

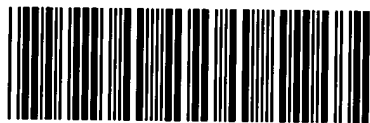
Company Registration Number 1517630 (England and Wales)

BTS HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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BTS Holdings Limited

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The following page does not form part of the Statutory Financial Statements

Detailed Trading and Profit and Loss Account

BTS Holdings Limited

COMPANY INFORMATION

DIRECTORS

S Chopra
A C Eddy
J G Kendall
C A R Lawrence
Mrs I M A Davison
Mrs C S Wilkin
K Chopra
Mrs H L Chopra
Mrs S Chopra

SECRETARY

C A R Lawrence

REGISTERED OFFICE

BTS House
69 - 73 Manor Road
Wallington
Surrey SM6 0DD

BANKERS

Barclays Bank PLC
1 North End
Croydon
Surrey CR9 1RN

SOLICITORS

Warners Solicitors
Bank House
Bank Street
Tonbridge
Kent TN9 1BL

BTS Holdings Limited

STRATEGIC REPORT for the year ended 31 March 2023

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

Principal Activities

The company is a leading UK supplier of enterprise electronic communications solutions, offered direct and through business partners. It specialises in operator consoles, contact centres, speech recognition solutions, messaging solutions and call logging. Its principal areas of expertise are in software development, databases, ICT, data manipulation and information presentation.

Business Review

The markets in which the company operates remain relatively flat. Allowing for this, the company has performed during the year in line with management expectations. The company continues to invest heavily in research and development to develop new solutions to grow its business profitably in the forthcoming years.

The key performance indicators for the year were as follows:

	2023 £K	2022 £K
Turnover	1,257	1,266
Profit (Loss) before Tax	227	133
Profit after Tax	188	134

The company's net funds decreased by £29K (2022: £220K increase). This decrease includes an operating cash inflow of £152K (2022: inflow £362K), and capital expenditure of £59K (2022: £47K). The sale of fixed assets during the year generated receipts of £16K (2022: £nil).

The company maintains a strong balance sheet with no borrowings during the year or at the year end and a strong cash position.

The company's performance is monitored closely. In addition to the universal performance indicators of sales, gross margins, operating profit and cash flow, indicators of a more activity-specific nature are used to assess performance, such as debt collection, order taking and system sales project completions.

Risk Management

The directors continuously review the principal risks and uncertainties facing the company in order to deal with them effectively. The directors consider the key risks to be the general economic outlook for the UK, the degree of dependency on major customers, and ensuring its offerings remain competitive.

Research and Development

Expenditure on research and development amounted to £371K (2022: £273K) in the year and at the year end the company employed 6 (2022: 5) people fully engaged on research and development.

Events since the end of the year

There have been no material events impacting the company since the end of the year.

Approved by the Board of Directors and signed on its behalf.



S Chopra
Chairman

Date: 22 June 2023

BTS Holdings Limited

REPORT OF THE DIRECTORS for the year ended 31 March 2023

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

Results and Dividends

The results for the period are set out in detail on page 7. A dividend of £ 120K (2022: £100K) was paid during the year.

Directors and their Beneficial Interests

The directors who served during the year and to the date of signing these accounts and their individual interest in the £1 ordinary shares in the company were as follows:

	2023	2022
S Chopra	9500	9500
A C Eddy		
J G Kendall		
C A R Lawrence		
Mrs I M A Davison	18500	18500
Mrs C S Wilkin	18600	18600
K Chopra	9100	9100
Mrs H L Chopra	9100	9100
Mrs S Chopra	9400	9400

The shareholdings consist of B ordinary shares, apart from the 100 A ordinary shares each held by Mrs C S Wilkin and S Chopra.

Supplier Payment Policy

The company's policy is to make payment in line with terms agreed with individual suppliers, payment being effected on average within 30 days of invoice.

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the accounts 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 accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and 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 accounts
- 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 to 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.

