

Company registration number 02286559 (England and Wales)

SIGNAL HOUSE LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 OCTOBER 2022
PAGES FOR FILING WITH REGISTRAR

SIGNAL HOUSE LIMITED

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SIGNAL HOUSE LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2022

		31 October 2022		30 April 2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		112,362		140,465
Current assets					
Stocks	5	301,868		261,263	
Debtors	6	356,658		434,803	
Cash at bank and in hand		4,370		4,341	
		<u>662,896</u>		<u>700,407</u>	
Creditors: amounts falling due within one year	7	<u>(668,340)</u>		<u>(495,652)</u>	
Net current (liabilities)/assets			<u>(5,444)</u>		<u>204,755</u>
Total assets less current liabilities			106,918		345,220
Creditors: amounts falling due after more than one year	8		-		(1,422)
Provisions for liabilities			<u>(25,837)</u>		<u>(24,417)</u>
Net assets			<u>81,081</u>		<u>319,381</u>
Capital and reserves					
Called up share capital	11		52,630		52,630
Profit and loss reserves			<u>28,451</u>		<u>266,751</u>
Total equity			<u>81,081</u>		<u>319,381</u>

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

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

SIGNAL HOUSE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2022

The financial statements were approved by the board of directors and authorised for issue on 31 July 2023 and are signed on its behalf by:

P Hobbs
Director

J A Leafe
Director

P Roberts
Director

Company Registration No. 02286559

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 2022

1 Accounting policies

Company information

Signal House Limited is a private company limited by shares incorporated in England and Wales. The registered office is Salcombe Road, Meadow Lane Industrial Estate, Alfreton, Derbyshire, DE55 7RG.

The principal place of business is:

Cherrycourt Way
Stanbridge Road
Leighton Buzzard
Bedfordshire
LU7 4UH

1.1 Reporting period

The financial statements cover a 18 month period from 1 May 2021 to 31 October 2022 and as such the comparatives are not entirely comparable. The accounting reference date was changed for commercial reasons.

1.2 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 amounts 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.

1.3 Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue to trade. The validity of this assumption is dependent on the continued support, which has been received in writing, of its parent company and also other members of the group and not requiring the withdrawal of monies owed until sufficient funds are available.

If the company were unable to trade, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that may arise, and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

1.4 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year. Income is recognised based on the date goods are despatched and the level of completion of services.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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:

Plant and machinery	20% reducing balance
Fixtures and fittings	15% reducing balance

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.

1.7 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.

1.8 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.

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.9 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.

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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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.

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.

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.12 Retirement benefits

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

1.13 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 in the profit and loss account as income when such grant does not impose specified future performance-related conditions, in accordance with the performance model.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Impairment of debtors

On a periodic basis management makes an estimation of the recoverability of debtors. Management make such estimations based on the ageing profile, and historical experience.

Impairment of stock

The company's products are subject to changing market demand. It is therefore necessary to consider on a periodic basis the recoverability of the cost of stocks and the associated impairment. Management calculates impairments by considering the nature and condition of the stocks and applies assumptions around anticipated salability of finished goods and future usage of raw materials, overheads and labour.

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

3 Employees

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

	31 October 2022	2021
	Number	Number
Total	16	16

4 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 May 2021	473,165	151,314	624,479
Additions	6,232	750	6,982
At 31 October 2022	479,397	152,064	631,461
Depreciation and impairment			
At 1 May 2021	370,288	113,726	484,014
Depreciation charged in the period	27,470	7,615	35,085
At 31 October 2022	397,758	121,341	519,099
Carrying amount			
At 31 October 2022	81,639	30,723	112,362
At 30 April 2021	102,877	37,588	140,465

5 Stocks

	31 October 2022	2021
	£	£
Other inventories	251,174	241,277
Work in progress	50,694	19,986
	301,868	261,263

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

6 Debtors		31 October 2022	2021
		£	£
Amounts falling due within one year:			
Trade debtors		112,950	128,051
Amounts owed by group undertakings		221,277	288,367
Other debtors		22,431	18,385
		<u>356,658</u>	<u>434,803</u>
		<u><u>356,658</u></u>	<u><u>434,803</u></u>
7 Creditors: amounts falling due within one year		31 October 2022	2021
	Notes	£	£
Loans and borrowings	9	101,028	116,690
Trade creditors		41,715	38,097
Amounts owed by group undertakings		473,293	300,393
Taxation and social security		30,348	28,628
Other creditors		21,956	11,844
		<u>668,340</u>	<u>495,652</u>
		<u><u>668,340</u></u>	<u><u>495,652</u></u>
8 Creditors: amounts falling due after more than one year		31 October 2022	2021
	Notes	£	£
Obligations under hire purchase and finance leases	9	-	1,422
		<u>-</u>	<u>1,422</u>
		<u><u>-</u></u>	<u><u>1,422</u></u>

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

9 Loans and borrowings

	31 October 2022	2021
	£	£
Bank overdrafts	8,296	21,975
Hire purchase and finance lease liabilities	-	4,281
Other borrowings	92,732	91,856
	<u>101,028</u>	<u>118,112</u>
	<u><u>101,028</u></u>	<u><u>116,690</u></u>
Payable within one year	101,028	116,690
Payable after one year	-	1,422
	<u><u>-</u></u>	<u><u>1,422</u></u>

The bank borrowings are denominated in Sterling. The carrying amount at the year end is £8,296 (2021 - £21,975). The bank borrowings are secured by virtue of a debenture over all of the company's assets.

Hire purchase and finance lease liabilities are secured against the assets to which they relate. The carrying amount at the year end is £nil (2021 - £4,281).

Other borrowings, which relate to invoice discount facilities, are secured against the related debtors and also by virtue of cross guarantees between group companies. The carrying amount at the year end is £92,732 (2021 - £91,856).

10 Finance lease obligations

	31 October 2022	2021
	£	£
Future minimum lease payments due under finance leases:		
Within one year	-	2,859
In two to five years	-	1,422
	<u>-</u>	<u>4,281</u>
	<u><u>-</u></u>	<u><u>4,281</u></u>

11 Called up share capital

	31 October 2022	2021	31 October 2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	52,630	52,630	52,630	52,630
	<u>52,630</u>	<u>52,630</u>	<u>52,630</u>	<u>52,630</u>

12 Contingent liabilities

The company has entered into cross guarantees with its finance providers in respect of the liabilities of other group and related companies. This is supported by a debenture over the company's assets. The contingent liability as at 31 October 2022 is £2,539,588 (2021 - £1,421,534). The future outcome is dependant upon the performance of individual companies concerned, however the director's do not expect any liability to crystallise.

SIGNAL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

13 Financial commitments, guarantees and contingent liabilities

The total amount of financial commitments not included in the balance sheet is £4,950 (2021 - £16,104).

14 Related party transactions

The company has taken advantage of the exemption available under FRS 102 Section 1A in respect of disclosing transactions with other members of the group.

15 Parent company

The company's immediate parent is Signal House Group Limited, incorporated in England. The ultimate controlling party is P Roberts.

The parent of the smallest and largest group in which these financial statements are consolidated is Signal House Group Limited, incorporated in England.

The address of Signal House Group Limited is:

Salcombe Road, Meadow Lane Industrial Estate, Alfreton, Derbyshire, DE55 7RG.

These financial statements are available on request from Companies house, Crown Way, Maindy, Cardiff, CF14 3UZ

16 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The Independent Auditors' Report was unqualified.

Senior Statutory Auditor:

Gavin Robert Booth

Statutory Auditor:

Ashgates Corporate Services Limited

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.