

# **BLE Smoke and Fire Curtains Limited**

Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number 05298742

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# **BLE Smoke and Fire Curtains Limited**

**Annual report and financial statements  
for the year ended 31 December 2022**

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## **Directors**

G S Birt  
P G Walker  
R Mason  
S A Bowles  
H H Trevor-Jones  
J Zimmermann

## **Secretary and registered office**

N Keyworth, Velum House, Innovation Way, Woodhouse Mill, Sheffield, S13 9AD

## **Company number**

05298742

# **BLE Smoke and Fire Curtains Limited**

## **Directors' report for the year ended 31 December 2022**

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The directors present their report together with the financial statements for the year ended 31 December 2022.

### **Principal activity**

The principal activity of the company in the year under review was that of the manufacture and sale of fire and smoke containment products.

### **Results and dividends**

The loss for the year, after taxation, amounted to £492,142 (2021 – loss of £476,651).

Dividends of £Nil (2021 - £Nil) were paid in the year.

### **Directors**

The directors who served during the year and up to the date of this report were:

H P Trevor-Jones (resigned 31 December 2022)

G S Birt

P G Walker

R Mason

S A Bowles

H H Trevor-Jones (appointed 1 January 2023)

J Zimmermann (appointed 1 January 2023)

### **Post balance sheet events**

Post year end, the group secured a new £4m term loan in the UK, repayable over 5 years. There have been no other significant events affecting the company since the year end.

### **Funding and going concern**

Historically, the company has been funded by cash flows generated from trading and funding provided by its parent company. The company is a wholly owned subsidiary of Lowe and Fletcher Limited. The directors have prepared a profit and loss and balance sheet forecast ("the company forecast") for the period to 30 September 2024 ("the forecast period") which shows the trading, financial position, cash at bank, bank loans, overdrafts and expected available bank facilities for the forecast period. The company forecast shows that the company needs funding support from the parent company to be able to operate and meet its external liabilities as they fall due for payment during the forecast period within its current and expected to be available bank facilities.

A similar forecast prepared by the wider Lowe and Fletcher group shows that the group should be able to operate and meet its external liabilities as they fall due for payment during the forecast period within its current and expected to be available bank facilities and therefore should be able to provide the required support to the company to operate and meet its external liabilities for the forecast period. The group's bank loans are repayable over a period of time and the UK overdraft facilities were successfully renewed in June 2023, with the next renewal due on 31 May 2024. The directors are not aware of any reasons why the overdraft facilities would not be continued at the same level and terms at the renewal date in future years but note that this has not been confirmed with the bank. The funding provided by the banks is secured on related assets and is subject to covenants. The directors do not anticipate breaching bank covenants in the forecast period. Post year end, the group secured a new £4m term loan in the UK, repayable over 5 years.

The directors continue to monitor the trading risks and pressures, such as inflation, on the company and the possible need for additional funding (caused, for instance, by the non-renewal of facilities or failing to resolve future breaches in covenants with the bank). They do not consider these to be of sufficient significance to indicate that a material uncertainty exists which may cast significant doubt on the group's or company's ability to continue as a going concern and therefore their ability to operate and pay their liabilities as they fall due for payment through the forecast period.

# **BLE Smoke and Fire Curtains Limited**

## **Directors' report for the year ended 31 December 2022 (continued)**

### **Funding and going concern (continued)**

Therefore, after careful consideration, it is the directors' view that the available bank loan and overdraft funding for the wider group will continue in place throughout the period and that the headroom of current and expected to be available bank facilities compared to cash at bank, bank loans and overdrafts should be sufficient to enable the group and company to operate and meet their liabilities as they fall due for payment throughout the forecast period and provide support to the company.

The company has received a binding commitment from the ultimate parent entity, Lowe and Fletcher Limited, that support will be provided for at least the period to 30 September 2024. As a result of this binding commitment the directors of the company are not aware of any factors which would cast significant doubt on future continuance of the company and its operations and therefore these financial statements have been presented on a going concern basis.