By order of the Board



C A R Lawrence
Director

Date: 22 June 2023

BTS Holdings Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 March 2023

	<i>Notes</i>	2023 £	2022 £
Turnover	2	1,257,353	1,265,609
Cost of Sales		<u>(29,787)</u>	<u>(53,489)</u>
Gross Profit		1,227,566	1,212,120
Administrative Expenses		(1,186,038)	(1,281,213)
Other Operating Income	4	<u>184,540</u>	202,230
Operating Profit (Loss)		226,069	133,137
Net Interest Receivable	3	<u>1,368</u>	<u>(560)</u>
Profit (Loss) before Tax	4	227,437	132,577
Tax on Profit	7	<u>(39,639)</u>	1,499
Profit after Tax		<u>187,798</u>	<u>134,075</u>

Continuing Operations

Turnover and Operating Profit derive wholly from continuing operations.

BTS Holdings Limited

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2023

	Ordinary Share Capital £	Share Premium Account £	Revaluation Reserve £	Retained Earnings £	Total £
At 1 April 2022	74,200	124,900	2,073,429	891,674	3,164,203
Profit for the year after Tax	-	-	-	134,076	134,076
Other Comprehensive Income	-	-	-	-	-
Deferred Tax	-	-	-	-	-
Equity Dividends paid	-	-	-	(100,000)	(100,000)
At 31 March 2022	74,200	124,900	2,073,429	925,750	3,198,279
At 1 April 2022	74,200	124,900	2,073,429	925,750	3,198,279
Profit for the year after Tax	-	-	-	187,798	187,798
Other Comprehensive Income	-	-	-	-	-
Deferred Tax	-	-	-	-	-
Equity Dividends paid	-	-	-	(120,000)	(120,000)
At 31 March 2023	74,200	124,900	2,073,429	993,548	3,266,077

BALANCE SHEET
as at 31 March 2023

	<i>Notes</i>	2023 £	2022 £
Fixed Assets			
Tangible Assets	9	<u>3,107,045</u>	<u>3,077,159</u>
Current Assets			
Stocks	10	15,800	17,800
Debtors	11	155,083	295,094
Cash at Bank and In Hand		<u>864,708</u>	<u>894,003</u>
		1,035,592	1,206,897
Creditors: due within one year	12	<u>(647,518)</u>	<u>(829,136)</u>
Net Current Assets		<u>388,074</u>	<u>377,761</u>
Total Assets less Current Liabilities		<u>3,495,119</u>	<u>3,454,920</u>
Creditors: due after one year	13	<u>(229,042)</u>	<u>(256,641)</u>
Net Assets		<u><u>3,266,077</u></u>	<u><u>3,198,279</u></u>
Capital and Reserves			
Called up Share Capital	14	74,200	74,200
Share Premium Account		124,900	124,900
Revaluation Reserve		2,073,429	2,073,429
Profit and Loss Account		<u>993,548</u>	<u>925,750</u>
Shareholders Funds		<u><u>3,266,077</u></u>	<u><u>3,198,279</u></u>

For the year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 22 June 2023 and signed on its behalf by :



S Chopra
Director

BTS Holdings Limited

CASH FLOW STATEMENT for the year ended 31 March 2023

Reconciliation of Operating Profit (Loss) to Net Cash Inflow from Operating Activities

	<i>Notes</i>	2023	2022
		£	£
Operating Profit (Loss)		226,069	133,137
Depreciation	9	39,041	40,131
Profit on Sale of Tangible Fixed Assets		(9,776)	0
Decrease (Increase) in Stocks		2,000	11,200
Decrease (Increase) in Debtors		140,011	147,738
Increase (Decrease) in Creditors		(245,104)	29,826
Net Cash Inflow (Outflow) from Operating Activities		152,240	362,032

Cash Flow Statement

		£	£
Net Cash Inflow (Outflow) from Operating Activities		152,240	362,032
Cash Inflow from Servicing of Finance	3	1,368	(560)
Corporation Tax		(3,752)	6,144
Capital Expenditure	15	(59,151)	(47,266)
		90,706	320,350
Equity Dividends paid	8	(120,000)	(100,000)
(Decrease) Increase in Cash at Bank and In Hand	15	(29,294)	220,350

Reconciliation of Net Cash Movement to Movement in Net Funds

		£	£
(Decrease) Increase in Cash at Bank and In Hand	15	(29,294)	220,350
Opening Net Funds		894,003	673,653
Closing Net Funds		864,709	894,003

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland - and the Companies Act 2006.

