

Registration number: 02387681

# Fire Testing Technology Limited

Directors' Report and Financial Statements

for the year ended 31 December 2014

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# **Fire Testing Technology Limited**

## **Company information**

**Directors** Mr D E Cicurel (Chairman)  
Dr S Gregory (Managing Director)  
Mr D Barnbrook  
Mr R L Cohen  
Mr S J Grayson  
Mr B Ormsby  
Mr N Sambell

**Secretary** Mr R L Cohen

**Company number** 02387681

**Registered Office** Unit 19, Charlwoods Road  
East Grinstead  
West Sussex  
RH19 2HL

**Auditor** Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
Regent House  
80 Regent Road  
Leicester  
LE1 7NH

# **Fire Testing Technology Limited**

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# **Fire Testing Technology Limited**

## **Directors' report for the year ended 31 December 2014**

The directors present their report and the financial statements for the year ended 31 December 2014. In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

### **Principal activity**

The principal activity of the company in the year continued to be that of design, assembly and sale of instruments designed to measure the reaction of a variety of materials to fire. The profit and loss account is set out on page 5 and shows the profit for the year.

### **Directors**

The directors who served during the year are as stated below:

Mr D E Cicurel	
Dr S Gregory	
Mr D Barnbrook	
Mr R L Cohen	
Mr S J Grayson	
Mr B Ormsby	Appointed 3 March 2015
Mr N Sambell	Appointed 1 July 2014

### **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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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;
- 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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

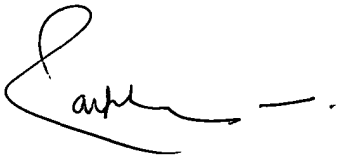
# **Fire Testing Technology Limited**

## **Directors' report for the year ended 31 December 2014**

### **Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is the earlier.

This report was approved by the board on 26 March 2015 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R L Cohen', followed by a horizontal line.

**Mr R L Cohen**  
**Secretary**

**Fire Testing Technology Limited**  
**Company Registration Number: 02387681**

# **Fire Testing Technology Limited**

## **Independent Auditor's Report to the members of Fire Testing Technology Limited**

We have audited the financial statements of Fire Testing Technology Limited for the year ended 31 December 2014, which comprise the profit and loss account, the balance sheet, the statement of accounting policies and notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Fire Testing Technology Limited**

### **Independent Auditor's Report to the members of Fire Testing Technology Limited**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

*Grant Thornton UK LLP*

Philip Sayers  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
East Midlands  
26 March 2015

# Fire Testing Technology Limited

## Profit and loss account for the year ended 31 December 2014

	Notes	2014 £	2013 £
<b>Turnover</b>	<b>1</b>	<b>5,687,778</b>	5,542,374
Raw materials and consumables		(2,641,065)	(2,397,765)
Other external charges		(695,286)	(623,377)
Staff costs	<b>3</b>	(1,268,028)	(1,189,412)
Depreciation		(10,081)	(22,672)
Other operating charges		(8,065)	(34,155)
<b>Operating profit</b>	<b>2</b>	<b>1,065,253</b>	1,274,993
Dividends received		422,000	225,000
Interest receivable		766	872
Interest payable		(98,698)	(98,695)
<b>Profit on ordinary activities before taxation</b>		<b>1,389,321</b>	1,402,170
Tax on profit on ordinary activities	<b>4</b>	(128,914)	(209,349)
<b>Profit on ordinary activities after taxation</b>	<b>12</b>	<b>1,260,407</b>	1,192,821

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The accompanying notes form an integral part of these financial statements.



# Fire Testing Technology Limited

## Balance sheet as at 31 December 2014

		2014	2013
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	5	22,211	27,816
Investments	6	<u>1,359,713</u>	<u>1,359,713</u>
		<b>1,381,924</b>	<b>1,387,529</b>
<b>Current assets</b>			
Stocks	7	658,132	609,330
Debtors	8	621,293	518,560
Cash at bank and in hand		<u>617,950</u>	<u>1,083,678</u>
		<b>1,897,375</b>	<b>2,211,568</b>
<b>Creditors: amounts falling due within one year</b>	9	<u>(2,359,032)</u>	<u>(2,427,237)</u>
<b>Net current liabilities</b>		<b>(461,657)</b>	<b>(215,669)</b>
<b>Total net assets</b>		<b>920,267</b>	<b>1,171,860</b>
<b>Capital and reserves</b>			
Called up share capital	11	3,000	3,000
Profit and loss account	12	<u>917,267</u>	<u>1,168,860</u>
<b>Shareholders' funds - all equity</b>	13	<b>920,267</b>	<b>1,171,860</b>

The financial statements were approved by the board of directors on 26 March 2015 and signed on its behalf by:



Dr S Gregory  
Director

The accompanying notes form an integral part of these financial statements.

