Board Meetings, covering all aspects of the business including:

- Budget/forecast P&L
- Cashflow
- Key programmes & Pipeline
- Health & Safety
- Employees
- Risks & Opportunities

Monthly Management reviews, covering all aspects of the business including:

- Revenue, margin & profitability
- Program schedules/performance
- Quality, Health & Safety
- Employees & staff welfare
- Security

Customer Visits

- Current programmes
- Future opportunities
- On time delivery
- Quality performance

Supplier Reviews

- Current programmes
- On time delivery
- Quality performance

Employee training & Apprenticeships

• ~~Employee performance reviews~~  
The Senior Management works closely with all departments of the business, to ensure business continuity, employee welfare and the future of the business.

On 29 February 2024, 100% of the Company's share capital was acquired by Griffin Newco Limited. The ultimate parent company is Griffin Topco Limited.

On behalf of the board

Mr M Holmes  
**Director**

20 August 2024

# ELITE KL LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The directors present their report and financial statements for the year ended 31 December 2023.

#### Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D Wolff	(Resigned 29 February 2024)
Mr O Orenshtein	(Resigned 21 May 2023)
Mr R A Applegate	(Resigned 29 February 2024)
Ms L B Shalom	(Resigned 29 February 2024)
Mr R Shahar	(Resigned 29 February 2024)
Mr A Arotchas	(Appointed 21 May 2023 and resigned 29 February 2024)
Mr M Holmes	(Appointed 29 February 2024)
Ms C Maund	(Appointed 29 February 2024)
Mr G Wilson	(Appointed 29 February 2024)

#### Auditor

The auditor, Edwards, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### Other matters

Following the Russian invasion of Ukraine and subsequent global response, the global economy and supply chains have become increasingly volatile. The Company are not currently exposed to any significant risk, but management continue to closely monitor the evolution of this conflict, including how it may affect the company and the economy further into the future. We currently have an appropriate response plan in place, and we will continue to monitor and assess the volatility and respond accordingly.

On behalf of the board

Mr M Holmes

**Director**

20 August 2024

## **ELITE KL LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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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). 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 accounting 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.

# ELITE KL LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELITE KL LIMITED

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### Opinion

We have audited the financial statements of Elite KL Limited (the 'company') for the year ended 31 December 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and 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 2023 and of its profit 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.

### 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 our 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.



# ELITE KL LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ELITE KL LIMITED

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#### **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 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.

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Taxation legislation, Health & Safety compliance and compliance with the Cyber Essentials scheme.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be in the following areas: the override of controls by management, revenue journals, inappropriate treatment of non-routine transactions and areas of estimation uncertainty specifically relating to stock and warranty provisions. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, review and discussion of non-routine transactions, sample testing on the posting of journals and review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **ELITE KL LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ELITE KL LIMITED**

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#### **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.

**Robert Kempson ACA**  
**Senior Statutory Auditor**  
**For and on behalf of Edwards**

20 August 2024

**Chartered Accountants**  
**Statutory Auditor**

34 High Street  
Aldridge  
Walsall  
West Midlands  
WS9 8LZ

## ELITE KL LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
<b>Turnover</b>	<b>3</b>	12,366,008	9,481,850
Cost of sales		(8,195,220)	(6,310,592)
<b>Gross profit</b>		<u>4,170,788</u>	<u>3,171,258</u>
Distribution costs		(53,102)	(97,464)
Administrative expenses		(3,138,154)	(2,940,340)
<b>Operating profit</b>	<b>4</b>	<u>979,532</u>	<u>133,454</u>
Interest receivable and similar income	<b>7</b>	2,255	12,532
Interest payable and similar expenses	<b>8</b>	-	(38)
<b>Profit before taxation</b>		<u>981,787</u>	<u>145,948</u>
Tax on profit	<b>9</b>	(247,786)	(52,771)
<b>Profit for the financial year</b>		<u><u>734,001</u></u>	<u><u>93,177</u></u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

