

Alarmtec Limited
Annual Report and Unaudited Financial Statements
Period from 1 October 2020 to 31 March 2021

Registration number: 01330388

Alarmtec Limited

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Alarmtec Limited

Company Information

Directors Mr M T Dalton
Mr C A Burhop

Company secretary Mr C A Burhop

Registered office Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

Accountants Francis Clark LLP
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Alarmtec Limited

Directors' Report for the Period from 1 October 2020 to 31 March 2021

The directors present their report and the financial statements for the period from 1 October 2020 to 31 March 2021.

Directors of the company

The directors who held office during the period were as follows:

Mr M T Dalton

Mr C A Burhop

Principal activity

The principal activity of the company is supplying, installing, commissioning and maintaining fire systems and appliances.

Review of business performance

During the period the company continued to make good progress with its financial turnaround. In the six months to 31st March 2021 gross margins improved from 28% to 31% and administrative expenses continued to fall as cost-cutting measures implemented during the previous period took full effect. This allowed net profit to increase from a loss of (£198,182) in the year to 30th September 2020 to a profit of £99,492 in the six months to 31st March 2021. Cash in hand increased from £149,000 to £243,476 but the company continued to pay all suppliers on time and fully service its short, medium and long term financial commitments.

By the end of the accounting period business had returned to pre-covid levels of trade and the forecast for the business continues to be strong, with a healthy installation order book.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 30 June 2021 and signed on its behalf by:

.....
Mr M T Dalton
Director

.....
Mr C A Burhop
Director

Alarmtec Limited

Profit and Loss Account

Period from 1 October 2020 to 31 March 2021

	31 March 2021 £	30 September 2020 £
Turnover	2,453,915	4,135,195
Cost of sales	<u>(1,685,564)</u>	<u>(2,997,008)</u>
Gross profit	768,351	1,138,187
Administrative expenses	(686,779)	(1,368,144)
Other operating income	<u>21,286</u>	<u>59,549</u>
Operating profit/(loss)	102,858	(170,408)
Other interest receivable and similar income	5	24
Interest payable and similar expenses	<u>(3,371)</u>	<u>(27,798)</u>
Profit/(loss) before tax	<u>99,492</u>	<u>(198,182)</u>
Profit/(loss) for the financial period	<u><u>99,492</u></u>	<u><u>(198,182)</u></u>

Alarmtec Limited

Balance Sheet

31 March 2021

	Note	31 March 2021 £	30 September 2020 £
Fixed assets			
Tangible assets	<u>5</u>	47,774	328,242
Current assets			
Stocks	<u>6</u>	261,691	234,646
Debtors	<u>7</u>	967,871	1,104,351
Cash at bank and in hand		<u>243,476</u>	<u>149,000</u>
		1,473,038	1,487,997
Creditors: Amounts falling due within one year	<u>8</u>	<u>(1,263,632)</u>	<u>(1,414,547)</u>
Net current assets		<u>209,406</u>	<u>73,450</u>
Total assets less current liabilities		257,180	401,692
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(233,888)</u>	<u>(477,892)</u>
Net assets/(liabilities)		<u><u>23,292</u></u>	<u><u>(76,200)</u></u>
Capital and reserves			
Called up share capital		2,200	2,200
Capital redemption reserve		1	1
Revaluation reserve		-	227,325
Profit and loss account		<u>21,091</u>	<u>(305,726)</u>
Shareholders' funds/(deficit)		<u><u>23,292</u></u>	<u><u>(76,200)</u></u>

Alarmtec Limited

Balance Sheet

31 March 2021

For the financial period ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 30 June 2021 and signed on its behalf by:

.....

Mr M T Dalton

Director

Company Registration Number: 01330388

Alarmtec Limited

Statement of Changes in Equity

Period from 1 October 2020 to 31 March 2021

	Share capital £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 October 2020	2,200	1	227,325	(305,726)	(76,200)
Profit for the period	-	-	-	99,492	99,492
Total comprehensive income	-	-	-	99,492	99,492
Transfers	-	-	(227,325)	227,325	-
At 31 March 2021	2,200	1	-	21,091	23,292
At 1 October 2019	1,101	1	197,041	(112,650)	85,493
Loss for the period	-	-	-	(198,182)	(198,182)
Revaluation movement	-	-	6,190	-	6,190
Total comprehensive income	-	-	6,190	(198,182)	(191,992)
Bonus share issue	1,099	-	-	-	1,099
Transfers	-	-	(5,106)	5,106	-
Deferred tax	-	-	29,200	-	29,200
At 30 September 2020	2,200	1	227,325	(305,726)	(76,200)

The notes on pages 7 to 14 form an integral part of these financial statements.
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Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

The principal place of business is:

Lynx House
Pynes Hill
Exeter
Devon
EX2 5JL

These financial statements were authorised for issue by the Board on 30 June 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', including Section 1A and the Companies Act 2006. There has been no departure from FRS 102.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that freehold property is recorded at fair value.

The functional currency of Alarmtec Limited is considered to be pounds sterling as this is the currency of the primary economic environment in which the company operates.

Disclosure of long or short period

These financial statements reflect the performance of the company from 1 October 2020 to 31 March 2021 and the comparative figures provided are for the previous accounting period from 1 October 2019 to 30 September 2020. The comparative figures therefore represent a period longer than the current period and so may not be entirely comparable. The short accounting period has been used in order to update stakeholders with the latest financial performance of the company.