### **Qualifying third party indemnity provisions**

The company has put in place qualifying third party indemnity provisions for all the directors of the company which was in force at the date of approval of this report.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

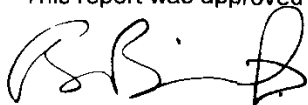
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board and signed on its behalf by:



G S Birt  
Director

Date: 10th July 2023

## BLE Smoke and Fire Curtains Limited

### Statement of comprehensive income for the year ended 31 December 2022

|   | Note | 2022<br>£        | 2021<br>£   |
|---|------|------------------|-------------|
| Turnover  | 3    | 5,690,685        | 4,450,249   |
| Cost of sales   |      | (3,839,125)      | (2,777,031) |
| <b>Gross profit</b>                                   |      | <b>1,851,560</b> | 1,673,218   |
| Administrative expenses                               |      | (2,304,463)      | (2,151,180) |
| Other operating income                                | 4    | 28,174           | 24,442      |
| <b>Operating loss</b>                                 |      | <b>(424,729)</b> | (453,520)   |
| Interest payable and similar charges                  |      | (41,221)         | -           |
| <b>Loss before taxation</b>                           | 5    | <b>(465,950)</b> | (453,520)   |
| Taxation on loss                                      | 7    | (26,192)         | (23,131)    |
| <b>Loss and total comprehensive loss for the year</b> |      | <b>(492,142)</b> | (476,651)   |

The notes on pages 6 to 19 form part of these financial statements.

# BLE Smoke and Fire Curtains Limited

## Statement of financial position at 31 December 2022

| <i>Company number 05298742</i>                        | <i>Note</i> | <b>2022</b><br>£   | <b>2022</b><br>£   | <b>2021</b><br>£ | <b>2021</b><br>£ |
|---|-------------|--------------------|--------------------|------------------|------------------|
| <b>Fixed assets</b>                                   |             |                    |                    |                  |                  |
| Tangible assets                                       | 9           |                    | <b>405,586</b>     |                  | 105,897          |
| Investments   | 10          |                    | <b>24,000</b>      |                  | 24,000           |
|   |             |                    | <hr/>              |                  | <hr/>            |
|   |             |                    | <b>429,586</b>     |                  | 129,897          |
| <b>Current assets</b>                                 |             |                    |                    |                  |                  |
| Stocks  | 11          | <b>666,641</b>     |                    | 549,149          |                  |
| Debtors   | 12          | <b>2,187,719</b>   |                    | 1,392,902        |                  |
| Cash at bank and in hand                              |             | <b>504</b>         |                    | 270              |                  |
|   |             |                    | <hr/>              | <hr/>            |                  |
|   |             | <b>2,854,864</b>   |                    | 1,942,321        |                  |
| <b>Creditors: amounts falling due within one year</b> | 13          | <b>(4,422,357)</b> |                    | (2,717,983)      |                  |
|   |             | <hr/>              |                    | <hr/>            |                  |
| <b>Net current liabilities</b>                        |             |                    | <b>(1,567,493)</b> |                  | (775,662)        |
|   |             |                    | <hr/>              |                  | <hr/>            |
| <b>Net liabilities</b>                                |             |                    | <b>(1,137,907)</b> |                  | (645,765)        |
|   |             |                    | <hr/>              |                  | <hr/>            |
| <b>Capital and reserves</b>                           |             |                    |                    |                  |                  |
| Called up share capital                               | 15          |                    | <b>1</b>           |                  | 1                |
| Profit and loss account                               |             |                    | <b>(1,137,908)</b> |                  | (645,766)        |
|   |             |                    | <hr/>              |                  | <hr/>            |
| <b>Shareholders' deficit</b>                          |             |                    | <b>(1,137,907)</b> |                  | (645,765)        |
|   |             |                    | <hr/>              |                  | <hr/>            |

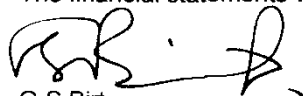
The company is entitled to exemption from audit under Section 479A of the Companies Act relating to subsidiary companies for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act.

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.

These financial statements have been prepared 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 by:



G S Birt  
Director

Date: 10th July 2023

The notes on pages 7 to 20 form part of these financial statements.