# ELITE KL LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		1,854,832		1,923,548
<b>Current assets</b>					
Stocks	11	3,697,970		3,349,416	
Debtors	12	1,916,344		2,515,328	
Cash at bank and in hand		1,196,061		265,403	
		<u>6,810,375</u>		<u>6,130,147</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(1,356,043)</u>		<u>(1,538,761)</u>	
<b>Net current assets</b>			<u>5,454,332</u>		<u>4,591,386</u>
<b>Total assets less current liabilities</b>			<u>7,309,164</u>		<u>6,514,934</u>
<b>Provisions for liabilities</b>					
Provisions	14	300,632		247,403	
Deferred tax liability	15	<u>72,000</u>		<u>65,000</u>	
			<u>(372,632)</u>		<u>(312,403)</u>
<b>Net assets</b>			<u><u>6,936,532</u></u>		<u><u>6,202,531</u></u>
<b>Capital and reserves</b>					
Called up share capital	17		76		76
Revaluation reserve			836,107		836,107
Capital redemption reserve			24		24
Profit and loss reserves			<u>6,100,325</u>		<u>5,366,324</u>
<b>Total equity</b>			<u><u>6,936,532</u></u>		<u><u>6,202,531</u></u>

The financial statements were approved by the board of directors and authorised for issue on 20 August 2024 and are signed on its behalf by:

Mr M Holmes  
Director

Company registration number 03270136 (England and Wales)

# ELITE KL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£
<b>Balance at 1 January 2022</b>	76	836,107	24	5,273,147	6,109,354
<b>Year ended 31 December 2022:</b>					
Profit and total comprehensive income	-	-	-	93,177	93,177
<b>Balance at 31 December 2022</b>	76	836,107	24	5,366,324	6,202,531
<b>Year ended 31 December 2023:</b>					
Profit and total comprehensive income	-	-	-	734,001	734,001
<b>Balance at 31 December 2023</b>	76	836,107	24	6,100,325	6,936,532

# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### **1 Accounting policies**

#### **Company information**

Elite KL Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Elite House, Sandy Way, Amington Industrial Estate, Tamworth, Staffordshire, B77 4DS.

The principal activity of the company continued to be that of the designing, developing, engineering, assembling and fitting of automotive, rail and other air conditioning systems.

#### **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.

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 on the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements Elbit Systems Limited. These consolidated financial statements are available from its website; [www.elbitsystems.com](http://www.elbitsystems.com).

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer.

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.

# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 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 freehold	4% straight line
Plant and machinery	4% - 25% straight line
Motor vehicles	25% straight line

Freehold land is not depreciated.

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.

#### 1.5 Impairment of fixed assets

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

#### 1.6 Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

#### 1.7 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.

##### **Basic financial assets**

Short term trade debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **Basic financial liabilities**

Short term trade creditors are measured at 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.

# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.9 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

##### **Warranty**

Provisions for the expected cost of warranty obligations under sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the company's obligation.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### 1.11 Retirement benefits

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

#### 1.12 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.



# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.13 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

#### 1.14 Research and development expenditure

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

#### Warranty

Provision is made for the estimated future cost of carrying out warranty work on products previously sold and still under warranty.

### 3 Turnover and other revenue

Turnover is wholly attributable to the company's principal activity. Segmental analysis of turnover has not been given because the directors consider that such disclosure would be seriously prejudicial to the commercial interest of the company.

### 4 Operating profit

	2023	2022
Operating profit for the year is stated after charging/(crediting):	£	£
Exchange (gains)/losses	(629)	17,562
Depreciation of tangible fixed assets	183,492	176,330
Profit on disposal of tangible fixed assets	(6,177)	(1,000)
Operating lease charges	53,336	51,051
	<u>          </u>	<u>          </u>

# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	10,375	7,700
<b>For other services</b>		
Taxation compliance services	1,000	1,000
All other non-audit services	17,325	15,525
	18,325	16,525

### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Production and administration	67	61

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	2,445,480	2,137,718
Social security costs	229,781	211,443
Pension costs	66,197	61,644
	2,741,458	2,410,805

### 7 Interest receivable and similar income

	2023 £	2022 £
<b>Interest income</b>		
Other interest income	2,255	12,532

### 8 Interest payable and similar expenses

	2023 £	2022 £
<b>Interest on financial liabilities</b>		
Interest payable and similar expenses	-	38