Alarmtec Limited

Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

Going concern

The accounts have been prepared on a going concern basis. The company is continuing with a financial and business restructuring process. The directors are confident the restructuring process is progressing well, evidenced by a return to profitability in the current period. In the opinion of the directors the company has sufficient working capital within existing facilities to continue to trade for the foreseeable future, and therefore the accounts have been prepared on a going concern basis.

The directors have considered the impact of COVID-19 on the business. The directors anticipate a limited impact on the business from the pandemic and the company expects to continue to trade, utilising government assistance where available.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

Revenue is recognised on the provision of goods and for the provision of services under contract at the point the service is provided.

Government grants

Government grants are recognised in other income on a systematic basis over the period in which the entity recognises the related costs for which the grant is intended to compensate.

Tax

Tax is recognised in the profit or loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible assets

Tangible assets are stated in the statement of financial position at historical cost, except for freehold property which is accounted for under the alternative accounting rules of the Companies Act 2006, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Alarmtec Limited

Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

Depreciation

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss account. Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% straight line
Plant and machinery	25% straight line
Freehold property	2% straight line
Office furniture	10% straight line
Leasehold property	2% straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress 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, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Alarmtec Limited

Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank borrowings and other loans;
- Hire purchase contracts; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

3 Government grants

During the period, the company received cash grants of £19,761 (2020: £59,236) under the Coronavirus Job Retention Scheme.

During the period, the government paid interest of £625 (2020: £313) on behalf of the company, under the terms of the Bounce Back Loan Scheme.

4 Staff numbers

The average number of persons employed by the company (including directors) during the period was 62 (2020 - 69).

Alarmtec Limited

Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 October 2020	318,250	101,270	64,586	484,106
Additions	-	4,298	-	4,298
Disposals	(315,690)	-	(8,995)	(324,685)
At 31 March 2021	2,560	105,568	55,591	163,719
Depreciation				
At 1 October 2020	40,861	60,759	54,244	155,864
Charge for the period	542	7,041	2,699	10,282
Eliminated on disposal	(41,206)	-	(8,995)	(50,201)
At 31 March 2021	197	67,800	47,948	115,945
Carrying amount				
At 31 March 2021	2,363	37,768	7,643	47,774
At 30 September 2020	277,389	40,511	10,342	328,242

Included within the net book value of land and buildings above is £Nil (2020 - £275,000) in respect of freehold land and buildings and £2,363 (2020 - £2,389) in respect of long leasehold land and buildings.

Revaluation

The fair value of the company's Freehold property was revalued on 6 March 2020. The valuation was based on the agreed purchase price with a third party purchaser at that date. Had this class of asset been measured on a historical cost basis, the carrying amount would have been £Nil (2020 - £47,675).

6 Stocks

	31 March 2021 £	30 September 2020 £
Work in progress	61,395	54,923
Finished goods and goods for resale	200,296	179,723
	261,691	234,646

Alarmtec Limited

Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

7 Debtors

	31 March 2021	30 September 2020
	£	£
Trade debtors	860,959	874,488
Amounts due from group undertakings	39,934	39,934
Other debtors	66,978	189,929
	<u>967,871</u>	<u>1,104,351</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	31 March 2021	30 September 2020
		£	£
Loans and borrowings	<u>9</u>	521,121	650,099
Trade creditors		222,094	301,137
Social security and other taxes		338,531	289,216
Other creditors		181,886	174,095
		<u>1,263,632</u>	<u>1,414,547</u>

Creditors: amounts falling due after more than one year

	Note	31 March 2021	30 September 2020
		£	£
Loans and borrowings	<u>9</u>	52,500	236,110
Other creditors		181,388	241,782
		<u>233,888</u>	<u>477,892</u>

Alarmtec Limited

Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

9 Loans and borrowings

	31 March 2021 £	30 September 2020 £
Non-current loans and borrowings		
Bank borrowings	42,500	191,729
HP and finance lease liabilities	-	4,381
Other borrowings	10,000	40,000
	<u>52,500</u>	<u>236,110</u>

	31 March 2021 £	30 September 2020 £
Current loans and borrowings		
Bank borrowings	7,500	20,890
Bank overdrafts	447,609	449,471
HP and finance lease liabilities	6,012	19,738
Other borrowings	60,000	160,000
	<u>521,121</u>	<u>650,099</u>

Bank borrowings and overdrafts are secured on the assets of the company by an unlimited debenture incorporating a fixed and floating charge over all of the undertakings of the company.

During the period, bank loans with a carrying value of £162,618 (£18,389 current and £144,229 non-current) were repaid early, using the proceeds from the disposal of freehold property.

Other borrowings are secured by way of a fixed and floating charge over all of the undertakings of the company.

Finance leases are secured on the assets to which they relate.

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £113,104 (2020 - £176,682).

Included within the commitment figure is property rent of £44,903 (2020: £68,908).

Alarmtec Limited

Notes to the Financial Statements

Period from 1 October 2020 to 31 March 2021

11 Share capital

Allotted, called up and fully paid shares

		31 March 2021		30 September 2020
	No.	£	No.	£
Ordinary Shares of £1 each	2,200	2,200	2,200	2,200

In November 2019, 1,099 Ordinary shares were issued at par and the 1,101 pre-existing Ordinary B shares were re-designated as Ordinary shares.

12 Parent and ultimate parent undertaking

The company's immediate parent is Bramble Holdings Limited. The address of the parent company's registered office is Centenary House, Peninsula Park, Rydon Lane, Exeter EX2 7XE. The ultimate controlling party is Mr M Dalton.

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.