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

(b) Turnover

Turnover consists of the net amounts invoiced to customers in respect of goods and services supplied during the financial year, excluding value added tax. The unexpired portions of warranties and service contracts are excluded from turnover and recognised in the periods to which they relate.

(c) Fixed Assets

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Computer Equipment	3 years
Motor Vehicles	4 years

(d) Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost or net realisable value after making due allowance for any obsolete or slow moving items of stock. Stocks comprise computer hardware and software purchased for resale.

(e) Design and Development

Design and development constitutes a significant part of the company's activities and all expenditure thereon is written off as incurred.

(f) Leased Assets

Expenditure under operating leases is charged to the profit and loss account as it is incurred.

Assets acquired under finance leases or hire purchase contracts are included in tangible fixed assets at the outright purchase price equivalent and depreciated in the same manner as other tangible fixed assets. The interest element of finance leases is charged to the profit and loss account.

(g) Pension Costs

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account for the year in which they are payable into the scheme.

(h) Deferred Taxation

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

(i) Foreign Currency Translation

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of transaction. All differences are taken to the profit and loss account.

(j) Revaluation Reserve

The freehold property is valued annually by the directors based on commercial terms and the difference between that valuation and the prior valuation of the property is taken to revaluation reserve. Any impairments in property valuation in excess of credits made to the revaluation reserve for the property are charged to the profit and loss account.

BTS Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

2. ANALYSIS OF TURNOVER BY ACTIVITY	2023	2022
	£	£
Systems	289,279	199,063
Services	968,074	1,066,546
	1,257,353	1,265,609
3. NET INTEREST (PAYABLE) RECEIVABLE	2023	2022
	£	£
Bank Commission and Charges	(942)	(850)
Interest Receivable	2,310	290
	1,368	(560)
4. (LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2023	2022
	£	£
This is stated after charging / (crediting)		
Depreciation of Fixed Assets	39,041	40,131
Profit on Disposal of Fixed Assets	(9,776)	0
JRS	0	(27,617)
Rental Income	(184,540)	(174,613)
Discounts	0	6
Research & Development	371,017	272,773
5. DIRECTORS' REMUNERATION	2023	2022
	£	£
Directors' Emoluments including Benefits in Kind	142,820	143,568
Pension Contributions	61,652	58,111
3 Directors have Benefits accruing under a Money Purchase Pension Scheme (2022: 3).		
The Emoluments of the Highest Paid Director were	75501	72912
The Pension Contributions for the Highest Paid Director were	38842	36000
6. STAFF NUMBERS AND COSTS	2023	2022
The Average Number of Persons (including Directors) employed during the year analysed by category, was as follows:		
Technical	18	19
Marketing	1	2
Administration	7	7
	26	28
	2023	2022
	£	£
The Aggregate Payroll Costs of these Persons were as follows:		
Salaries	778,049	816,279
Social Security Costs	92,995	88,872
Other Pension Costs	95,196	91,026
	966,240	996,177

BTS Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

7. TAX ON (LOSS) PROFIT ON ORDINARY ACTIVITIES	2023 £	2022 £
UK Corporation Tax	(35,887)	1,499
Prior Year Adjustment	(3,752)	
	<u>(39,639)</u>	<u>1,499</u>

The entire tax loss in 2022 was surrendered to HMRC as a result of R&D relief and a cash payment of 14.5% of the surrendered loss was claimed for 2022.

No liability for deferred taxation has been provided in respect of accelerated capital allowances on equipment as the amount is not material.

Deferred taxation, based on the revaluation of the freehold property, of £213,704 (2022: £213,704) has been provided through the revaluation reserve.

	2023 £	2022 £
Factors affecting Tax Charge for the year:		
Profit (Loss) on Ordinary Activities before Tax	<u>227,437</u>	<u>132,577</u>
Tax @ 19% on the first £50k & @ 26.5% on the balance (2022: @ 19%)	56,521	25,190
Effects of:		
Expenses not deductible for Tax Purposes	0	0
Capital Allowances in excess of Depreciation @ 26.5% (2022: @ 19%)	(15,539)	(5,505)
Research and Development Expenditure @ 26.5% (2022: @ 19%)	(5,095)	(21,648)
Effect of surrendering Loss for Cash Payment for R&D Relief		464
Current Tax for the year	<u>35,887</u>	<u>(1,499)</u>

