

CDS Security Limited
Filleted Unaudited Financial Statements
For the year ended
31 July 2023

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



CDS Security Limited

Financial Statements

Year ended 31 July 2023

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CDS Security Limited

Officers and Professional Advisers

The board of directors

Mr C Abbott
Mrs R Potts
Mrs E Dunn
Mr S Dunn
Mr W Potts
Mr R Taylor

Company secretary

Mrs E Dunn

Registered office

Systems House
Bowburn North Industrial Estate
Bowburn
Durham
DH6 5PF

Business address

Systems House
Bowburn North Industrial Estate
Bowburn
Durham
DH6 5PF

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 2023


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 2023, 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.

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 15 April 2021. 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. 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

11 March 2024

CDS Security Limited
Statement of Financial Position
31 July 2023

	Note	2023 £	£	2022 £
Fixed assets				
Tangible assets	6		145,051	57,069
Current assets				
Stocks		32,281		28,231
Debtors	7	562,639		547,879
Cash at bank and in hand		427,270		691,452
		<u>1,022,190</u>		<u>1,267,562</u>
Creditors: amounts falling due within one year	8	<u>(695,042)</u>		<u>(774,749)</u>
Net current assets			327,148	492,813
Total assets less current liabilities			<u>472,199</u>	<u>549,882</u>
Creditors: amounts falling due after more than one year	9		(191,841)	(291,723)
Provisions				
Taxation including deferred tax			(25,336)	(14,267)
Net assets			<u>255,022</u>	<u>243,892</u>
Capital and reserves				
Called up share capital			1,002	1,002
Share premium account			29,650	29,650
Profit and loss account			<u>224,370</u>	<u>213,240</u>
Shareholders funds			<u>255,022</u>	<u>243,892</u>

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 Section 1A of 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 2023 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.

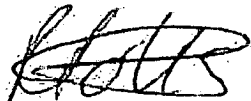
The statement of financial position
continues on the following page.
The notes on pages 5 to 11 form part of these financial statements.

CDS Security Limited

Statement of Financial Position *(continued)*

31 July 2023

These financial statements were approved by the board of directors and authorised for issue on 11 March 2024, and are signed on behalf of the board by:



Mrs R Potts
Director

Company registration number: 02621153

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 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Systems House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF.

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.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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.

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.

CDS Security Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

3. Accounting policies *(continued)*

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 allowing 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.

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.

CDS Security Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

3. Accounting policies *(continued)*

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:

Fixtures, fittings and equipment	- 15% reducing balance/33% straight line
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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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

CDS Security Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

3. Accounting policies *(continued)*

Government grants *(continued)*

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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.

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 30 (2022: 30).

CDS Security Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

5. Intangible assets

	Goodwill £
Cost	
At 1 August 2022 and 31 July 2023	53,000
Amortisation	
At 1 August 2022 and 31 July 2023	53,000
Carrying amount	
At 31 July 2023	–
At 31 July 2022	–

6. Tangible assets

	Land and buildings £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 August 2022	–	91,883	91,883
Additions	102,109	5,634	107,743
Disposals	–	(25,723)	(25,723)
At 31 July 2023	<u>102,109</u>	<u>71,794</u>	<u>173,903</u>
Depreciation			
At 1 August 2022	–	34,814	34,814
Charge for the year	–	8,859	8,859
Disposals	–	(14,821)	(14,821)
At 31 July 2023	<u>–</u>	<u>28,852</u>	<u>28,852</u>
Carrying amount			
At 31 July 2023	<u>102,109</u>	<u>42,942</u>	<u>145,051</u>
At 31 July 2022	<u>–</u>	<u>57,069</u>	<u>57,069</u>

7. Debtors

	2023 £	2022 £
Trade debtors	220,751	46,752
Amounts owed by group undertakings and undertakings in which the company has a participating interest	312,260	377,122
Other debtors	29,628	124,005
	<u>562,639</u>	<u>547,879</u>

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

CDS Security Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

8. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	100,000	100,000
Trade creditors	312,738	451,549
Corporation tax	82,057	48,617
Social security and other taxes	176,897	105,752
Other creditors	23,350	68,831
	<u>695,042</u>	<u>774,749</u>

Short term creditors are measured at the transaction price.

The bank loans and overdrafts of £100,000 (2022: £100,000) are secured by way of a fixed charge over the company's assets.

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

	2023	2022
	£	£
Bank loans and overdrafts	<u>191,841</u>	<u>291,723</u>

The bank loans and overdrafts of £191,841 (2022: £291,723) 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:

	2023	2022
	£	£
Not later than 1 year	21,794	25,210
Later than 1 year and not later than 5 years	<u>9,423</u>	<u>23,113</u>
	<u>31,217</u>	<u>48,323</u>

CDS Security Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

11. Directors' advances, credits and guarantees

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

	2023		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr C Abbott	(75)	76	1
Mrs R Potts	(204)	179	(25)
Mrs E Dunn	(312)	302	(10)
Mr S Dunn	(27)	23	(4)
Mr W Potts	(297)	279	(18)
Mr R Taylor	(143)	140	(3)
	<u>(1,058)</u>	<u>999</u>	<u>(59)</u>

	2022		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr C Abbott	(227)	152	(75)
Mrs R Potts	(10,000)	9,796	(204)
Mrs E Dunn	(6)	(306)	(312)
Mr S Dunn	(19)	(8)	(27)
Mr W Potts	(10,162)	9,865	(297)
Mr R Taylor	(3)	(140)	(143)
	<u>(20,417)</u>	<u>19,359</u>	<u>(1,058)</u>

12. Related party transactions

Mrs E Dunn, Mrs R Potts and Mr W Potts have provided a joint and several personal guarantee of £125,000 to the company's bankers as security.

13. Controlling party

The company's parent company is CDS Security and Fire Limited, a private company limited by shares incorporated in England and Wales, whose registered office address is Systems House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF.