

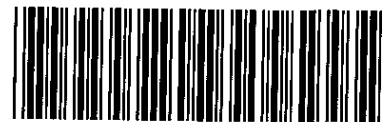
TVF (UK) Limited

Annual Report and financial statements

for the year to 31 December 2021

Registration number: 01694263

WEDNESDAY



AB75MEK8

A09

29/06/2022

#272

COMPANIES HOUSE

TVF (UK) Limited

Annual Report and financial statements for the year ended 31 December 2021

Contents

Directors and advisers	1
Directors' report for the year ended 31 December 2021	2
Profit and loss account for the year ended 31 December 2021	4
Balance sheet as at 31 December 2021	5
Statement of changes in equity	6
Accounting policies and notes to the financial statements	7

TVF (UK) Limited

Directors and advisers

Executive directors

R J Pollard
J Baker
P Daykin
G Robinson
A Cooling

Company secretary

S L Worthey

Registered office

59-69 Queens Road
High Wycombe
Buckinghamshire
HP13 6AH

TVF (UK) Limited

Directors' report for the year ended 31 December 2021

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2021. The directors' report has been prepared in accordance with the small companies regime of the Companies Act 2006.

Principal activities

The principal activities of the Company are the manufacture and sale and rental of fire detection and protection equipment and the provision of associated maintenance services.

Review of business and future developments

The profit and loss account for the year is set out on page 4.

The company continued to trade profitably and the company's commitment to quality products and service will continue in 2022. Both the level of business during the year and the year end financial position were considered to be satisfactory.

Going concern

Covid-19 impact assessment

In 2021 there has largely been a return to normality in our business. We took advantage of the government job retention scheme to finance the remaining restrictions placed on the business in the early part of 2021. A claim of £63,800 was made under the Coronavirus Job Retention Scheme.

The Directors approved a budget for 2022 based on the experience gained during the course of 2021 and the reaction of the business to the impact of the pandemic. At the date of this report we have a full engineer force in the field and have experienced a strong start to 2022. The experience of 2021 shows the resilience of the business. The Directors have also modelled sensitivities to the budget, which demonstrates that the Company is forecast to have significant cash headroom after applying these sensitivities. Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

Dividends

A dividend in the amount of £410,000 was paid in the year (2020: £100,000).

Directors

The directors who served during the year and up to the date of signing the financial statements were as follows:

R J Pollard	
J Baker	
P Daykin	
G Robinson	Appointed 2 March 2021
A Cooling	Appointed 19 July 2021

Directors' report for the year ended 31 December 2021 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 UK Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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; and
- 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.

Exemption from audit under section 479A of the Companies Act 2006

The members have not required the company to obtain an audit of its accounts for the year 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.

By order of the Board



R J Pollard

Director

21 June 2022

TVF (UK) Limited

Profit and loss account for the year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	1	10,661,747	10,126,805
Cost of sales		(3,187,985)	(2,513,726)
Gross profit		7,473,762	7,613,079
Distribution costs		(4,573,966)	(4,966,637)
Administration expenses		(3,011,837)	(2,553,320)
Other income – Government grants		63,800	505,977
Operating (loss)/profit		(48,241)	569,099
Interest receivable	2	400	652
Interest payable		-	(99)
Income from fixed asset investment, dividend from subsidiary undertaking		1,049,832	100,000
Profit on ordinary activities before taxation	3	1,001,991	669,652
Tax on profit on ordinary activities	5	(236,210)	(177,363)
Profit for the financial year		765,781	492,289

All amounts relate to continuing operations.

There are no differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The accounting policies and notes on pages 7 to 16 form an integral part of the financial statements

TVF (UK) Limited

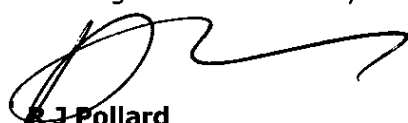
Balance sheet as at 31 December 2021

	Notes	2021 £	2020 £
Non current assets			
Intangible assets	6	818,276	782,732
Tangible assets	7	65,384	80,767
Investments	8	1,442,864	1,442,864
		2,326,524	2,306,363
Current assets			
Stocks	9	405,027	342,143
Debtors	10	2,485,657	3,306,034
Cash at bank and in hand		1,503,471	708,203
		4,394,155	4,356,380
Creditors: amounts falling due within one year	11	(2,736,436)	(3,034,806)
Net current assets		1,657,719	1,321,575
Provision for liabilities and charges	12	(4,839)	(4,315)
Total Net Assets		3,979,404	6,623,623
Capital and reserves			
Called up share capital	13	60,000	60,000
Profit and loss account		3,919,404	3,563,623
Total shareholders' funds		3,979,404	3,623,623

