



Financial Statements

Enterprise Security Distribution (Midlands) Limited

For the 13 month period ended 31 December 2021



Registered number: 03771931

Enterprise Security Distribution (Midlands) Limited

Company Information

Directors

Amanda Rowley (appointed 14 December 2021)
Mark Gerrard Brophy (appointed 2 March 2021)
Brian Honan (appointed 2 March 2021)
Barry Bishop (resigned 2 March 2021)
Amanda Jayne Rowley (resigned 2 March 2021)
Anthony David Streams (resigned 2 March 2021)

Company secretary

Mark Gerrard Brophy (appointed 2 March 2021)
Barry Bishop (resigned 2 March 2021)

Registered number

03771931

Registered office

Camfield House Avenue
One Letchworth
Garden City
England
SG6 2WW
United Kingdom

Independent auditor

Grant Thornton
Chartered Accountants & Statutory Audit Firm
13-18 City Quay
Dublin 2

Bankers

Barclays Bank
Richmond
United Kingdom

AIB Commercial Finance Limited
14 Campbell Ct
Bramley
Tadley

Enterprise Security Distribution (Midlands) Limited

Contents

	Page
Statement of financial position	1
Statement of changes in equity	2
Notes to the financial statements	3 - 11

Enterprise Security Distribution (Midlands) Limited

Registered number:03771931

Statement of financial position

As at 31 December 2021


	Note	31 December 2021 £	30 November 2020 £
Fixed assets			
Tangible fixed assets	5	14,186	35,638
		<u>14,186</u>	<u>35,638</u>
Current assets			
Stocks	6	318,313	289,808
Debtors: amounts falling due within one year	7	1,982,893	1,153,389
Cash at bank and in hand	8	253,530	1,464,122
		<u>2,554,736</u>	<u>2,907,319</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(2,409,300)	(1,849,440)
Provisions	10	(93,372)	(57,646)
		<u>52,064</u>	<u>1,000,233</u>
Net current assets		<u>66,250</u>	<u>1,035,871</u>
Net assets		<u>66,250</u>	<u>1,035,871</u>
Capital and reserves			
Called up share capital		175	175
Profit and loss account	11	66,075	1,035,696
Shareholders' funds		<u>66,250</u>	<u>1,035,871</u>


The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

 CT3/C9B78A0447B...
Brian Honan
 Director

DocuSigned by:

 SC912FED05FD477...
Mark Gerrard Brophy
 Director

Date: 24 January 2023

The notes on pages 3 to 11 form part of these financial statements.

Enterprise Security Distribution (Midlands) Limited

Statement of changes in equity

For the 13 month period from 30 Nov 2020 to 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2020	175	1,035,696	1,035,871
Comprehensive income for the financial year			
Profit for the financial year	-	418,946	418,946
Dividends: Equity capital	-	(1,388,567)	(1,388,567)
At 31 December 2021	175	66,075	66,250

Statement of changes in equity

For the 12 month period from 30 Nov 2020 to 31 December 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2019	175	783,231	783,406
Comprehensive income for the financial year			
Profit for the financial year	-	252,465	252,465
At 30 November 2020	175	1,035,696	1,035,871

The notes on pages 3 to 11 form part of these financial statements.

Enterprise Security Distribution (Midlands) Limited

Notes to the financial statements

For the 13 month period ended 31 December 2021

1. General information

Enterprise Security Distribution (Midlands) Limited which is registered and incorporated in the United Kingdom is a private company limited by shares. The Company's core business is offering the most comprehensive range of CCTV Camera & Surveillance products to the Security industry nationwide. The Company's registered office is Camfield House, Avenue One, Letchworth Garden City, SG6 2WW, England.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable accounting standards, including Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statement are presented in sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for at least one year from the date of approval of the financial statements.

The directors have also considered the future cash flows of the Company and believe the Company will continue to trade profitably in the future. On the basis of the foregoing the directors believe that it is appropriate for the financial statements to be prepared on the going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each financial year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Enterprise Security Distribution (Midlands) Limited

Notes to the financial statements

For the 13 month period ended 31 December 2021

2. Accounting policies (continued)

2.3 Foreign currency translation (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Enterprise Security Distribution (Midlands) Limited

Notes to the financial statements

For the 13 month period ended 31 December 2021

2. Accounting policies (continued)

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	25% straight line basis
Fixtures and fittings	-	20% straight line basis
Office equipment	-	33% straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Enterprise Security Distribution (Midlands) Limited

Notes to the financial statements

For the 13 month period ended 31 December 2021

2. Accounting policies (continued)

2.13 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, inclusive of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, inclusive of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

Enterprise Security Distribution (Midlands) Limited

Notes to the financial statements

For the 13 month period ended 31 December 2021

2. Accounting policies (continued)

2.17 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Estimating variable considerations

The Company's contracts with its customers include rights of return and rebates that give rise to variable considerations. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return.

The Company determined that the estimates of variable consideration are not constrained based on historical experience. Moreover, the uncertainty on the variable consideration will be resolved within a short time frame.

