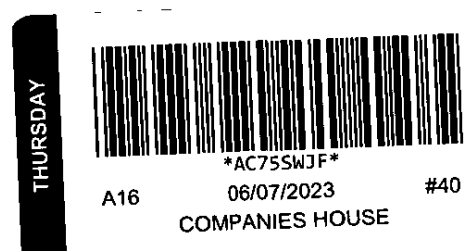


Pyrotec Fire Protection Limited

Annual Report and financial statements

for the 12 months to 31 December 2022

Registration number: 03195161



Pyrotec Fire Protection Limited

Annual Report and financial statements for the 12 months ended 31 December 2022

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Pyrotec Fire Protection Limited

Directors and advisers

Executive directors

R J Pollard
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 2022

The directors present their annual report and the audited financial statements of the company for the 12 month period ended 31 December 2022. 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 2022. Both the level of business during the period and the period end financial position were considered to be satisfactory.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will be able to meet its liabilities as they fall due within 12 months of the date of approval of these financial statements.

The directors therefore have concluded that the company has adequate resources for the company to continue in operational existence for the foreseeable future and have adopted the going concern basis in preparing these financial statements.

Dividends

No dividends were paid during the period (2021: £450,000).

Directors

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

R J Pollard
G Robinson
A Cooling

Resigned 23 February 2023

Pyrotec Fire Protection Limited

Directors' report for the 12 months ended 31 December 2022 (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 2023

Pyrotec Fire Protection Limited

Profit and loss account for the 12 months ended 31 December 2022

	Notes	12 months ended 31 December 2022 £	12 months ended 31 December 2021 £
Turnover	1	2,631,573	2,531,166
Cost of sales		(673,254)	(599,171)
Gross profit		1,958,319	1,931,995
Distribution costs		(1,170,331)	(1,122,527)
Administration expenses		611,418	(658,770)
Other income – Voluntary restitution refund		-	121,543
Operating profit	2	176,570	272,241
Profit on ordinary activities before taxation		176,570	272,241
Tax on profit on ordinary activities	6	(36,069)	(55,738)
Profit for the financial period		140,501	216,503

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 2022

	Notes	31 December 2022 £	31 December 2021 £
Non-current assets			
Intangible assets	7	3,333	17,333
Tangible assets	8	9,153	11,454
		12,486	28,787
Current assets			
Stocks	9	148,778	122,470
Debtors	10	400,336	308,031
Cash at bank and in hand		501,884	369,851
		1,050,998	800,352
Creditors: amounts falling due within one year	11	(560,908)	(466,488)
Net current assets		490,090	333,864
Total assets less current liabilities		502,576	362,651
Provisions for liabilities and charges	12	(2,288)	(2,864)
Net assets		500,288	359,787
Capital and reserves			
Called up share capital	13	133	133
Profit and loss account		500,155	359,654
Total shareholders' funds		500,288	359,787

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 2023 and were signed on its behalf by:



R J Pollard
Director
21 June 2023

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 2021	133	593,151	593,284
Total comprehensive income for the period			
Profit for the financial period		216,503	216,503
Transactions with owners			
Dividends		(450,000)	(450,000)
Balance at 31 December 2021	133	359,654	359,787
Total comprehensive income for the period			
Profit for the financial period		140,501	140,501
Transactions with owners			
Dividends		-	-
Balance at 31 December 2022	133	500,155	500,288

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 2022. 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 2022

1 Turnover

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

2 Operating profit

	12 months ended 31 December 2022 £	12 months ended 31 December 2021 £
Operating profit is stated after charging :		
Depreciation charge for the year – owned tangible fixed assets	2,301	2,896
Amortisation charge for the year – owned intangible fixed assets	7,000	10,500
Auditor's remuneration for audit services	5,618	5,250
Government grants – Coronavirus Job Retention Scheme	-	-

3 Dividends

	12 months ended 31 December 2022 £	12 months ended 31 December 2021 £
Dividends paid	-	450,000

4 Directors' emoluments

None of the directors received any emoluments in respect of their services to the company during the period (2021 : £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 2022

5 Employee information

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

	12 months ended 31 December 2022 £	12 months ended 31 December 2021 £
By activity:		
Sales and service	19	19
Administration	5	5
	24	24

	12 months ended 31 December 2022 £	13 months ended 31 December 2021 £
Wages and salaries	913,606	861,029
Social security costs	101,222	88,229
Pension costs (note 14)	44,660	30,695
	1,059,488	946,900

6 Tax on profit

(a) Analysis of tax charge in the period

	12 months ended 31 December 2022 £	12 months ended 31 December 2021 £
Current tax charge	36,645	56,003
Deferred tax credit (note 14)	(576)	(265)
Total tax on profit on ordinary activities	36,069	55,738

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 2022.