## BLE Smoke and Fire Curtains Limited

### Statement of changes in equity for the year ended 31 December 2022

|  | Share<br>capital<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>equity<br>£ |
|--|-----------------------|------------------------------------|----------------------|
| <b>1 January 2022</b>                    | <b>1</b>              | <b>(645,766)</b>                   | <b>(645,765)</b>     |
| <b>Comprehensive income for the year</b> |                       |                                    |                      |
| Loss for the year                        | -                     | (492,142)                          | (492,142)            |
|  | <hr/>                 | <hr/>                              | <hr/>                |
| <b>31 December 2022</b>                  | <b>1</b>              | <b>(1,137,908)</b>                 | <b>(1,137,907)</b>   |
|  | <hr/>                 | <hr/>                              | <hr/>                |
|  | Share<br>capital<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>equity<br>£ |
| <b>1 January 2021</b>                    | <b>1</b>              | <b>(169,115)</b>                   | <b>(169,114)</b>     |
| <b>Comprehensive income for the year</b> |                       |                                    |                      |
| Loss for the year                        | -                     | (476,651)                          | (476,651)            |
|  | <hr/>                 | <hr/>                              | <hr/>                |
| <b>31 December 2021</b>                  | <b>1</b>              | <b>(645,766)</b>                   | <b>(645,765)</b>     |
|  | <hr/>                 | <hr/>                              | <hr/>                |

Reserves:

Called up share capital represents the nominal value of the shares issued.

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

The notes on pages 7 to 20 form part of these financial statements.

# **BLE Smoke and Fire Curtains Limited**

## **Notes forming part of the financial statements for the year ended 31 December 2022**

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### **1 Accounting policies**

BLE Smoke and Fire Curtains Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the contents page.

#### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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 judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been consistently applied:

#### **Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Lowe and Fletcher Limited as at 31 December 2022 and a copy of these financial statements may be obtained from Companies House.

#### **Consolidated financial statements**

The financial statements contain information about BLE Smoke and Fire Curtains Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the consolidated financial statements of its parent Lowe and Fletcher Limited.



# BLE Smoke and Fire Curtains Limited

## Notes forming part of the financial statements for the year ended 31 December 2022 (*continued*)

### 1 Accounting policies (*continued*)

#### Funding and going concern

Historically, the company has been funded by cash flows generated from trading and funding provided by its parent company. The company is a wholly owned subsidiary of Lowe and Fletcher Limited. The directors have prepared a profit and loss and balance sheet forecast ("the company forecast") for the period to 30 September 2024 ("the forecast period") which shows the trading, financial position, cash at bank, bank loans, overdrafts and expected available bank facilities for the forecast period. The company forecast shows that the company needs funding support from the parent company to be able to operate and meet its external liabilities as they fall due for payment during the forecast period within its current and expected to be available bank facilities.

A similar forecast prepared by the wider Lowe and Fletcher group shows that the group should be able to operate and meet its external liabilities as they fall due for payment during the forecast period within its current and expected to be available bank facilities and therefore should be able to provide the required support to the company to operate and meet its external liabilities for the forecast period. The group's bank loans are repayable over a period of time and the UK overdraft facilities were successfully renewed in June 2023, with the next renewal due on 31 May 2024. The directors are not aware of any reasons why the overdraft facilities would not be continued at the same level and terms at the renewal date in future years but note that this has not been confirmed with the bank. The funding provided by the banks is secured on related assets and is subject to covenants. The directors do not anticipate breaching bank covenants in the forecast period. Post year end, the group secured a new £4m term loan in the UK, repayable over 5 years.

The directors continue to monitor the trading risks and pressures, such as inflation, on the company and the possible need for additional funding (caused, for instance, by the non-renewal of facilities or failing to resolve future breaches in covenants with the bank). They do not consider these to be of sufficient significance to indicate that a material uncertainty exists which may cast significant doubt on the group's or company's ability to continue as a going concern and therefore their ability to operate and pay their liabilities as they fall due for payment through the forecast period.

Therefore, after careful consideration, it is the directors' view that the available bank loan and overdraft funding for the wider group will continue in place throughout the period and that the headroom of current and expected to be available bank facilities compared to cash at bank, bank loans and overdrafts should be sufficient to enable the group and company to operate and meet their liabilities as they fall due for payment throughout the forecast period and provide support to the company.