Determining net realizable value of stocks

Management estimates the net realisable values of stocks, taking into account the most reliable evidence available at each reporting date. The future realisation of these stocks may be affected by future technology or other market-driven changes that may reduce future selling prices. The stock provision is £Nil for financial year ended 31 December 2021 (2020: £Nil).

Estimating useful lives of depreciable assets

The Company estimates the useful lives of tangible fixed assets based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of tangible fixed assets is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

Enterprise Security Distribution (Midlands) Limited**Notes to the financial statements**

For the 13 month period ended 31 December 2021

3. Judgements in applying accounting policies (continued)**Recoverability of debtors**

Debtors arising out of operations are considered by the directors to have a low credit risks and therefore no provision for bad debts or doubtful debts has been made other than those already presented in the financial statements. The directors consider that the carrying amounts of debtor approximates to their value. All other receivable balances are due within one year and none are past due. The provision for bad debts is £Nil for financial year ended 31 December 2021 (2020: £Nil).

4. Employees

The average monthly number of employees, including the directors, during the comparative period was as follows:

	13 month period end 31 December 2021 No.	12 month period end 30 November 2020 No.
Employees	9	11

5. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2021	68,660	12,072	60,887	141,619
At 31 December 2021	68,660	12,072	60,887	141,619
Depreciation				
At 1 January 2021	38,259	11,754	55,968	105,981
Charge for the period	17,629	165	3,658	21,452
At 31 December 2021	55,888	11,919	59,626	127,433
Net book value				
At 31 December 2021	12,772	153	1,261	14,186
At 31 December 2020	30,401	318	4,919	35,638

Enterprise Security Distribution (Midlands) Limited**Notes to the financial statements**

For the 13 month period ended 31 December 2021

6. Stocks

	31 December 2021 £	30 November 2020 £
Goods for resale	318,313	289,808

7. Debtors: Amounts falling due within one year

	31 December 2021 £	30 November 2020 £
Trade debtors	913,161	515,040
Amounts owed by group undertakings	1,065,085	634,033
Other debtors	3,465	-
Prepayments	1,182	4,316
	<u>1,982,893</u>	<u>1,153,389</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

8. Cash and cash equivalents

	31 December 2021 £	30 November 2020 £
Cash at bank and in hand	253,530	1,464,122
Less: bank overdrafts	(288,930)	(290)
	<u>(35,400)</u>	<u>1,463,832</u>

Enterprise Security Distribution (Midlands) Limited**Notes to the financial statements**

For the 13 month period ended 31 December 2021

9. Creditors: Amounts falling due within one year

	31 December 2021 £	30 November 2020 £
Bank overdrafts	288,930	290
Trade creditors	1,824,153	1,721,685
Amounts owed to group undertakings	48,385	7,297
Corporation tax	102,764	46,824
Taxation and social insurance	102,656	56,524
Other creditors	21,506	7,567
Accruals	20,906	9,253
	<u>2,409,300</u>	<u>1,849,440</u>

	31 December 2021 £	30 November 2020 £
Taxation and social insurance		
PAYE/NI control	10,545	10,989
VAT control	92,111	45,535
	<u>102,656</u>	<u>56,524</u>

Bank overdrafts are repayable in line with the appropriate payment dates as specified within the overdraft agreement

Trade creditors, accruals and other creditors are repayable at various dates over the coming months in accordance with the suppliers' usual customary credit terms.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Taxation, social security and corporation tax are payable at various dates over the coming months in accordance with applicable statutory provisions.

Enterprise Security Distribution (Midlands) Limited**Notes to the financial statements**

For the 13 month period ended 31 December 2021

10. Provisions

	Provisions £
At 30 November 2020	57,646
Provisions for the period	93,372
Utilised during the year	(57,646)
At 31 December 2021	93,372

The provision is classified as a current provision as the returns will happen less than one year from financial year-end.

11. Reserves**Share capital**

Represents the nominal value of shares that have been issued.

Capital contribution reserve

Represents an irrevocable capital contribution received from a group company.

Profit and loss account

Includes all current and prior period retained profits and losses.

12. Related party transactions

The Company has availed of the exemption provided in FRS102 Section 33, "Related Party Disclosures" not to disclose transactions entered into with fellow group companies that are wholly owned within the group of companies of which the Company is a member.

13. Controlling party

As at 31 December 2021, the immediate parent company of Enterprise Security Distribution (Midlands) Limited is Fortus England & Wales Limited, an entity registered in the United Kingdom. The ultimate parent company of Enterprise Security Distribution (Midlands) Limited is Fortus Group Holdings Limited, an entity registered in the United Kingdom. Fortus Group Holdings Limited's registered office is Unit 4, Icen Court, Icknield Way, Letchworth Garden City, SG6 1TN, England and from where the consolidated financial statements are available. Fortus Group Holdings Limited is controlled by Brian Honan.

14. Auditor's information

On ^{24 Jan 2023}, Grant Thornton issued an audit report on the financial statements of Enterprise Security Distribution (Midlands) Limited. The Audit Report was qualified as a result of Grant Thornton being appointed as auditor of the company in March 2021 and thus did not observe the counting of opening inventory in respect of 30 November 2020. The audit report was signed by Michael Shelley (senior statutory auditor) on behalf of Grant Thornton.