

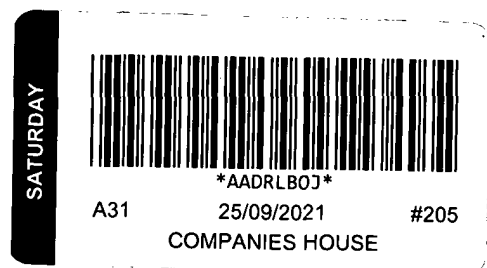
Registered number: 05872791

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020



SAFETY TECHNOLOGY INTERNATIONAL LIMITED
REGISTERED NUMBER:05872791

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	4	1,873,024	1,880,983
Investments	5	1	1
Investment property	6	250,000	206,822
		<u>2,123,025</u>	<u>2,087,806</u>
CURRENT ASSETS			
Stocks		555,412	701,002
Debtors: amounts falling due within one year	7	682,917	619,592
Cash at bank and in hand	8	657,504	166,811
		<u>1,895,833</u>	<u>1,487,405</u>
Creditors: amounts falling due within one year	9	(1,021,362)	(742,278)
		<u>874,471</u>	<u>745,127</u>
NET CURRENT ASSETS			
		<u>2,997,496</u>	<u>2,832,933</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
Creditors: amounts falling due after more than one year	10	(621,926)	(664,447)
PROVISIONS FOR LIABILITIES			
Deferred tax		(39,346)	(39,770)
		<u>2,336,224</u>	<u>2,128,716</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital		280,557	280,557
Revaluation reserve	13	393,730	382,485
Profit and loss account	13	1,661,937	1,465,674
		<u>2,336,224</u>	<u>2,128,716</u>

SAFETY TECHNOLOGY INTERNATIONAL LIMITED
REGISTERED NUMBER:05872791


STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020

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: 23-09-2021

The notes on pages 3 to 12 form part of these financial statements.

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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.

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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.

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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 Statement of Financial Position 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.

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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
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 Statement of Financial Position 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 balance sheet 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.

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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 Statement of Financial Position 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.

2.21 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.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 28 (2019: 27).

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Computer equipment £	Other fixed assets £	Total £
COST OR VALUATION					
At 1 January 2020	1,741,933	139,989	99,046	25,807	2,006,775
Additions	-	3,888	19,265	48,884	72,037
Revaluations	(31,933)	-	-	-	(31,933)
At 31 December 2020	1,710,000	143,877	118,311	74,691	2,046,879
DEPRECIATION					
At 1 January 2020	-	42,867	73,405	9,520	125,792
Charge for the year	-	22,843	16,675	8,545	48,063
At 31 December 2020	-	65,710	90,080	18,065	173,855
NET BOOK VALUE					
At 31 December 2020	1,710,000	78,167	28,231	56,626	1,873,024
At 31 December 2019	1,741,933	97,122	25,641	16,287	1,880,983

Cost or valuation at 31 December 2020 is as follows:

	Land and buildings £
AT COST	-
AT VALUATION:	
Property held at valuation	1,710,000
	<u>1,710,000</u>

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

	2020 £	2019 £
Cost	1,359,448	1,359,448
Accumulated depreciation	(129,571)	(101,275)
NET BOOK VALUE	<u>1,229,877</u>	<u>1,258,173</u>

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. FIXED ASSET INVESTMENTS

	Trade investments £
At 1 January 2020	1

6. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 January 2020	206,822
Surplus on revaluation	43,178
AT 31 DECEMBER 2020	250,000

The 2020 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:

	2020 £	2019 £
Historic cost	206,882	206,882
Accumulated depreciation	(12,414)	(8,276)
	194,468	198,606

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. DEBTORS

	2020 £	2019 £
Trade debtors	553,236	363,689
Amounts owed by group undertakings	-	102,880
Other debtors	39,439	43,905
Prepayments and accrued income	90,242	109,118
	<u>682,917</u>	<u>619,592</u>

8. CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank and in hand	657,504	166,811
Less: bank overdrafts	-	(57,863)
	<u>657,504</u>	<u>108,948</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank overdrafts	-	57,863
Bank loans	312,808	60,975
Other loans	24,871	58,026
Trade creditors	319,595	133,419
Amounts owed to group undertakings	94,242	127,200
Corporation tax	46,070	49,408
Other taxation and social security	72,123	34,915
Accruals and deferred income	151,653	220,472
	<u>1,021,362</u>	<u>742,278</u>

Secured creditors

Included within bank overdrafts are proceeds to be received from the invoice discount agreement amounting to £Nil (2019: £57,863).

Included within bank loans is £62,808 (2019: £60,975) secured against the freehold property owned by the company.

Included within other loans is £27,078 (2019: £58,026) secured against the assets of the company.

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

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020 £	2019 £
Bank loans	571,476	595,440
Other loans	50,450	69,007
	<u>621,926</u>	<u>664,447</u>

Secured creditors

Included within bank loans is £571,476 (2019: £595,440) secured against the freehold property owned by the company.

Included within other loans is £48,243 (2019: £69,007) 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:

	2020 £	2019 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	312,808	60,975
Other loans	24,871	58,026
	<u>337,679</u>	<u>119,001</u>
AMOUNTS FALLING DUE 1-2 YEARS		
Bank loans	64,742	62,853
Other loans	50,450	69,007
	<u>115,192</u>	<u>131,860</u>
AMOUNTS FALLING DUE 2-5 YEARS		
Bank loans	207,232	200,136
AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS		
Bank loans	299,502	332,451
	<u>959,605</u>	<u>783,448</u>

SAFETY TECHNOLOGY INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. SHARE CAPITAL

	2020 £	2019 £
ALLOTTED, CALLED UP AND FULLY PAID		
280,557 (2019:280,557) Ordinary shares of £1.00 each	<u>280,557</u>	<u>280,557</u>

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 £91,979 (2019: £70,299). As at the year end £8,922 (2019: £8,490) 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 2020 was unqualified.

The audit report was signed on 24th September 2021 by Andrew Wood FCCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.