# **Fire Testing Technology Limited**

## **Statement of accounting policies**

### **Accounting convention**

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention.

The principal accounting policies of the company are set out below. The policies, which have been applied consistently throughout the year, remain unchanged from the previous year.

### **Turnover**

Revenue recognition policies in respect of the company's principal revenue streams are as follows:

- Sales of instruments and spares are recognised at the point of despatch.
- Installation revenues are deferred and recognised on completion of installation.

All revenues are stated exclusive of value added tax.

### **Tangible fixed assets and depreciation**

Fixed assets are initially recorded at cost. Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery:	15% on written down value or 15%/20% on cost
Fixtures, fittings and equipment:	15% on written down value or 15%/33% on cost
Motor vehicles:	25% on cost
Leasehold improvements:	over the minimum life of the lease

### **Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### **Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

### **Stocks and work in progress**

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity.

### **Pensions**

The company operates a defined contribution pension scheme for employees and directors. The assets of the scheme are held by investment managers separately from those of the company. Contributions payable are charged to the profit and loss account.

### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of transaction. All differences are taken to the profit and loss account.

# **Fire Testing Technology Limited**

## **Statement of accounting policies**

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date which will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### **Group accounts**

These financial statements contain information about Fire Testing Technology Limited as an individual company and do not contain consolidated information as the parent of a group. The company is entitled to exemption under Section 400 of the Companies Act 2006 from the obligation to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Judges Scientific plc, a company registered in the UK.

### **Cash flow statement**

The company has not prepared a cash flow statement as it is exempt under Financial Reporting Standard No 1, on the basis that it is included in the publicly available consolidated accounts of Judges Scientific plc.

### **Research and development**

Research and development expenditure is recognised in the Profit and Loss account as an expense as incurred until it can be demonstrated that the conditions for capitalisation under SSAP 13 apply.

The criteria for capitalisation include demonstration that the project is technically and commercially feasible, the company has sufficient resources to complete development and the asset will generate probable future economic benefit.

No research and development expenditure has been capitalised to date.

# Fire Testing Technology Limited

## Notes to the financial statements for the year ended 31 December 2014

### 1 TURNOVER

Turnover attributable to geographical markets outside the United Kingdom amounted to 88% (2013: 97%) for the year.

### 2 OPERATING PROFIT

Operating profit is stated after charging:	2014 £	2013 £
Depreciation and other amounts written off tangible fixed assets	10,081	22,672
Auditor's remuneration - audit	10,000	10,000
Research and development	180,479	176,224
Foreign exchange differences	8,065	33,640
Operating leases - land and buildings	<u>78,000</u>	<u>78,000</u>

Fees paid to the company's auditor for services other than the statutory audit of the company are not disclosed in these accounts since the consolidated accounts of its ultimate parent undertaking, Judges Scientific plc, are required to disclose non audit fees on a consolidated basis.

### 3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Staff costs (including directors)	2014 £	2013 £
Wages and salaries	1,101,326	1,052,251
Social security costs	111,521	106,714
Other pension costs	55,181	30,447
	<u>1,268,028</u>	<u>1,189,412</u>

Average number of persons employed:	2014	2013
Directors	6	5
Manufacturing	18	18
Sales and administration	11	11
	<u>35</u>	<u>34</u>

Directors' emoluments:	2014 £	2013 £
Emoluments	141,141	135,479
Defined contribution pension scheme contributions	29,362	4,863
	<u>170,503</u>	<u>140,342</u>

During the year two directors participated in money purchase pension schemes (2013: one).

# Fire Testing Technology Limited

## Notes to the financial statements for the year ended 31 December 2014

### 4 TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

Analysis of charge in year:	2014 £	2013 £
United Kingdom corporation tax charge at 21.5% (2013: 23.25%)	129,916	216,481
United Kingdom corporation tax - prior year adjustment	(1,011)	104,898
Provision for group relief payment	-	12,423
Provision for group relief payment - prior year adjustment	-	(123,047)
Total current tax charge	128,905	210,755
Deferred tax (see note 10)	10	(573)
Deferred tax - prior year adjustment (see note 10)	(1)	(833)
Tax on profit on ordinary activities	128,914	209,349

The tax assessed for the year is different to the weighted average standard rate of corporation tax in the UK of 21.5% (2013: 23.25%). The differences are explained as follows:

	2014 £	2013 £
Profit on ordinary activities before tax	1,389,321	1,402,170
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%)	298,609	325,957

Effect of:

Expenses not deductible for tax purposes	2,226	1,197
Intercompany dividend income	(90,702)	(52,305)
Difference between depreciation and accelerated capital allowances	20	636
Tax deduction on exercise of options over shares in ultimate parent undertaking	(80,237)	(46,581)
Corporation tax - prior year adjustment	(1,011)	104,898
Group relief - prior year adjustment	-	(123,047)
Total current tax charge	128,905	210,755

