

**SAFETY TECHNOLOGY INTERNATIONAL LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>FIXED ASSETS</b>			
Tangible assets	4	<b>2,569,227</b>	1,873,024
Investments	5	<b>1</b>	1
Investment property	6	<b>250,000</b>	250,000
		<b>2,819,228</b>	2,123,025
<b>CURRENT ASSETS</b>			
Stocks		<b>842,766</b>	555,412
Debtors: amounts falling due within one year	7	<b>616,495</b>	682,917
Cash at bank and in hand	8	<b>219,428</b>	657,504
		<b>1,678,689</b>	1,895,833
Creditors: amounts falling due within one year	9	<b>(832,045)</b>	(1,021,362)
<b>NET CURRENT ASSETS</b>		<b>846,644</b>	874,471
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>3,665,872</b>	2,997,496
Creditors: amounts falling due after more than one year	10	<b>(938,761)</b>	(621,926)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred tax		<b>(50,205)</b>	(39,346)
<b>NET ASSETS</b>		<b>2,676,906</b>	2,336,224
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	<b>496,791</b>	280,557
Revaluation reserve	13	<b>393,730</b>	393,730
Profit and loss account	13	<b>1,786,385</b>	1,661,937
		<b>2,676,906</b>	2,336,224

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 DECEMBER 2021**

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The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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:

**Mr S L Hunt**

Director

Date: 25 May 2022

The notes on pages 5 to 14 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	280,557	393,730	1,661,937	2,336,224
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>				
Profit for the year	-	-	124,448	124,448
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	124,448	124,448
Shares issued during the year	216,234	-	-	216,234
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	216,234	-	-	216,234
<b>AT 31 DECEMBER 2021</b>	<b>496,791</b>	<b>393,730</b>	<b>1,786,385</b>	<b>2,676,906</b>

The notes on pages 5 to 14 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	280,557	382,485	1,465,674	2,128,716
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>				
Profit for the year	-	-	196,263	196,263
Surplus on revaluation of freehold property	-	11,245	-	11,245
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	-	11,245	-	11,245
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	11,245	196,263	207,508
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	-	-	-	-
<b>AT 31 DECEMBER 2020</b>	<b>280,557</b>	<b>393,730</b>	<b>1,661,937</b>	<b>2,336,224</b>

The notes on pages 5 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. GENERAL INFORMATION**

Safety Technology International Limited is a private company limited by shares incorporated in the UK and registered in England and Wales. The address of the registered office is Taylor House, 34 Sherwood Road, Bromsgrove, Worcestershire, B60 3DR.

The principal activity of the company is to manufacture fire, safety and security products.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

These financial statements cover the individual entity only and do not consolidate any other entities. They have been rounded to the nearest £1.

The following principal accounting policies have been applied:

**2.2 GOING CONCERN**

The directors have reviewed budgets and forecasts for a period of 12 months from approval of the financial statements. Considering this and profits generated by the company, as well as adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The directors have also considered the impact of COVID-19 of future trading performance and do not foresee any impact on the going concern and the business is in a strong position to continue trading for the foreseeable future.

**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 period 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 period-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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. ACCOUNTING POLICIES (continued)**

**2.4 REVENUE**

Revenue is recognised on dispatch to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

**Sale of goods**

Revenue 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 revenue 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 GOVERNMENT GRANTS**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.7 INTEREST INCOME**

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

**2.8 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.

**2.9 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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2. ACCOUNTING POLICIES (continued)

2.10 PENSIONS

**DEFINED CONTRIBUTION PENSION PLAN**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. ACCOUNTING POLICIES (continued)**

**2.12 TANGIBLE FIXED ASSETS (CONTINUED)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line or reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	No depreciation, held at valuation
Plant and machinery	-	20% reducing balance/straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	20% reducing balance
Computer equipment	-	33% straight line

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.

**2.13 REVALUATION OF TANGIBLE FIXED ASSETS**

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

**2.14 INVESTMENT PROPERTY**

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

**2.15 VALUATION OF INVESTMENTS**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. ACCOUNTING POLICIES (continued)**

**2.16 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 first in, first out 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.