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements on pages 4 to 16 were approved by the board of directors on 21 June 2022 and were signed on its behalf by:



R J Pollard

Director

21 June 2022

Registered number: 01694263

The accounting policies and notes on pages 7 to 16 form an integral part of the financial statements

Statement of Changes in Equity

	Called up Share Capital	Profit and loss account	Total equity
Balance at 1 January 2020	60,000	3,171,334	3,231,334
Total comprehensive income for the period			
Profit for the financial year	-	492,289	492,289
Transactions with owner			
Dividend paid		(100,000)	(100,000)
Balance at 31 December 2020	60,000	3,563,623	3,623,623
Total comprehensive income for the period			
Profit for the financial year	-	765,781	765,781
Transactions with owner			
Dividend paid		(410,000)	(410,000)
Balance at 31 December 2021	60,000	3,919,404	3,979,404

The accounting policies and notes on pages 7 to 16 form an integral part of the financial statements

TVF (UK) Limited

Accounting policies

Basis of accounting

The Company is exempt by virtue of s400 subject to the small companies' regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. In the transition to FRS 102 from UK GAAP, the Company has made no measurement and recognition adjustments.

The Company's parent undertaking, London Security plc includes the Company in its consolidated financial statements. The consolidated financial statements of London Security plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Premier House, 2 Jubilee Way, Elland, West Yorkshire HX5 9DY. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The financial statements are prepared on the historical cost basis.

The directors have prepared these statements on the fundamental assumption that the company is a going concern and will continue to trade for the 12 months following the date of approval of these financial statements.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going Concern

The impact of the Covid-19 pandemic is discussed in the director's report.

The directors have modelled the effects of this sales decline along with all the measures we can take to ensure that the company remains within its cash and bank facilities. Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents amounts invoiced, net of returns, discounts and value added tax.

The company derives its revenue from three major sources - outright sale of fire fighting equipment, servicing of this equipment, and providing fire-fighting equipment under rental contracts. The revenue recognition policies for each of these sources is as follows:

- Revenue from the outright sale of equipment is recognised upon delivery to a customer;
- Revenue from the servicing of equipment is recognised when the service has been performed; and
- Revenue from the equipment leased to customers under an operating lease is recognised over the term of the lease on a pro-rata basis.

Revenue from the installation and servicing of equipment is recognised when the installation or service has been performed. Revenue from long-term projects is recognised in line with the stage of completion of the project. Any forecast losses are recognised immediately.

TVF (UK) Limited

Accounting policies (continued)

Tangible fixed assets and depreciation

The cost of tangible fixed assets is their purchase cost or internal production cost, together with any incremental costs of acquisition.

Depreciation is calculated on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less their estimated residual values, over the estimated useful lives of the assets concerned. The principal annual rates are as follows:

Straight line method:

Motor vehicles	25%
Fixtures and fittings	15%
Office extension (included in leasehold premises)	20%

Contracts

The cost of service contracts is consideration paid, plus any directly attributable transaction costs and an estimated value of contingent consideration. Consideration which is contingent on future events is recognised based on the estimated amount of the contingent consideration payable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of acquisition. Contracts are amortised on a straight line basis over their estimated useful life of 5 years based on information available to the Directors on average attrition rates.

Goodwill

Goodwill is recognised as the difference between the fair value of consideration paid, plus any directly attributable transaction costs and an estimated value of contingent consideration, less the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed. Consideration which is contingent on future events is recognised based on the estimated amount of the contingent consideration payable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of acquisition. Goodwill is amortised on a straight line basis over its estimated useful life of 3-6 years.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is calculated on a first in first out basis. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

TVF (UK) Limited

Accounting policies (continued)

Taxation (continued)

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leases

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Investments

Investments in subsidiary undertakings are held at cost less any provision for impairment.

Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at cost, less any impairment losses in the case of trade debtors.