The company has received a binding commitment from the ultimate parent entity, Lowe and Fletcher Limited, that support will be provided for at least the period to 30 September 2024. As a result of this binding commitment the directors of the company are not aware of any factors which would cast significant doubt on future continuance of the company and its operations and therefore these financial statements have been presented on a going concern basis.

# BLE Smoke and Fire Curtains Limited

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 1 Accounting policies (continued)

#### Revenue

Revenue from the sales of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed upon payment. These criteria are considered to be met when the goods are delivered to the buyer.

Revenues and profits on long-term contracts are computed on the percentage of completion method. Profits are determined once the outcome of the contract can be assessed with reasonable certainty, after making reserves against all anticipated costs. Where contracts allow for milestone claims, revenue is recognised upon completions of works provided in accordance with the contract.

Revenue represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

#### Government grants

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

#### 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Depreciation is provided on the following bases:

|                       |                     |
|-----------------------|---------------------|
| Plant and machinery   | - 10%-33% per annum |
| Fixtures and fittings | - 10%-33% per annum |

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 within the statement of comprehensive income.

#### Impairment of fixed assets

Assets that are subject to depreciation 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.

# BLE Smoke and Fire Curtains Limited

## Notes forming part of the financial statements for the year ended 31 December 2022 (*continued*)

### 1 Accounting policies (*continued*)

#### Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment.

#### Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less additional costs to completion and disposal. Cost is defined as follows:

|                                      |   |
|--------------------------------------|---|
| Raw materials and consumables;       | Invoice cost  |
| Work in progress and finished goods; | Cost of materials and direct labour plus an attributable proportion of direct 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 the statement of comprehensive income.

#### Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 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.

#### Financial instruments

##### *Basic financial instruments*

##### *Financial assets*

Financial assets comprise cash at bank and in hand, trade debtors, other debtors and amounts owed to group undertakings. These are initially recorded at cost on the date they originate and are subsequently recorded at amortised cost. The company considers evidence of impairment of all trade and other debtors and amounts owed by group undertakings, and any subsequent impairment is recognised in the statement of comprehensive income.

##### *Impairment of financial assets at amortised cost*

Impairment provisions are recognised where there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulties of the counterparty, default or significant delays in payment.

Impairment provisions represent the difference between the net carrying amount of a financial asset and the present value of the expected future cash receipts from that asset.

##### *Financial liabilities*

Financial liabilities comprise trade creditors, accruals and amounts owed to group undertakings. These are initially recorded at cost on the date they originate, and are subsequently carried at amortised cost.

# **BLE Smoke and Fire Curtains Limited**

**Notes forming part of the financial statements  
for the year ended 31 December 2022 (continued)**

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## **1 Accounting policies (continued)**

### **Creditors**

Short term creditors are measured at the transaction price.

### **Foreign currency translation**

The company's functional and presentational currency is GBP.

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transactions at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

All foreign exchange gains and losses are presented in the statement of comprehensive income.

### **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.

### **Leased assets**

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of the estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is credited to profit or loss over the term of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces that amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

### **Pensions**

The company's employees contribute to the Lowe and Fletcher Senior Executive Retirement Benefits Scheme (the "Group Scheme") together with the employees of other group companies. The Group Scheme is a defined benefit scheme. Although the company may be required to make contributions set at a level to make good any deficit, because the company's share of the net assets and liabilities of the Group Scheme cannot be separately identified, the company accounts for its pension contributions to the Group Scheme on a defined contribution basis.

For defined contribution schemes the amount charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

# BLE Smoke and Fire Curtains Limited

## Notes forming part of the financial statements for the year ended 31 December 2022 (*continued*)

### 1 Accounting policies (*continued*)

#### Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, 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 statement of financial position 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities. Actual results may differ from these estimates.

The judgements, estimates and assumptions are:

#### *Tangible assets impairment (Note 9)*

Tangible assets 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.

