

**CDS Security Limited**  
**Filleted Unaudited Financial Statements**  
**For the year ended**  
**31 July 2019**

**DEBERE LIMITED**  
Chartered Accountants  
Swallow House  
Parsons Road  
Washington  
Tyne and Wear  
NE37 1EZ



# **CDS Security Limited**

## **Financial Statements**

**Year ended 31 July 2019**

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# **CDS Security Limited**

## **Officers and Professional Advisers**

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**The board of directors**

Mr C Abbott  
Ms R Abbott  
Mrs E Dunn  
Mr S Dunn  
Mr K Owens  
Mr W Potts  
Mr R Taylor

**Company secretary**

Mrs E Dunn

**Registered office**

Units 8 & 9  
Dragonville Industrial Park  
Gilesgate  
Durham  
DH1 2XH

**Business address**

Units 8 & 9  
Dragonville Industrial Park  
Gilesgate  
Durham  
DH1 2XH

**Accountants**

Debere Limited  
Chartered Accountants  
Swallow House  
Parsons Road  
Washington  
Tyne and Wear  
NE37 1EZ

**Bankers**

Barclays Bank plc  
6 Market Place  
Durham  
Co Durham  
DH1 3ND

# **CDS Security Limited**

## **Chartered Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of CDS Security Limited**

**Year ended 31 July 2019**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of CDS Security Limited for the year ended 31 July 2019, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com/en/membership/regulations-standards-and-guidance](http://www.icaew.com/en/membership/regulations-standards-and-guidance).

This report is made solely to the Board of Directors of CDS Security Limited, as a body, in accordance with the terms of our engagement letter dated 29 October 2018. Our work has been undertaken solely to prepare for your approval the financial statements of CDS Security Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than CDS Security Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that CDS Security Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of CDS Security Limited. You consider that CDS Security Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of CDS Security Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



DEBERE LIMITED  
Chartered Accountants

Swallow House  
Parsons Road  
Washington  
Tyne and Wear  
NE37 1EZ

24 January 2020

**CDS Security Limited**  
**Statement of Financial Position**  
**31 July 2019**

	Note	2019 £	£	2018 £
<b>Fixed assets</b>				
Tangible assets	6		29,284	22,408
<b>Current assets</b>				
Stocks		15,255		13,360
Debtors	7	478,041		385,304
Cash at bank and in hand		313,096		242,553
		806,392		641,217
<b>Creditors: amounts falling due within one year</b>	8	(609,743)		(442,800)
<b>Net current assets</b>			196,649	198,417
<b>Total assets less current liabilities</b>			225,933	220,825
<b>Creditors: amounts falling due after more than one year</b>	9		(2,137)	(26,597)
<b>Provisions</b>				
Taxation including deferred tax			(4,874)	(3,649)
<b>Net assets</b>			218,922	190,579
<b>Capital and reserves</b>				
Called up share capital			1,002	1,002
Share premium account			29,650	29,650
Profit and loss account			188,270	159,927
<b>Shareholders funds</b>			218,922	190,579

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

For the year ending 31 July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements 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 financial statements.

The statement of financial position  
continues on the following page.

The notes on pages 5 to 11 form part of these financial statements.

# **CDS Security Limited**

## **Statement of Financial Position** *(continued)*

**31 July 2019**

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These financial statements were approved by the board of directors and authorised for issue on 24 January 2020, and are signed on behalf of the board by:



Mrs E Dunn  
Director

Company registration number: 02621153

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The notes on pages 5 to 11 form part of these financial statements.

**CDS Security Limited**  
**Notes to the Financial Statements**  
**Year ended 31 July 2019**

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**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Units 8 & 9, Dragonsville Industrial Park, Gilesgate, Durham, DH1 2XH.

**2. Statement of compliance**

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.

**General Information**

The principal activities of the company during the year were the supply, installation and maintenance of security systems.

The company is a private company limited by shares and is incorporated and domiciled in England.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

**Grants**

Revenue grants are brought into the profit and loss account when receivable.