Critical accounting judgements and key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Critical estimates

Service contract amortisation

The Directors have made judgements based on the evidence in the market and historical evidence on attrition rates when determining the useful economic lives and based on the legal rights of the contracts being renewable. Contracts are amortised on a straight-line basis over their estimated useful life of 5 years.

Critical judgements

In the course of preparing the financial statements no judgements have been made in the process of applying the company's accounting policies other than those involving estimation that have had a significant effect on the amounts recognised in the financial statements.

TVF (UK) Limited

Notes to the financial statements for the year ended 31 December 2021

1 Turnover

The turnover consists entirely of sales made in the United Kingdom.

2 Interest receivable

	2021	2020
	£	£
Bank interest	400	652

3 Profit before taxation

	2021	2020
	£	£
Profit on ordinary activities before taxation is stated after charging:		
Rental of properties under operating leases	79,596	65,000
Depreciation charge for the year – owned tangible fixed assets	43,114	45,536
Amortisation	371,696	354,518
Impairment of fixed asset investments	899,832	-
Auditor's remuneration for audit services	9,500	9,500
Government grants – Coronavirus Job Retention Scheme	63,800	505,977

TVF (UK) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

4 Employee information

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

	2021 Number	2020 Number
By activity:		
Selling and distribution	92	92
Administration	25	27
	117	119

	2021 £	2020 £
Wages and salaries	3,709,964	3,649,767
Social security costs	424,816	375,713
Pension costs (note 14)	215,886	168,260
	4,350,666	4,193,740

Directors are remunerated through other group undertakings.

5 Tax on profit

(a) Analysis of tax charge in the year

	2021 £	2020 £
Current tax charge	235,686	178,968
Deferred tax (credit)/charge (note 12)	524	(1,605)
Total tax on profit on ordinary activities	236,210	177,363

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences will reverse, based on tax rates and laws substantively enacted at the Balance Sheet date, being a rate of 25% at 31 December 2021.

TVF (UK) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

(b) Factors affecting tax charge for the year

The total tax charge for the period is lower (2020: higher) than the charge calculated at the standard rate of corporation tax in the United Kingdom of 19.00% (2020: 19.00%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before taxation	1,001,991	669,652
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19.00% (2020: 19.00%)	190,378	127,234
Effects of:		
Expenses not deductible for tax purposes	241,590	67,358
Income not subject to tax	(199,468)	(19,000)
Capital allowances less than depreciation	3,710	1,771
Total tax charge	236,210	177,363

6 Intangible assets

	Goodwill £	Contracts £	Total £
Cost			
At 1 January 2021	186,288	3,055,443	3,241,731
Additions	-	447,330	447,330
Disposals	-	(40,000)	(40,000)
At 31 December 2021	186,288	3,462,773	3,649,061
Accumulated Amortisation			
At 1 January 2021	186,068	2,272,911	2,458,999
Charge for the year	120	371,666	371,786
Disposals	-	-	-
At 31 December 2021	186,208	2,644,578	2,830,786
Net book value			
At 31 December 2021	80	818,196	818,276
At 31 December 2020	200	782,532	782,732

TVF (UK) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

7 Tangible assets

	Leasehold property £	Motor vehicles £	Fixtures, and fittings £	Total £
Cost or valuation				
At 1 January 2021	313,295	44,622	223,331	581,248
Additions	-	25,866	3,969	29,835
Disposals	-	-	-	-
At 31 December 2021	313,295	70,488	227,300	611,083
Accumulated depreciation				
At 1 January 2021	310,371	41,695	148,415	500,481
Charge for the year	2,104	8,604	34,510	45,218
Disposals	-	-	-	-
At 31 December 2021	312,475	50,299	182,925	545,699
Net book value				
At 31 December 2021	820	20,189	44,375	65,384
At 31 December 2020	2,924	2,927	74,916	80,767

8 Investments

	Total £
At 1 January 2021	1,442,864
Additions during the year	899,832
Impairment of investments	(899,832)
At 31 December 2021	1,442,864

The company acquired the entire share capital of Fire Services and Supplies Limited, Alexander Systems Limited and Cleeve Fire Protection Limited. These companies sold their entire assets and liabilities to TVF at which point they became dormant. Following this transaction, TVF took a dividend from these companies and at that point impaired the investments.