## ELITE KL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

#### 9 Taxation

	2023 £	2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	240,786	26,255
Adjustments in respect of prior periods	-	(1,484)
	<u>240,786</u>	<u>24,771</u>
Total current tax	<u>240,786</u>	<u>24,771</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	7,000	28,000
	<u>7,000</u>	<u>28,000</u>
Total tax charge	<u>247,786</u>	<u>52,771</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	<u>981,787</u>	<u>145,948</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2022: 19.00%)	245,447	27,730
Tax effect of expenses that are not deductible in determining taxable profit	323	816
Effect of change in corporation tax rate	(15,121)	22,513
Depreciation on assets not qualifying for capital allowances	17,291	10,688
Adjustments in respect of prior periods	-	(1,484)
Tax effect of enhanced capital allowances	(154)	(7,492)
	<u>247,786</u>	<u>52,771</u>
Taxation charge for the year	<u>247,786</u>	<u>52,771</u>

# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 10 Tangible fixed assets

	Land and buildings freehold £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2023	1,500,000	1,483,608	49,814	3,033,422
Additions	-	116,599	-	116,599
Disposals	-	(19,734)	-	(19,734)
At 31 December 2023	1,500,000	1,580,473	49,814	3,130,287
<b>Depreciation and impairment</b>				
At 1 January 2023	392,000	685,774	32,100	1,109,874
Depreciation charged in the year	44,000	131,513	7,979	183,492
Eliminated in respect of disposals	-	(17,911)	-	(17,911)
At 31 December 2023	436,000	799,376	40,079	1,275,455
<b>Carrying amount</b>				
At 31 December 2023	1,064,000	781,097	9,735	1,854,832
At 31 December 2022	1,108,000	797,834	17,714	1,923,548

### 11 Stocks

	2023 £	2022 £
Work in progress	79,029	219,653
Components, finished goods and goods for resale	3,618,941	3,129,763
	3,697,970	3,349,416

### 12 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,836,954	2,025,326
Amounts owed by group undertakings	11,452	224,855
Other debtors	4,000	52,543
Prepayments and accrued income	63,938	212,604
	1,916,344	2,515,328

# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	715,482	1,262,879
Corporation tax	156,848	36,099
Other taxation and social security	98,809	53,022
Other creditors	24,577	28,918
Accruals and deferred income	360,327	157,843
	<u>1,356,043</u>	<u>1,538,761</u>

### 14 Provisions for liabilities

	2023 £	2022 £
Warranty costs	<u>300,632</u>	<u>247,403</u>

#### Movements on provisions:

#### Warranty costs

	£
At 1 January 2023	247,403
Additional provisions in the year	<u>53,229</u>
At 31 December 2023	<u>300,632</u>

### 15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
<b>Balances:</b>		
Accelerated capital allowances	<u>72,000</u>	<u>65,000</u>
<b>Movements in the year:</b>		<b>2023 £</b>
Liability at 1 January 2023		65,000
Charge to profit or loss		<u>7,000</u>
Liability at 31 December 2023		<u>72,000</u>

# ELITE KL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 16 Retirement benefit schemes

	2023	2022
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	66,197	61,644

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 17 Share capital

	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	76	76	76	76

### 18 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	77,812	57,658
Between two and five years	94,704	24,033
	172,516	81,691

### 19 Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard 102, section 33.1A, "Related Party Disclosures", not to disclose transactions with wholly owned members of the same group.

### 20 Events after the reporting date

On 29 February 2024, 100% of the company's share capital was acquired by Griffin Newco Limited. The ultimate parent company is Griffin Topco Limited.

The Directors are of the opinion that the new ultimate controlling party is funds managed by Maven Capital Partners UK LLP.

### 21 Ultimate controlling party

At the balance sheet date, the company was a subsidiary undertaking of Elbit Systems Limited, a company incorporated in Israel, which was the ultimate parent undertaking and controlling party. The company's immediate parent undertaking was Elbit Systems UK Limited.

Elbit Systems Limited was the largest and smallest group for which group financial statements are prepared. The group financial statements of this group are available to the public and may be obtained from [www.elbitsystems.com](http://www.elbitsystems.com).

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.