#### *Tangible assets depreciation (Note 9)*

Tangible fixed assets are depreciated over their useful economic lives taking into account residual values where appropriate. The actual lives of these assets are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

## BLE Smoke and Fire Curtains Limited

### Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

#### 2 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

##### Stock (Note 11)

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised in the statement of comprehensive income.

##### Trade debtors (Note 12)

At each reporting date, trade debtors are assessed for recoverability. If there is any evidence of impairment, the carrying amount is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income.

#### 3 Turnover

The proportion of turnover that is attributable to markets outside the United Kingdom is % (2021 - 65%).

#### 4 Other operating income

|                            | 2022<br>£     | 2021<br>£ |
|----------------------------|---------------|-----------|
| Furlough income receivable | -             | 24,442    |
| Other income receivable    | 28,174        | -         |
|                            | <u>28,174</u> | <u>-</u>  |

Furlough income relates to credits received under the UK Government Coronavirus Job Retention Scheme.

#### 5 Operating loss

|  | 2022<br>£       | 2021<br>£    |
|--|-----------------|--------------|
| This has been arrived at after charging:   |                 |              |
| Depreciation of tangible fixed assets  | 82,403          | 73,756       |
| Fees payable to the company's auditor and its associates<br>for the audit of the company's annual accounts | -               | 13,550       |
| Exchange differences   | (15,424)        | 7,543        |
|  | <u>(15,424)</u> | <u>7,543</u> |

## BLE Smoke and Fire Curtains Limited

Notes forming part of the financial statements  
for the year ended 31 December 2022 (*continued*)

### 6 Employees

|                         | 2022<br>£        | 2021<br>£        |
|-------------------------|------------------|------------------|
| Staff costs consist of: |                  |                  |
| Wages and salaries      | 1,366,751        | 1,303,082        |
| Social security costs   | 119,533          | 102,055          |
| Other pension costs     | 50,583           | 47,465           |
|                         | <u>1,536,867</u> | <u>1,452,602</u> |

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

|                        | Number    | Number    |
|------------------------|-----------|-----------|
| Production             | 21        | 30        |
| Sales and distribution | 16        | 7         |
| Administrative         | 5         | 5         |
|                        | <u>42</u> | <u>42</u> |

### 7 Taxation

|  | 2022<br>£      | 2021<br>£      |
|--|----------------|----------------|
| <i>Corporation tax</i>                         |                |                |
| Current tax on profits for the year            | -              | -              |
| Adjustment in respect of previous periods      | (4,319)        | 29,519         |
|  | <u>(4,319)</u> | <u>29,519</u>  |
| Total current tax                              | <u>(4,319)</u> | <u>29,519</u>  |
| <i>Deferred tax</i>                            |                |                |
| Origination and reversal of timing differences | 30,511         | (12,795)       |
| Adjustment in respect of previous periods      | -              | 11,847         |
| Effect of change in tax rates                  | -              | (5,440)        |
|  | <u>30,511</u>  | <u>(6,388)</u> |
| Total deferred tax                             | <u>30,511</u>  | <u>(6,388)</u> |
| Taxation on profit                             | <u>26,192</u>  | <u>23,131</u>  |

# BLE Smoke and Fire Curtains Limited

Notes forming part of the financial statements  
for the year ended 31 December 2022 (continued)

## 7 Taxation (continued)

The tax assessed for the year is higher than (2021 – higher than) the standard rate of corporation tax in the UK of 19% (2021 – 19%).

|  | 2022<br>£ | 2021<br>£ |
|--|-----------|-----------|
| Loss before tax  | (465,920) | (453,520) |
| Loss at the standard rate of corporation tax in the UK of 19% (2021 – 19%) | (88,525)  | (86,169)  |
| Effects of:  |           |           |
| Fixed asset differences  | (1,117)   | (142)     |
| Expenses not deductible for tax purposes                                   | 18,664    | 9,226     |
| Group relief   | 99,080    | 70,310    |
| Difference in tax rates  | 2,409     | (5,440)   |
| Adjustments to tax charge in respect of prior periods                      | (4,319)   | 41,366    |
| Other differences  | -         | (6,020)   |
| Total tax charge/credit for the year                                       | 26,192    | 23,131    |

### Factors affecting future tax charges

The corporation tax is calculated at 19% (2021 - 19%) of the estimated assessable profit for the year. Changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2022 on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted rates and reflected in these financial statements. On 3 March 2021, the UK government announced that the corporation tax rate will increase from 19% to 25% from April 2023. As this rate was not substantively enacted at the statement of financial position date it has not been used to calculate the deferred tax balances.

