Registration number: 04135038

KGM Fire & Security Distribution Ltd

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2022

KGM Fire & Security Distribution Ltd

(Registration number: 04135038)
Balance Sheet as at 31 March 2022

	Note	2022		2021	
		£	£	£	£
Fixed Assets					
Tangible Assets	4		99,878		129,373
Current assets					
Stocks		404,858		200,975	
Debtors	5	867,242		678,300	
Cash at bank and in hand		203,984		280,441	
		1,476,084		1,159,716	
Creditors: Amounts falling due within one year	6	(1,123,315)		(959,047)	
Net current assets			352,769		200,669
Total assets less current liabilities			452,647		330,042
Creditors: Amounts falling due after more than one year	6		(89,841)		(126,512)
Provisions for liabilities			(21,363)		(21,363)
Net assets			341,443		182,167
Capital and Reserves					
Called up share capital			18		18
Profit and loss account			341,425		182,149
Total equity			341,443		182,167

The notes on pages 3 to 8 form an integral part of these financial statements.

KGM Fire & Security Distribution Ltd

(Registration number: 04135038)
Balance Sheet as at 31 March 2022 (continued)

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

For the financial year ending 31 March 2022 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved and authorised by the Board on 27 December 2022 and signed on its behalf by:

Mrs K Smith
Director

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
Unit 23
2M Trade Park
Beddow Way
Aylesford
Kent
ME20 7BT

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover is measured at the fair value of the consideration received and receivable, excluding discounts, rebates, value added tax and other sales taxes.
The company is a distributor of fire alarm and security products. Income is recognised when goods have been sold/delivered to customers.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

2 Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.
Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible Assets

Tangible Assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	25% written down value & 5% straight line
Plant and machinery	25% written down value
Furniture and fittings	25% written down value
Computer equipment	25% written down value

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade Debtors

Trade Debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.
Trade Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

2 Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.
The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade Creditors

Trade Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Trade Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.
Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.
Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.
Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.
Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

2 Accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 7 (2021 - 7).

4 Tangible Assets

	Leasehold improvements £	Fixtures and fittings £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2021	29,367	35,885	134,986	19,936	220,174
Additions	-	853	-	2,944	3,797
At 31 March 2022	29,367	36,738	134,986	22,880	223,971
Depreciation					
At 1 April 2021	12,432	23,580	37,213	17,576	90,801
Charge for the year	4,234	3,289	24,443	1,326	33,292
At 31 March 2022	16,666	26,869	61,656	18,902	124,093
Carrying amount					
At 31 March 2022	12,701	9,869	73,330	3,978	99,878
At 31 March 2021	16,935	12,305	97,773	2,360	129,373

5 Debtors

	2022 £	2021 £
Trade Debtors	856,671	659,941
Prepayments	3,691	9,422
Other debtors	6,880	8,937
	867,242	678,300

Current	2022 £	2021 £
Trade Debtors	856,671	659,941
Prepayments	3,691	9,422
Other debtors	6,880	8,937
	867,242	678,300

6 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	7	124,155	118,638
Trade Creditors		847,723	716,312
Taxation and social security		125,578	96,260
Accruals and deferred income		5,207	6,031
Other creditors		20,652	21,806
		1,123,315	959,047

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	7	89,841	126,512

7 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	70,968	95,209
Other borrowings	18,873	31,303
	89,841	126,512

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	23,387	4,791
Hire purchase contracts	88,338	102,154
Other borrowings	12,430	11,693
	124,155	118,638

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.