

# **Pyrotec Fire Protection Limited**

Annual Report and financial statements

for the 12 months to 31 December 2021

Registration number: 03195161



# **Pyrotec Fire Protection Limited**

## **Annual Report and financial statements for the 12 months ended 31 December 2021**

### **Contents**

Directors and advisers .....	1
Directors' report for the 12 month period ended 31 December 2021 .....	2
Profit and loss account for the 12 month period 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

# **Pyrotec Fire Protection Limited**

## **Directors and advisers**

### **Executive directors**

R J Pollard  
A Cooling  
G Robinson

### **Company secretary**

S L Worthey

### **Registered office**

Unit 8  
Caburn Enterprise Park  
Ringmer  
East Sussex  
BN8 5NP

# **Pyrotec Fire Protection Limited**

## **Directors' report for the 12 months ended 31 December 2021**

The directors present their annual report and the audited financial statements of the company for the 12 month period 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 during the period were the supply and service of fire protection and fire detection equipment.

### **Review of business and future developments**

The profit and loss account for the period 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 2021. Both the level of business during the period and the period 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.

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 £450,000 was paid during the period (2020: £250,000).

### **Directors**

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

R J Pollard  
A Cooling  
G Robinson (appointed 26 March 2021)

# Pyrotec Fire Protection Limited

## Directors' report for the 12 months 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.

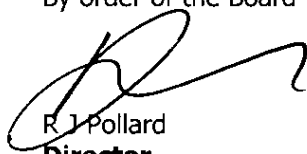
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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

# Pyrotec Fire Protection Limited

## Profit and loss account for the 12 months ended 31 December 2021

	Notes	<b>12 months ended 31 December 2021 £</b>	12 months ended 31 December 2020 £
<b>Turnover</b>	1	<b>2,531,166</b>	2,210,936
Cost of sales		<b>(599,171)</b>	(461,038)
<b>Gross profit</b>		<b>1,931,995</b>	1,749,898
Distribution costs		<b>(1,122,527)</b>	(993,222)
Administration expenses		<b>(658,770)</b>	(598,262)
Other income – Government grants	2	-	85,038
Other income – Voluntary restitution refund		<b>121,543</b>	-
<b>Operating profit</b>	2	<b>272,241</b>	243,452
<b>Profit on ordinary activities before taxation</b>		<b>272,241</b>	243,452
Tax on profit on ordinary activities	6	<b>(78,831)</b>	(49,910)
<b>Profit for the financial period</b>		<b>193,410</b>	193,542

All amounts relate to continuing operations.

There are no differences between the profit on ordinary activities before taxation and the profit for the financial period 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

# Pyrotec Fire Protection Limited

## Balance sheet as at 31 December 2021

	Notes	31 December 2021 £	31 December 2020 £
<b>Non-current assets</b>			
Intangible assets	7	17,333	34,833
Tangible assets	8	11,454	13,150
		<b>28,787</b>	47,983
<b>Current assets</b>			
Stocks	9	122,470	127,401
Debtors	10	308,031	311,885
Cash at bank and in hand		369,851	640,747
		<b>800,352</b>	1,080,033
<b>Creditors: amounts falling due within one year</b>	11	<b>(489,581)</b>	(532,233)
<b>Net current assets</b>		<b>310,771</b>	547,800
<b>Total assets less current liabilities</b>		<b>339,558</b>	595,783
<b>Provisions for liabilities and charges</b>	12	<b>(2,864)</b>	(2,499)
<b>Net assets</b>		<b>336,694</b>	593,584
<b>Capital and reserves</b>			
Called up share capital	13	133	133
Profit and loss account		336,561	593,151
<b>Total shareholders' funds</b>		<b>336,694</b>	593,284

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: 03195161

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

# Pyrotec Fire Protection Limited

## Statement of Changes in Equity

	Called up Share Capital	Profit and loss account	Total equity
Balance at 31 December 2020	133	649,609	649,742
<b>Total comprehensive income for the period</b>			
Profit for the financial period		193,542	193,542
<b>Transactions with owners</b>			
Dividends		(250,000)	(250,000)
<b>Balance at 31 December 2020</b>	133	593,151	593,284
<b>Total comprehensive income for the period</b>			
Profit for the financial period		193,410	216,503
<b>Transactions with owners</b>			
Dividends		(450,000)	(450,000)
<b>Balance at 31 December 2021</b>	133	336,561	336,694

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



# **Pyrotec Fire Protection Limited**

## **Accounting policies**

### **Basis of accounting**

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.