At 31 December 2021, the company owns the entire issued ordinary share capital of the following companies:

Beta Fire Protection Limited whose registered address is Premier House, 2 Jubilee Way, Elland, HX5 9DY. Fire Services and Supplies Limited, Cleeve Fire Protection Limited, Alexander Systems Limited, Trafalgar Compliance Services Limited, Firex U.K. Limited and A.F.S. Fire & Security Limited all share the registered address: 59/69 Queens Road, High Wycombe, HP13 6AH.

TVF (UK) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

8 Investments (continued)

At 31 December 2021, the company owns the entire issued ordinary share capital of the following companies, all of which are dormant and did not trade during the period:

TVF Alarms Limited, TVF Systems Services Limited and Thames Valley Fire Protection Limited all share the registered address: 59-69 Queens Road, High Wycombe, Buckinghamshire, HP13 6AH. United Fire Alarms Limited is registered at Premier House, 2 Jubilee Way, Elland, HX5 9DY. Firestop Services Limited is registered at Unit 15 Cedar Parc, Lincoln Road, Doddington, Lincolnshire, LN6 4RR.

9 Stocks

	2021 £	2020 £
Finished goods and goods for resale	405,027	342,143

10 Debtors

	2021 £	2020 £
Trade debtors	2,215,738	2,819,525
Amounts owed by group undertakings	80,920	281,598
Other debtors	1,658	660
Prepayments and accrued income	187,341	204,251
	2,485,657	3,306,034

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment and are repayable on demand.

11 Creditors – amounts falling due within one year

	2021 £	2020 £
Bank overdraft	-	1,007,291
Trade creditors	307,884	226,935
Amounts owed to group undertakings	442,224	426,522
Corporation tax payable	233,538	176,821
Other taxation and social security	552,287	443,502
Other creditors	757,293	305,420
Accruals and deferred income	443,210	448,315
	2,736,436	3,034,806

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

TVF (UK) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

12 Deferred taxation

There was no unprovided deferred tax liability or unrecognised deferred tax asset at 31 December 2021 (2020 : £nil). The movement in the deferred tax asset can be analysed as follows:

	Deferred tax liability £
At 1 January 2021	(4,315)
Charge to profit and loss account	(524)
At 31 December 2021	(4,839)

The deferred tax (liability)/asset recognised at 31 December 2021 can be analysed as follows:

	2021 £	2020 £
Depreciation in (less than)/in excess of capital allowances	(4,839)	(4,315)

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences will reverse based on tax rates and laws substantively enacted at the balance sheet date and being at a rate of 25% at 31 December 2021.

The directors consider it more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset and therefore have recognised the asset in the financial statements.

13 Called up share capital

	2021 £	2020 £
Authorised, allotted, called up and fully paid		
10,000 ordinary shares of £1 each	60,000	60,000

14 Pension obligations

The group operates a defined contribution pension arrangement in which the company participates, which is open to all employees and to which the company contributes a fixed amount after a qualifying period of service.

Total contributions payable by the company into the above scheme in which the company participates are disclosed in note 4.

TVF (UK) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

15 Commitments and contingent liabilities

The full minimum payments due under operating leases are as follows:

	2021	2020
	£'000	£'000
Less than one year	8,000	73,000
Between two and five years inclusive	8,000	16,000
	16,000	89,000

At the year end the company had guaranteed group borrowings under a cross guarantee of £3.063 million (2020: £5.3 million).

16 Parent undertakings

The immediate parent undertaking is LS UK Fire Group Ltd following a transfer of shares from London Security Plc on 1 January 2018.

The directors regard EOI Fire S.à.r.l., a company registered in Luxembourg, as the ultimate parent undertaking.

The smallest and largest group in which the results of the company are consolidated is the London Security Plc group, a company quoted on the Alternative Investment Market. Copies of the London Security Plc consolidated financial statements may be obtained from the Company Secretary at Premier House, Jubilee Way, Elland, West Yorkshire, HX5 9DY.

The directors regard Eden and Arianne Trusts as the ultimate controlling party through its controlling interest in EOI Fire S.à.r.l.

17 Related party transactions

The company has taken advantage of the exemption available under FRS 102 1.12(d) 'Related party disclosures' from disclosing transactions with related parties within the London Security plc group.