## 8 Dividends

|  | 2022<br>£ | 2021<br>£ |
|--|-----------|-----------|
| Ordinary shares  |           |           |
| Interim paid of £Nil per share (2021 - £Nil) per share | -         | -         |



## BLE Smoke and Fire Curtains Limited

Notes forming part of the financial statements  
for the year ended 31 December 2022 (*continued*)

### 9 Tangible assets

|                            | Plant and<br>machinery<br>£ | Fixtures,<br>fittings,<br>tools and<br>equipment<br>£ | Total<br>£       |
|----------------------------|-----------------------------|---|------------------|
| <i>Cost</i>                |                             |   |                  |
| At 1 January 2022          | 501,343                     | 315,315   | 816,658          |
| Additions                  | 10,425                      | 371,667   | 382,092          |
|                            | <hr/>                       | <hr/>   | <hr/>            |
| <b>At 31 December 2022</b> | <b>511,768</b>              | <b>686,982</b>  | <b>1,198,750</b> |
|                            | <hr/>                       | <hr/>   | <hr/>            |
| <i>Depreciation</i>        |                             |   |                  |
| At 1 January 2022          | 456,479                     | 254,282   | 710,761          |
| Charge for the year        | 28,294                      | 54,109  | 82,403           |
|                            | <hr/>                       | <hr/>   | <hr/>            |
| <b>At 31 December 2022</b> | <b>484,773</b>              | <b>308,391</b>  | <b>793,164</b>   |
|                            | <hr/>                       | <hr/>   | <hr/>            |
| <i>Net book value</i>      |                             |   |                  |
| <b>At 31 December 2022</b> | <b>26,995</b>               | <b>378,591</b>  | <b>405,586</b>   |
|                            | <hr/>                       | <hr/>   | <hr/>            |
| At 31 December 2021        | 44,864                      | 61,033  | 105,897          |
|                            | <hr/>                       | <hr/>   | <hr/>            |

The directors have assessed the carrying value of tangible fixed assets and consider no impairment is required.

# BLE Smoke and Fire Curtains Limited

Notes forming part of the financial statements  
for the year ended 31 December 2022 (*continued*)

## 10 Fixed asset investments

|  | Shares in group undertakings and participating interests<br>£ |
|--|---|
| <i>Cost</i>                            |   |
| At 1 January 2022 and 31 December 2022 | 24,000  |
| <i>Net book value</i>                  |   |
| <b>At 31 December 2022</b>             | <b>24,000</b>   |
| At 31 December 2021                    | 24,000  |

| Name                             | Country of incorporation | Class of shares | Proportion of share capital held | Nature of business |
|----------------------------------|--------------------------|-----------------|----------------------------------|--------------------|
| Simpkin Machin & Company Limited | England & Wales          | Ordinary        | 100%                             | Dormant company    |

Unless otherwise stated, the following figures have been extracted from audited financial statements for the year ended 31 December 2022:

|                                  | Aggregate share capital and reserves |        | Profit for the year |      |
|----------------------------------|--------------------------------------|--------|---------------------|------|
|                                  | 2022                                 | 2021   | 2022                | 2021 |
| Simpkin Machin & Company Limited | <b>24,000</b>                        | 24,000 | -                   | -    |

## 11 Stocks

|                               | 2022<br>£      | 2021<br>£ |
|-------------------------------|----------------|-----------|
| Raw materials and consumables | <b>545,251</b> | 471,544   |
| Work in progress              | <b>121,390</b> | 77,605    |
|                               | <b>666,641</b> | 549,149   |

There is no material difference between the statement of financial position value of stocks and their replacement cost.

