

Company Registration No. SC168495 (Scotland)

ALARM SYSTEMS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018
PAGES FOR FILING WITH REGISTRAR

ALARM SYSTEMS LIMITED

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ALARM SYSTEMS LIMITED

Report To The Directors On The Preparation Of The Unaudited Statutory Accounts Of Alarm Systems Limited

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Alarm Systems Limited for the year ended 30 September 2018 which comprise, the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the ICAS we are subject to its ethical and other professional requirements which are detailed at <https://www.icas.com/FrameworkforthePreparationofAccounts>.

This report is made solely to the Board of Directors of Alarm Systems Limited, as a body, in accordance with the terms of our engagement letter dated 9 February 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Alarm Systems Limited and state those matters that we have agreed to state to the Board of Directors of Alarm Systems Limited, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://www.icas.com/technical-resources/framework-for-the-preparation-of-accounts-revised-january-2017>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Alarm Systems Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Alarm Systems Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Alarm Systems Limited. You consider that Alarm Systems Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Alarm Systems Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Condle & Co

16 April 2019

Chartered Accountants

10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

ALARM SYSTEMS LIMITED

Statement Of Financial Position

As At 30 September 2018

	Notes	2018 £	2017 £
Fixed assets			
Intangible assets	5	-	375
Tangible assets	6	9,546	12,631
		<u>9,546</u>	<u>13,006</u>
Current assets			
Stocks		41,827	45,472
Debtors	7	64,742	114,206
Cash at bank and in hand		501,653	356,298
		<u>608,222</u>	<u>515,976</u>
Creditors: amounts falling due within one year	8	<u>(95,889)</u>	<u>(107,895)</u>
Net current assets		<u>512,333</u>	<u>408,081</u>
Total assets less current liabilities		<u>521,879</u>	<u>421,087</u>
Provisions for liabilities	9	<u>(1,814)</u>	<u>(2,400)</u>
Net assets		<u><u>520,065</u></u>	<u><u>418,687</u></u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss reserves		519,965	418,587
Total equity		<u><u>520,065</u></u>	<u><u>418,687</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 September 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 11 April 2019 and are signed on its behalf by:

Mr G W Bell

Director

Company Registration No. SC168495

ALARM SYSTEMS LIMITED

Notes To The Financial Statements

For The Year Ended 30 September 2018

1 Accounting policies

Company information

Alarm Systems Limited is a private company limited by shares incorporated in Scotland. The registered office is 15 Mains Street, Lockerbie, Dumfriesshire, DG11 2DG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Goodwill	5% p.a. straight line
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1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

ALARM SYSTEMS LIMITED

Notes To The Financial Statements (Continued)

For The Year Ended 30 September 2018

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Work in progress is valued based on the company's performance of contracts undertaken and its subsequent right to consideration. Profit can be recognised on contracts which were not invoiced at the year end based on the stage of completion of the individual contracts, where the profit can be ascertained with reasonable certainty.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ALARM SYSTEMS LIMITED

Notes To The Financial Statements (Continued)

For The Year Ended 30 September 2018

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ALARM SYSTEMS LIMITED

Notes To The Financial Statements (Continued)

For The Year Ended 30 September 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2017 - 4).

4 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	24,476	20,382
	<u> </u>	<u> </u>
	2018 £	2017 £

ALARM SYSTEMS LIMITED

Notes To The Financial Statements (Continued)

For The Year Ended 30 September 2018

4	Taxation	(Continued)	
	Deferred tax		
	Origination and reversal of timing differences	(586)	(746)
	Total tax charge	23,890	19,636
5	Intangible fixed assets		
			Goodwill
			£
	Cost		
	At 1 October 2017 and 30 September 2018		7,500
	Amortisation and impairment		
	At 1 October 2017		7,125
	Amortisation charged for the year		375
	At 30 September 2018		7,500
	Carrying amount		
	At 30 September 2018		-
	At 30 September 2017		375
6	Tangible fixed assets		
		Plant and machinery	Motor vehicles
		£	£
			Total
			£
	Cost		
	At 1 October 2017 and 30 September 2018	4,800	43,127
			47,927
	Depreciation and impairment		
	At 1 October 2017	3,369	31,927
	Depreciation charged in the year	286	2,799
			3,085
	At 30 September 2018	3,655	34,726
			38,381
	Carrying amount		
	At 30 September 2018	1,145	8,401
			9,546
	At 30 September 2017	1,431	11,200
			12,631

ALARM SYSTEMS LIMITED

Notes To The Financial Statements (Continued)

For The Year Ended 30 September 2018

7 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	63,955	113,438
Prepayments and accrued income	787	768
	<u>64,742</u>	<u>114,206</u>

8 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	18,225	12,070
Amounts due to related parties	729	11,944
Corporation tax	24,476	20,382
Other taxation and social security	11,299	14,597
Other creditors	13,016	13,936
Accruals and deferred income	28,144	34,966
	<u>95,889</u>	<u>107,895</u>

9 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018	Liabilities 2017
	£	£
Balances:		
Accelerated capital allowances	<u>1,814</u>	<u>2,400</u>
Movements in the year:		2018
		£
Liability at 1 October 2017		2,400
Credit to profit or loss		(586)
Liability at 30 September 2018		<u>1,814</u>

ALARM SYSTEMS LIMITED

Notes To The Financial Statements (Continued)

For The Year Ended 30 September 2018

10 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary Shares of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>

11 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
Amounts owed to related parties		
Other related parties	729	11,944
	<u>729</u>	<u>11,944</u>
	<u><u>729</u></u>	<u><u>11,944</u></u>

The company has taken advantage of Section 1AC35 of FRS 102 whereby only material transactions which are not under the normal market conditions need to be disclosed.

12 Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Mr R J Haining	-	12,216	8,026	(9,857)	10,385
Mr G W Bell	-	1,600	800	-	2,400
		<u>13,816</u>	<u>8,826</u>	<u>(9,857)</u>	<u>12,785</u>
		<u><u>13,816</u></u>	<u><u>8,826</u></u>	<u><u>(9,857)</u></u>	<u><u>12,785</u></u>

The balance due to the directors, which is included in other creditors, is interest free and repayable on demand.

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