

B.L. Refrigeration & Air Conditioning Limited

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 31 December 2021

Balance Sheet
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	6	58,400	73,000
Tangible assets	7	172,829	93,046
Investments	8	75,418	75,418
		<u>306,647</u>	<u>241,464</u>
Current assets			
Stocks	9	31,783	40,556
Debtors: amounts falling due within one year	10	981,173	620,217
Cash at bank and in hand	11	879,137	1,102,250
		<u>1,892,093</u>	<u>1,763,023</u>
Creditors: amounts falling due within one year	12	(1,237,036)	(1,077,566)
		<u>655,057</u>	<u>685,457</u>
Net current assets			
		<u>961,704</u>	<u>926,921</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	13	(4,893)	(10,553)
Provisions for liabilities			
Deferred tax	14	(42,740)	(19,761)
		<u>(42,740)</u>	<u>(19,761)</u>
Net assets			
		<u>914,071</u>	<u>896,607</u>
Capital and reserves			
Called up share capital		6,263	6,263
Profit and loss account		907,808	890,344
		<u>914,071</u>	<u>896,607</u>

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Balance Sheet (continued)
As at 31 December 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 March 2022.

David Bailie
Director

The notes on pages 3 to 12 form part of these financial statements.

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**Notes to the Financial Statements
For the Year Ended 31 December 2021**

1. General information

B.L. Refrigeration & Air Conditioning Ltd is a private company limited by shares incorporated in Northern Ireland. The registration number and address of the registered office are given in the company information section of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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**Notes to the Financial Statements
For the Year Ended 31 December 2021**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**Notes to the Financial Statements
For the Year Ended 31 December 2021**

2. Accounting policies (continued)

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements
For the Year Ended 31 December 2021

2. Accounting policies (continued)

2.9 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25%
Motor vehicles	-	25%
Fixtures and fittings	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**Notes to the Financial Statements
For the Year Ended 31 December 2021**

2. Accounting policies (continued)

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.13 Debtors

Short-term 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.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Financial instruments

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

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Notes to the Financial Statements
For the Year Ended 31 December 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the process of applying the company's accounting policies, management has not made any significant judgements. There are no key assumptions concerning the future or other key sources of estimation, that have a significant risk of raising a material adjustment to the carrying amounts of assets and liabilities within the financial year.

4. Going concern

The Directors of B.L. Refrigeration & Air Conditioning Limited have reviewed the resources available and believe that the company has adequate resources to continue in operational existence for the foreseeable future.

The Directors have considered the likely impact of Covid-19 on the business and, while they expect that this will have an adverse effect, believe that the company will be able to manage the impact through prudent management of its cash resources, availing of the various support mechanisms announced by the UK Government and taking appropriate strategic measures as required.

Accordingly, B.L. Refrigeration & Air Conditioning Limited continues to adopt the going concern basis in preparing the financial statements.

5. Employees

The average monthly number of employees, including the directors, during the year was 39 (2020 - 42).

6. Intangible assets

	Goodwill
	£
Cost	
At 1 January 2021	146,000
At 31 December 2021	146,000
Amortisation	
At 1 January 2021	73,000
Charge for the year on owned assets	14,600
At 31 December 2021	87,600
Net book value	
At 31 December 2021	58,400
At 31 December 2020	73,000

Notes to the Financial Statements
For the Year Ended 31 December 2021

7. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2021	-	125,554	601,463	727,017
Additions	88,158	29,886	16,995	135,039
At 31 December 2021	<u>88,158</u>	<u>155,440</u>	<u>618,458</u>	<u>862,056</u>
Depreciation				
At 1 January 2021	-	82,935	551,035	633,970
Charge for the year on owned assets	5,510	25,689	24,058	55,257
At 31 December 2021	<u>5,510</u>	<u>108,624</u>	<u>575,093</u>	<u>689,227</u>
Net book value				
At 31 December 2021	<u>82,648</u>	<u>46,816</u>	<u>43,365</u>	<u>172,829</u>
At 31 December 2020	<u>-</u>	<u>42,619</u>	<u>50,427</u>	<u>93,046</u>

The net book value of assets under HP is nil.

Notes to the Financial Statements
For the Year Ended 31 December 2021

8. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2021	75,418
At 31 December 2021	<u>75,418</u>

9. Stocks

	2021 £	2020 £
Finished goods and goods for resale	31,783	40,556
	<u>31,783</u>	<u>40,556</u>

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Notes to the Financial Statements
For the Year Ended 31 December 2021

10. Debtors

	2021 £	2020 £
Trade debtors	926,375	550,820
Other debtors	54,798	69,397
	<u>981,173</u>	<u>620,217</u>

11. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	879,137	1,102,250
	<u>879,137</u>	<u>1,102,250</u>

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	562,370	295,098
Amounts owed to group undertakings	154,326	349,561
Corporation tax	102,601	71,949
Other taxation and social security	77,440	252,559
Other creditors	334,641	102,737
Accruals and deferred income	5,658	5,662
	<u>1,237,036</u>	<u>1,077,566</u>

13. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Government grants received	4,893	10,553
	<u>4,893</u>	<u>10,553</u>

Notes to the Financial Statements
For the Year Ended 31 December 2021

14. Deferred taxation

	2021 £	2020 £
At beginning of year	(19,761)	(39,587)
Charged to profit or loss	(22,979)	19,826
At end of year	(42,740)	(19,761)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(42,740)	(17,246)
Revaluation of listed investments	-	(2,515)
	(42,740)	(19,761)

15. Parent undertaking

The name of the parent undertaking is B.L. Group Limited and the registered office address is Unit B2 Sydenham Business Park, 17 Heron Road, Belfast, Northern Ireland, BT3 9LE.

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.