**Going concern**

The company meets its day-to-day working capital requirements through its bank facilities. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

# **CDS Security Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 July 2019**

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### **3. Accounting policies** *(continued)*

#### **Cash at bank in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **Creditors**

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement after following for any trade discounts due.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

The turnover shown in the profit and loss account represents amounts invoiced or applied for during the year, exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer.

For product sales, invoices are raised on the date of delivery of goods; short-term installations are invoiced on the day of commencement of work; and for longer term installations an application is made at the end of each month.

#### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.



# CDS Security Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2019

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### 3. Accounting policies *(continued)*

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - Straight line over 20 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Tenants improvements to property - 10% straight line  
Fixtures & Fittings - 15% reducing balance/33% straight line

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

# CDS Security Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2019

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### 3. Accounting policies *(continued)*

#### Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 22 (2018: 21).

### 5. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 August 2018 and 31 July 2019	53,000
<b>Amortisation</b>	
At 1 August 2018 and 31 July 2019	53,000
<b>Carrying amount</b>	
At 31 July 2019	—
At 31 July 2018	—

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# CDS Security Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2019

### 6. Tangible assets

	Land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 August 2018	3,333	39,133	42,466
Additions	–	11,291	11,291
<b>At 31 July 2019</b>	<u>3,333</u>	<u>50,424</u>	<u>53,757</u>
<b>Depreciation</b>			
At 1 August 2018	2,389	17,669	20,058
Charge for the year	333	4,082	4,415
<b>At 31 July 2019</b>	<u>2,722</u>	<u>21,751</u>	<u>24,473</u>
<b>Carrying amount</b>			
<b>At 31 July 2019</b>	<u>611</u>	<u>28,673</u>	<u>29,284</u>
At 31 July 2018	<u>944</u>	<u>21,464</u>	<u>22,408</u>

### 7. Debtors

	2019 £	2018 £
Trade debtors	277,969	219,125
Amounts owed by group undertakings and undertakings in which the company has a participating interest	194,439	163,196
Other debtors	5,633	2,983
	<u>478,041</u>	<u>385,304</u>

Short term debtors are measured at transaction price, less any impairment.

### 8. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	24,461	22,407
Trade creditors	340,399	215,011
Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,131	1,221
Corporation tax	91,490	75,761
Social security and other taxes	123,883	120,802
Other creditors	28,379	7,598
	<u>609,743</u>	<u>442,800</u>

Short term creditors are measured at the transaction price.

The bank loans and overdrafts of £24,461 (2018: £22,407) are secured by way of a fixed charge over the company's assets.

# CDS Security Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2019

### 9. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	<u>2,137</u>	<u>26,597</u>

The bank loans and overdrafts of £2,137 (2018: £26,597) are secured by way of a fixed charge over the company's assets.

Long term creditors are measured at the transaction price.

### 10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	24,320	20,687
Later than 1 year and not later than 5 years	<u>19,409</u>	<u>18,373</u>
	<u>43,729</u>	<u>39,060</u>

### 11. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2019		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr C Abbott	(82)	78	(4)
Ms R Abbott	(49)	(9,999)	(10,048)
Mrs E Dunn	(249)	214	(35)
Mr S Dunn	(211)	176	(35)
Mr K Owens	1,040	–	1,040
Mr W Potts	(503)	(9,540)	(10,043)
Mr R Taylor	(263)	235	(28)
	<u>(317)</u>	<u>(18,836)</u>	<u>(19,153)</u>

	2018		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr C Abbott	–	(82)	(82)
Ms R Abbott	(17)	(32)	(49)
Mrs E Dunn	(1,391)	1,142	(249)
Mr S Dunn	(20)	(191)	(211)
Mr K Owens	1,103	(63)	1,040
Mr W Potts	(152)	(351)	(503)
Mr R Taylor	(4)	(259)	(263)
	<u>(481)</u>	<u>164</u>	<u>(317)</u>

# **CDS Security Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 July 2019**

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### **12. Related party transactions**

Mrs E Dunn has provided a personal guarantee of £55,000 to the company's bankers as security.

### **13. Controlling party**

The parent company is CDS Security and Fire Limited, a company incorporated in England and Wales.