Pyrotec Fire Protection Limited

Notes to the financial statements for the 12 months ended 31 December 2022 (continued)

6 Tax on profit (continued)

(b) Factors affecting tax charge for the period

The total tax charge for the period is higher (2021: higher) than the charge calculated at the standard rate of corporation tax in the United Kingdom of 19.00% (2021: 19.00%). The differences are explained below:

	12 months ended 31 December 2022 £	12 months ended 31 December 2021 £
Profit on ordinary activities before taxation	176,570	272,241
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19.00% (2021: 19.00%)	33,548	51,726
Effects of:		
Expenses not allowable for tax purposes	2,660	3,325
Capital allowances (less)/more than depreciation	(139)	687
Total tax charge	36,069	55,738

7 Intangible assets

	Goodwill £	Contracts £	Total £
Cost			
At 1 January 2022	210,000	29,000	239,000
Additions	-	-	-
Disposals	-	-	-
At 31 December 2022	210,000	29,000	239,000
Accumulated Amortisation			
At 1 January 2022	203,000	18,667	221,667
Additions during the period	7,000	7,000	14,000
Disposals	-	-	-
At 31 December 2022	210,000	25,667	235,667
Net book amount			
At 31 December 2022	-	3,333	3,333
At 31 December 2021	7,000	10,333	17,333

Pyrotec Fire Protection Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

8 Tangible assets

	Plant and machinery £	Motor vehicles £	Fixtures, and fittings £
Cost or valuation			
At 1 January 2022	19,908	6,020	135,048
Additions	-	-	-
Disposals	-	-	-
At 31 December 2022	19,908	6,020	135,048
Accumulated depreciation			
At 1 January 2022	16,242	4,262	130,581
Charged in the period	733	440	894
Disposals	-	-	-
At 31 December 2022	16,975	4,702	131,475
Net book amount			
At 31 December 2022	2,933	1,318	3,573
At 31 December 2021	3,666	1,758	5,584

	Improvements to Property £	Total £
Cost or valuation		
At 1 January 2022	25,247	186,223
Additions	-	-
Disposals	-	-
At 31 December 2022	25,247	186,223
Accumulated depreciation		
At 1 January 2022	23,684	174,769
Charge for the period	234	2,301
Disposals	-	-
At 31 December 2022	23,918	177,070
Net book amount		
At 31 December 2022	1,329	9,153
At 31 December 2021	1,563	11,454

Pyrotec Fire Protection Limited

Notes to the financial statements for the 12 months ended 31 December 2022 (continued)

9 Stocks

	31 December 2022 £	31 December 2021 £
Finished goods and goods for resale	148,778	122,470

10 Debtors

	31 December 2022 £	31 December 2021 £
Trade debtors	345,613	271,708
Amounts owed by group undertakings	19,538	10,160
Prepayments	35,185	26,163
	400,336	308,031

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

	31 December 2022 £	31 December 2021 £
Trade creditors	13,011	30,826
Amounts owed to group undertakings	160,553	42,052
Corporation tax payable	36,645	55,373
Other taxation and social security	87,660	89,733
Other creditors	43,453	55,252
Accruals and deferred income	219,586	193,252
	560,908	466,488

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 2022 (continued)

12 Deferred taxation

There was no unprovided deferred tax liability or unrecognised deferred tax asset at 31 December 2022 (2021 : £nil). The movement in the deferred tax liability can be analysed as follows:

	Deferred tax liability £
At 1 December 2021	2,864
Charge to profit and loss account	(576)
At 31 December 2022	2,288

The deferred tax liability recognised at 31 December 2022 can be analysed as follows:

	2022 £	2021 £
Depreciation in excess of capital allowances	2,288	2,864

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 2022.

13 Called up share capital

	31 December 2022 £	31 December 2021 £
Authorised, allotted, called up and fully paid		
133 ordinary shares of £1 each	133	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 2022 (continued)

15 Commitments and contingent liabilities

The Company leases various properties and vehicles under non-cancellable operating lease agreements. The lease agreements are between one and five years and the majority of lease agreements are renewable at the end of the lease period at market rates.

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

	2022 £	2021 £
Within one year	27,675	-
Between two and five years	-	-
	27,675	-

At the year end the company had guaranteed group borrowings under a cross guarantee of £1.058 million (2021: £3.1 million).

16 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.

17 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.