Pyrotec Fire Protection Limited is incorporated in England and Wales.

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 Directors' Report contains a Covid-19 impact assessment detailing the effect it had on our business and the outlook for 2021. The Directors have prepared these financial statements on the fundamental assumption that the Company is a going concern and will continue to trade for at least 12 months following the date of approval of 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.

### **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.

# **Pyrotec Fire Protection Limited**

## **Accounting policies (continued)**

### **Tangible fixed assets and depreciation (continued)**

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:

Reducing balance method:

Plant and equipment	20%
Fixtures and fittings	20%
Improvements to property	15%
Motor vehicles	25%

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of fixed assets below depreciated historical cost is charged to the profit and loss account.

### **Intangible assets**

#### **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 20 years.

#### **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.

# **Pyrotec Fire Protection Limited**

## **Accounting policies (continued)**

### **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.

### **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.

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.

### **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.

# Pyrotec Fire Protection Limited

## Notes to the financial statements for the 12 months ended 31 December 2021

### 1 Turnover

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

### 2 Operating profit

	<b>12 months ended 31 December 2021 £</b>	<b>12 months ended 31 December 2020 £</b>
Operating profit is stated after charging :		
Depreciation charge for the year – owned tangible fixed assets	<b>2,896</b>	3,247
Amortisation charge for the year – owned intangible fixed assets	<b>10,500</b>	10,500
Auditor's remuneration for audit services	<b>5,250</b>	5,000
Government grants – Coronavirus Job Retention Scheme	-	(85,038)

### 3 Dividends

	<b>12 months ended 31 December 2021 £</b>	<b>12 months ended 31 December 2020 £</b>
Dividends paid	<b>450,000</b>	250,000

### 4 Directors' emoluments

None of the directors received any emoluments in respect of their services to the company during the period (2020 : £nil), as they were remunerated by other group companies.

# Pyrotec Fire Protection Limited

## Notes to the financial statements for the 12 months ended 31 December 2021

### 5 Employee information

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

	<b>12 months ended 31 December 2021 £</b>	<b>12 months ended 31 December 2020 £</b>
<b>By activity:</b>		
Sales and service	<b>19</b>	19
Administration	<b>5</b>	5
	<b>24</b>	24

	<b>12 months ended 31 December 2021 £</b>	<b>13 months ended 31 December 2020 £</b>
Wages and salaries	<b>861,029</b>	838,130
Social security costs	<b>88,229</b>	78,028
Pension costs (note 14)	<b>30,695</b>	30,742
	<b>946,900</b>	946,900

### 6 Tax on profit

#### (a) Analysis of tax charge in the period

	<b>12 months ended 31 December 2021 £</b>	<b>12 months ended 31 December 2020 £</b>
<b>Current tax charge</b>	<b>78,566</b>	50,198
Deferred tax credit (note 14)	<b>(265)</b>	(288)
<b>Total tax on profit on ordinary activities</b>	<b>78,831</b>	49,910

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.

# Pyrotec Fire Protection Limited

## Notes to the financial statements for the 12 months ended 31 December 2021 (continued)

### 6 Tax on profit (continued)

#### (b) Factors affecting tax charge for the period

The total tax charge for the period is higher (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:

	<b>12 months ended 31 December 2021 £</b>	12 months ended 31 December 2020 £
<b>Profit on ordinary activities before taxation</b>	<b>272,241</b>	243,452
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19.00% (2020: 19.00%)	<b>51,726</b>	46,256
Effects of:		
Expenses not allowable for tax purposes	<b>26,418</b>	3,325
Capital allowances less than depreciation	<b>687</b>	329
<b>Total tax charge</b>	<b>78,831</b>	49,910