8. DIVIDENDS	2023 £	2022 £
Ordinary Dividend on Equity Shares paid in year	<u>120,000</u>	<u>100,000</u>

BTS Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

9. TANGIBLE FIXED ASSETS

	Land and Buildings £	Computer Equipment £	Motor Vehicles £	Total £
Cost or Revaluation				
At 1 April 2022	3000000	47266	110528	3157794
Additions	0	29610	45990	75600
Disposals	0	0	-29118	-29118
At 31 March 2023	3000000	76876	127400	3204276
Depreciation				
At 1 April 2022	0	12499	68136	80635
Charge for year	0	18939	20102	39041
Disposals	0	0	-22445	-22445
At 31 March 2023	0	31438	65793	97231
Net Book Value				
At 31 March 2023	3000000	45438	61607	3107045
At 31 March 2022	3000000	34767	42392	3077159

The Freehold Land and Buildings originally cost £952,867.

The Freehold Premises are subject to a standard Barclays Bank Plc Mortgage and Debenture. However, there is currently no Debt outstanding with the Bank.

There were no Authorised and Contracted Capital Commitments at the year end (2022: £ 0).

BTS Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

10. STOCKS AND WORK IN PROGRESS	2023	2022
	£	£
Stocks	<u>15,800</u>	<u>17,800</u>
11. DEBTORS	2023	2022
	£	£
Trade Debtors	153,585	264,836
Corporation Tax (note 7)	1,499	1,499
Other Debtors and Prepayments	<u>0</u>	<u>28,759</u>
	<u>155,083</u>	<u>295,094</u>
12. CREDITORS - due within one year	2023	2022
	£	£
Trade Creditors	0	0
Corporation Tax (Note 7)	35,887	
Other Taxes and Social Security	52,680	85,604
Provision for Warranties	17,401	36,762
Service Income Deferred	391,189	435,052
Accruals	66,585	131,209
Other Creditors	<u>83,776</u>	<u>140,510</u>
	<u>647,518</u>	<u>829,136</u>
13. CREDITORS : due after one year	2023	2022
	£	£
Deferred Taxation	213,704	213,704
Provision for Warranties	2,550	15,909
Service Income Deferred	<u>12,788</u>	<u>27,028</u>
	<u>229,042</u>	<u>256,641</u>

BTS Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

14. CALLED UP SHARE CAPITAL	2023	2022	
	£	£	
Authorised:			
A Ordinary Shares of £1 each	200	200	
B Ordinary Shares of £1 each	<u>199,800</u>	<u>199,800</u>	
	<u>200,000</u>	<u>200,000</u>	
Issued and Fully Paid :			
A Ordinary Shares	200	200	
B Ordinary Shares	<u>74,000</u>	<u>74,000</u>	
	<u>74,200</u>	<u>74,200</u>	
15. NOTES TO CASH FLOW STATEMENT	2023	2022	
	£	£	
(a) Capital Expenditure			
Payments to acquire Tangible Fixed Assets	(75,600)	(47,266)	
Receipts from Sales of Tangible Fixed Assets	<u>16,449</u>	<u>0</u>	
Net Cash Outflow for Capital Expenditure	<u>(59,151)</u>	<u>(47,266)</u>	
(b) Analysis of Changes in Net Funds	At 1 April	Cash Flow	At 31 March
	2022		2023
	£	£	£
Net Cash:			
Cash at Bank and in Hand	<u>894,003</u>	<u>(29,294)</u>	<u>864,709</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

16. RELATED PARTY TRANSACTIONS

Controlling Parties

The Company is jointly controlled by Mrs C S Wilkin and S Chopra by virtue of their Directorships and close family shareholdings. Dividends paid to each Director during the year were as follows:

	2023	2022
	£	£
S Chopra	15,364	7,364
K Chopra	14,717	14,717
Mrs H L Chopra	14,717	2,717
Mrs S Chopra	15,202	15,202
Mrs I M A Davison	29,919	29,919
Mrs C S Wilkin	30,081	30,081

17. POST BALANCE SHEET EVENTS

There have been no post balance sheet events since the end of the year. (2022: Nil).

18. LEGAL FORM OF THE COMPANY

BTS Holdings Limited is a private company, limited by shares, incorporated in England and Wales. The company's principal place of business, which is also its registered office, is disclosed on page 2 of these financial statements.