# Fire Testing Technology Limited

## Notes to the financial statements for the year ended 31 December 2014

### 5 TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Leasehold improve ments £	Total £
<b>Cost</b>					
At 1 January 2014	185,730	117,532	13,864	196,186	513,312
Additions	1,216	3,260	-	-	4,476
At 31 December 2014	<b>186,946</b>	<b>120,792</b>	<b>13,864</b>	<b>196,186</b>	<b>517,788</b>
<b>Depreciation</b>					
At 1 January 2014	172,378	103,068	13,864	196,186	485,496
Charge for the year	2,270	7,811	-	-	10,081
At 31 December 2014	<b>174,648</b>	<b>110,879</b>	<b>13,864</b>	<b>196,186</b>	<b>495,577</b>
<b>Net book values</b>					
At 31 December 2014	<b>12,298</b>	<b>9,913</b>	-	-	<b>22,211</b>
At 31 December 2013	13,352	14,464	-	-	27,816

### 6 FIXED ASSET INVESTMENTS

#### Subsidiary undertakings

Cost and net book value – 1 January 2014 and 31 December 2014

**1,359,713**

The company holds 100% of the ordinary share capital of Sircal Instruments (UK) Limited, Aitchee Engineering Limited, FTT Scientific Limited and Stanton Redcroft Limited, all of which are UK incorporated companies. FTT Scientific Limited and Stanton Redcroft Limited are dormant companies.

### 7 STOCKS

	2014 £	2013 £
Raw materials	429,472	419,032
Work in progress	228,660	190,298
	<b>658,132</b>	<b>609,330</b>

### 8 DEBTORS

	2014 £	2013 £
Trade debtors	469,514	378,864
Amounts owed by group companies	48,658	35,825
Other debtors	52,002	43,512
Deferred tax (see note 10)	580	589
Prepayments	50,539	59,770
	<b>621,293</b>	<b>518,560</b>

# Fire Testing Technology Limited

## Notes to the financial statements for the year ended 31 December 2014

<b>9 CREDITORS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade creditors	596,080	442,027
Other creditors	1,427	127
Corporation tax payable	74,805	135,793
Amounts owed to group companies	1,386,537	1,618,194
Social security and other taxes	38,852	36,433
Accruals and deferred income	261,331	194,663
	<u>2,359,032</u>	<u>2,427,237</u>

Amounts owed to group companies includes £1,315,938 loaned by the parent company, Judges Scientific plc, to finance the acquisition of Sircal Instruments (UK) Limited, together with related transaction costs. The loan is unsecured, repayable on demand and bears interest at the rate of 7½% p.a.

<b>10 DEFERRED TAX ASSET</b>	<b>£</b>
At 1 January 2014	589
Charge in the year	(10)
Prior year adjustment	1
At 31 December 2014	<u>580</u>

The amounts provided in respect of deferred taxation are computed at the rate of 20% (2013: 21%) and relate to accelerated capital allowances.

<b>11 CALLED UP SHARE CAPITAL</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
3,000 Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>

<b>12 RESERVES</b>	<b>Profit and loss account</b>
	<b>£</b>
At 1 January 2014	1,168,860
Profit for the year	1,260,407
Dividends paid in the year	(1,512,000)
At 31 December 2014	<u>917,267</u>

Dividends were paid in the year representing £504 per share (2013: £280 per share).

# Fire Testing Technology Limited

## Notes to the financial statements for the year ended 31 December 2014

### 13 RECONCILIATION OF SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit on ordinary activities after taxation	1,260,407	1,192,821
Dividends paid in the year	(1,512,000)	(840,000)
Opening shareholders' funds	1,171,860	819,039
Closing shareholders' funds	<u>920,267</u>	<u>1,171,860</u>

### 14 OPERATING LEASE OBLIGATIONS

The company had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Land and buildings - between one and five years	<u>78,000</u>	<u>78,000</u>

### 15 RELATED PARTY TRANSACTIONS

During the year charges were made in the sum of £5,500 (2013: £5,253) from Interscience Communications Limited, a company in which Mr S J Grayson is a director and shareholder.

As a wholly owned subsidiary of Judges Scientific plc, the company is exempt from the requirements of FRS 8 to disclose transactions within the group.

### 16 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of this company is Judges Scientific plc, which is incorporated in England and Wales. The only group undertaking for which consolidated accounts are prepared is that headed by Judges Scientific plc. Bank loans advanced to or guaranteed by Judges Scientific plc amounting at 31 December 2014 to £12,280,000 (2013: £15,043,000) are secured on the company's assets.