**2.17 DEBTORS**

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

**2.18 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.

**2.19 CREDITORS**

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

**2.20 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.

**3. EMPLOYEES**

The average monthly number of employees, including directors, during the year was 28 (2020: 28).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>					
At 1 January 2021	1,710,000	143,878	118,311	74,690	2,046,879
Additions	702,230	27,379	10,322	11,127	751,058
At 31 December 2021	<u>2,412,230</u>	<u>171,257</u>	<u>128,633</u>	<u>85,817</u>	<u>2,797,937</u>
<b>DEPRECIATION</b>					
At 1 January 2021	-	65,710	90,080	18,065	173,855
Charge for the year on owned assets	-	21,324	17,605	15,926	54,855
At 31 December 2021	-	<u>87,034</u>	<u>107,685</u>	<u>33,991</u>	<u>228,710</u>
<b>NET BOOK VALUE</b>					
At 31 December 2021	<u>2,412,230</u>	<u>84,223</u>	<u>20,948</u>	<u>51,826</u>	<u>2,569,227</u>
<b>At 31 December 2020</b>	<u>1,710,000</u>	<u>78,168</u>	<u>28,231</u>	<u>56,625</u>	<u>1,873,024</u>

Cost or valuation at 31 December 2021 is as follows:

	Land and buildings £
<b>AT COST:</b>	-
<b>AT VALUATION:</b>	
Property held at valuation	<u>2,412,230</u>
	<u>2,412,230</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2021 £	2020 £
Cost	2,412,230	1,359,448
Accumulated depreciation	<u>(186,738)</u>	<u>(129,571)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

5. FIXED ASSET INVESTMENTS

	Trade investments
	£
At 1 January 2021	<u>1</u>

6. INVESTMENT PROPERTY

	Freehold investment property
	£
<b>VALUATION</b>	
At 1 January 2021	<u>250,000</u>
<b>AT 31 DECEMBER 2021</b>	<u><b>250,000</b></u>

The 2021 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2021 £	2020 £
Historic cost	206,882	206,882
Accumulated depreciation	(17,413)	(12,414)
	<u>189,469</u>	<u>194,468</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

**7. DEBTORS**

	2021 £	2020 £
Trade debtors	494,227	553,236
Other debtors	48,435	39,439
Prepayments and accrued income	69,976	90,242
Tax recoverable	3,857	-
	<u>616,495</u>	<u>682,917</u>

**8. CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash at bank and in hand	<u>219,428</u>	<u>657,504</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Bank loans	85,826	312,808
Other loans	100,324	24,871
Trade creditors	365,945	319,595
Amounts owed to group undertakings	5,120	94,242
Corporation tax	29,058	46,070
Other taxation and social security	59,637	72,123
Accruals and deferred income	186,135	151,653
	<u>832,045</u>	<u>1,021,362</u>

**Secured creditors**

Included within bank loans is £85,826 (2020: £62,808) secured against the freehold property owned by the company and against the assets of the company.

Included within other loans is £16,476 (2020: £27,078) secured against the assets of the company.

There are first legal charges dated 20 March 2017 and 19 May 2015 over the freehold property.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Bank loans	629,799	571,476
Other loans	308,962	50,450
	<u>938,761</u>	<u>621,926</u>

**Secured creditors**

Included within bank loans is £629,799 (2020: £571,476) secured against the freehold property owned by the company and against the assets of the company.

Included within other loans is £29,605 (2020: £50,450) secured against the assets of the company.

There are first legal charges dated 20 March 2017 and 19 May 2015 over the freehold property.

**11. LOANS**

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Bank loans	85,826	312,808
Other loans	100,324	24,871
	<u>186,150</u>	<u>337,679</u>
<b>AMOUNTS FALLING DUE 1-2 YEARS</b>		
Bank loans	85,016	64,742
Other loans	111,862	50,450
	<u>196,878</u>	<u>115,192</u>
<b>AMOUNTS FALLING DUE 2-5 YEARS</b>		
Bank loans	270,598	207,232
Other loans	197,100	-
	<u>467,698</u>	<u>207,232</u>
<b>AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS</b>		
Bank loans	274,185	299,502
	<u>1,124,911</u>	<u>959,605</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**12. SHARE CAPITAL**

	2021 £	2020 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
496,791 (2020: 280,557) Ordinary shares of £1.00 each	<u><b>496,791</b></u>	<u>280,557</u>

On 1 December 2021, 216,234 Ordinary shares at a nominal value of £1.00 (£216,234) were allotted during the period and fully paid.

**13. RESERVES****Revaluation reserve**

This reserve represents the surplus arising on the valuation of the freehold property of the company.

**Profit and loss account**

This reserve includes all current and prior periods retained profits and losses.

**14. PENSION COMMITMENTS**

The Company operates a defined contribution pension scheme. The assets of the pension scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £89,317 (2020: £91,979). As at the year end £9,863 (2020: £8,922) was owed to the fund, and is included within creditors due within one year.

**15. RELATED PARTY TRANSACTIONS**

The Company has taken exemption from disclosure of related party balances with wholly owned group entities under Section 33 of FRS 102, paragraph 33.1A.

**16. CONTROLLING PARTY**

Safety Technology International Inc, a Company incorporated in the United States of America is the ultimate parent company. There is no ultimate controlling party.

**17. AUDITORS' INFORMATION**

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 28 September 2022 by Andrew Wood FCCA (Senior Statutory Auditor) on behalf of Bishop Fleming LLP.





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.