### 7 Intangible assets

	<b>Goodwill £</b>	<b>Contracts £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2021	210,000	29,000	239,000
Additions	-	-	-
Disposals	-	-	-
<b>At 31 December 2021</b>	<b>210,000</b>	<b>29,000</b>	<b>239,000</b>
<b>Accumulated Amortisation</b>			
At 1 January 2021	192,500	11,667	204,167
Additions during the period	10,500	7,000	17,500
Disposals	-	-	-
<b>At 31 December 2021</b>	<b>203,000</b>	<b>18,667</b>	<b>221,667</b>
<b>Net book amount</b>			
<b>At 31 December 2021</b>	<b>7,000</b>	<b>10,333</b>	<b>17,333</b>
At 31 December 2020	17,500	17,333	34,833

# Pyrotec Fire Protection Limited

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

### 8 Tangible assets

	Plant and machinery £	Motor vehicles £	Fixtures, and fittings £
<b>Cost or valuation</b>			
At 1 January 2021	19,908	4,820	135,048
Additions		1,200	-
Disposals	-	-	-
<b>At 31 December 2021</b>	<b>19,908</b>	<b>6,020</b>	<b>135,048</b>
<b>Accumulated depreciation</b>			
At 1 January 2021	15,324	3,678	129,464
Charge for the period	918	584	1,117
Disposals	-	-	-
<b>At 31 December 2021</b>	<b>16,242</b>	<b>4,262</b>	<b>130,581</b>
<b>Net book amount</b>			
<b>At 31 December 2021</b>	<b>3,666</b>	<b>1,758</b>	<b>4,467</b>
At 31 December 2020	4,584	1,142	5,584

	Improvements to Property £	Total £
<b>Cost or valuation</b>		
At 1 January 2021	25,247	185,023
Additions	-	-
Disposals	-	-
<b>At 31 December 2021</b>	<b>25,247</b>	<b>186,223</b>
<b>Accumulated depreciation</b>		
At 1 January 2021	23,407	171,783
Charge for the period	277	2,896
Disposals	-	-
<b>At 31 December 2021</b>	<b>23,684</b>	<b>174,769</b>
<b>Net book amount</b>		
<b>At 31 December 2021</b>	<b>1,563</b>	<b>11,454</b>
At 31 December 2020	1,840	13,150

# Pyrotec Fire Protection Limited

## Notes to the financial statements for the 12 months ended 31 December 2021 (continued)

### 9 Stocks

	<b>31 December 2021</b>	31 December 2020
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	<b>122,470</b>	127,401

### 10 Debtors

	<b>31 December 2021</b>	31 December 2020
	<b>£</b>	<b>£</b>
Trade debtors	<b>271,708</b>	270,570
Amounts owed by group undertakings	<b>10,160</b>	3,905
Prepayments	<b>26,163</b>	37,410
	<b>308,031</b>	311,885

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

	<b>31 December 2021</b>	31 December 2020
	<b>£</b>	<b>£</b>
Trade creditors	<b>30,826</b>	83,566
Amounts owed to group undertakings	<b>42,052</b>	86,137
Corporation tax payable	<b>78,466</b>	50,198
Other taxation and social security	<b>89,733</b>	92,516
Other creditors	<b>55,252</b>	28,699
Accruals and deferred income	<b>193,252</b>	191,117
	<b>489,581</b>	532,233

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



# Pyrotec Fire Protection 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 liability can be analysed as follows:

	<b>Deferred tax liability £</b>
At 1 December 2020	2,499
Charge to profit and loss account	365
<b>At 31 December 2021</b>	<b>2,864</b>

The deferred tax liability recognised at 31 December 2021 can be analysed as follows:

	<b>2021 £</b>	2020 £
Depreciation in excess of capital allowances	<b>2,864</b>	2,499

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.

### 13 Called up share capital

	<b>31 December 2021 £</b>	31 December 2020 £
<b>Authorised, allotted, called up and fully paid</b>		
133 ordinary shares of £1 each	<b>133</b>	133

### 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 5.

# **Pyrotec Fire Protection Limited**

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

### **15 Parent undertakings**

The immediate parent undertaking is LS UK Fire Group Ltd. 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 Trust as the ultimate controlling party through its controlling interest in EOI Fire S.à.r.l.

### **16 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.