Company Registration No. NI015190 (Northern Ireland)

BUILDING PROTECTION SYSTEMS (NI) LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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BUILDING PROTECTION SYSTEMS (NI) LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	4		7,383		11,475
Current assets					
Stocks		421,318		388,387	
Debtors	5	2,531,065		1,987,194	
Cash at bank and in hand		37		1,695	
		2,952,420		2,377,276	
Creditors: amounts falling due within one year	6	(1,934,557)		(1,459,741)	
Net current assets			1,017,863		917,535
Total assets less current liabilities			1,025,246		929,010
Creditors: amounts falling due after more than one year	7		(94,151)		(152,593)
Net assets			931,095		776,417

BUILDING PROTECTION SYSTEMS (NI) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2020

		2020		2019	
	Notes	**£**	**£**	**£**	**£**
Capital and reserves					
Called up share capital	**9**		8,000		8,000
Profit and loss reserves			923,095		768,417
Total equity			931,095		776,417

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 18 June 2021

Mr C Adams
Director

Company Registration No. NI015190

1 Accounting policies

Company information

Building Protection Systems (NI) Limited is a private company limited by shares incorporated in Northern Ireland. The registered office is No 1 Pilots View, Heron Road, Sydenham Business Park, Belfast, BT3 9LE.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

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:

Leasehold improvements	10% per annum straight line
Plant and equipment	20-25% per annum straight line
Fixtures and fittings	20% per annum straight line

1 Accounting policies (Continued)

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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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.

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 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.

1 Accounting policies (Continued)

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.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

1.13 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.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

2 Exceptional items

	2020	2019
	£	£
Exceptional item - insurance income	-	(70,385)
Exceptional item - provision for bad debt	-	232,036

Insurance income related to insurance monies received in relation to bad debt as noted below.

Provision for bad debt related to amounts owing from a customer who went into administration. The debt was therefore no longer recoverable and so was provided for in the prior year.

3 Employees

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

	2020	2019
	Number	Number
Total	37	40

4 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 October 2019	133,595	129,829	28,159	291,583
Additions	-	1,152	-	1,152
At 30 September 2020	133,595	130,981	28,159	292,735
Depreciation and impairment				
At 1 October 2019	133,595	118,370	28,143	280,108
Depreciation charged in the year	-	5,228	16	5,244
At 30 September 2020	133,595	123,598	28,159	285,352
Carrying amount				
At 30 September 2020	-	7,383	-	7,383
At 30 September 2019	-	11,459	16	11,475

5 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	1,316,260	665,360
Amounts owed by group undertakings	986,855	1,011,748
Prepayments and accrued income	227,950	310,086
	2,531,065	1,987,194

Included within trade debtors at the year end is £1,259,426 (2019 - £665,360) in relation to invoice discounted debts.

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	98,904	72,780
Invoice discounting	509,936	373,642
Other borrowings	75,130	75,130
Trade creditors	543,863	436,474
Corporation tax	6,802	81,553
Other taxation and social security	234,668	112,833
Other creditors	351,772	120,277
Accruals and deferred income	113,482	187,052
	1,934,557	1,459,741

Bank loans and overdrafts and invoice discounting are secured by way of a mortgage debenture incorporating a fixed and floating charge over all assets of the company and those of Building Protection Systems Limited, an unlimited cross composite guarantee between the company and Building Protection Systems Limited, a personal letter of guarantee for £200,000 plus interest and Keyman Life cover.

7 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other creditors	94,151	152,593

8 Retirement benefit schemes

	2020	2019
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	26,435	26,125

The company operates a defined contribution pension scheme and also contributes to the personal pension schemes of certain employees on a money purchase basis. Contributions totalling £4,538 (2019 - £5,339) were payable to the fund at the balance sheet date and are included in creditors.

9 Called up share capital

	2020	2019
	£	**£**
Ordinary share capital		
Issued and fully paid		
7,200 Ordinary 'A' shares of £1 each	7,200	7,200
800 Ordinary 'B' shares of £1 each	800	800
	8,000	8,000

10 Operating lease commitments

Lessee

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

	2020	2019
	£	**£**
	194,925	287,743

11 Contingent Liabilities

There exists an Unlimited Cross Composite Guarantee between Building Protection Systems Limited and Building Protection Systems (NI) Limited in relation to the bank borrowings of Building Protection Systems Limited. There are currently no bank borrowings in Building Protection Systems Limited.

12 Events after the reporting date

These financial statements were approved in the midst of the coronavirus global pandemic. The government has taken substantial measures to assist businesses through this period and the company has availed of such support. The director anticipates that there may be an impact on the company's income in the short term. However, the company has adequate resources to meet its ongoing financial obligations and the medium to long term impact of coronavirus is not expected to be significant.

13 Related party transactions

Director

The director, owns 50% of the property occupied by the company. During the year, rent of £50,000 (2019 - £50,000) was charged to the company for use of the property.

The director has provided a letter of guarantee for £200,000 plus interest in relation to the bank borrowings of the company.

Exemption

As the company is a wholly owned subsidiary, the director has taken advantage of the exemption of disclosing related party transactions with other wholly owned group companies, in accordance with FRS 102.

No other transactions with related parties were undertaken such as are required to be disclosed under FRS 102 Section 1A.