## BLE Smoke and Fire Curtains Limited

Notes forming part of the financial statements  
for the year ended 31 December 2022 (*continued*)

### 12 Debtors

|                                    | 2022<br>£       | 2021<br>£       |
|------------------------------------|-----------------|-----------------|
| Trade debtors                      | 1,454,258       | 840,805         |
| Amounts owed by group undertakings | 474,707         | 315,507         |
| Other taxation and social security | -               | 26,563          |
| Corporation tax recoverable        | 12,561          | 48,458          |
| Other debtors                      | 124,058         | 67,017          |
| Prepayments                        | 117,184         | 59,090          |
| Deferred taxation (see note 14)    | 4,951           | 35,462          |
|                                    | <hr/> 2,187,719 | <hr/> 1,392,902 |

All amounts shown under debtors fall due for payment within one year.

### 13 Creditors: amounts falling due within one year

|                                    | 2022<br>£       | 2021<br>£       |
|------------------------------------|-----------------|-----------------|
| Bank overdrafts                    | 2,087,929       | 841,715         |
| Trade creditors                    | 953,456         | 476,564         |
| Amounts owed to group undertakings | 169,850         | 175,695         |
| Group relief                       | 965,163         | 965,163         |
| Other taxation and social security | 17,443          | -               |
| Accruals and deferred income       | 228,516         | 258,846         |
|                                    | <hr/> 4,422,357 | <hr/> 2,717,983 |

Bank overdrafts are secured (under group arrangement) by freehold property assets held by the company and certain other group companies.

# BLE Smoke and Fire Curtains Limited

Notes forming part of the financial statements  
for the year ended 31 December 2022 (*continued*)

|  |                  |                  |
|--|------------------|------------------|
| <b>14 Deferred taxation</b>  |                  | <b>£</b>         |
| At 1 January 2022  |                  | 35,462           |
| Credited to the statement of comprehensive income  |                  | (30,511)         |
|  |                  | <hr/>            |
| At 31 December 2022  |                  | <b>4,951</b>     |
|  |                  | <hr/>            |
|  | <b>2022</b>      | <b>2021</b>      |
|  | <b>£</b>         | <b>£</b>         |
| The deferred tax asset is made up as follows:  |                  |                  |
| Accelerated capital allowances   | 824              | (5,788)          |
| Short term timing differences  | 4,127            | 41,250           |
| Losses and other deductions  | -                | -                |
|  | <hr/>            | <hr/>            |
|  | <b>4,951</b>     | <b>35,462</b>    |
|  | <hr/>            | <hr/>            |
| <b>15 Share capital</b>  |                  |                  |
|  | <b>2022</b>      | <b>2021</b>      |
|  | <b>£</b>         | <b>£</b>         |
| <b>Allotted, called up and fully paid</b>  |                  |                  |
| 1 Ordinary share of £1   | 1                | 1                |
|  | <hr/>            | <hr/>            |
| <b>16 Commitments under operating leases</b>   |                  |                  |
| As at 31 December 2022, the company had future minimum lease payments under non-cancellable operating leases as set out below: |                  |                  |
|  | <b>2022</b>      | <b>2021</b>      |
|  | <b>£</b>         | <b>£</b>         |
| In one year or less, or on demand  | 189,276          | 224,781          |
| In more than one year but not more than five years   | 757,104          | 848,823          |
| Over five years  | 1,798,122        | 2,078,700        |
|  | <hr/>            | <hr/>            |
|  | <b>2,744,502</b> | <b>3,152,304</b> |
|  | <hr/>            | <hr/>            |

## **BLE Smoke and Fire Curtains Limited**

**Notes forming part of the financial statements  
for the year ended 31 December 2022 (continued)**

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### **17 Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £50,583 (2021 - £47,465).

### **18 Contingent liabilities**

The company has granted Lloyds TSB PLC a debenture and cross guarantee creating fixed and floating charges over the assets of the company as security for the liabilities of Lowe & Fletcher Limited group companies.

### **19 Related party transactions**

The company is a wholly owned subsidiary of Lowe and Fletcher Limited and has taken advantage of the exemption conferred by section 33.1A of FRS 102 not to disclose transactions with Lowe and Fletcher Limited or other wholly owned subsidiaries within the group.

### **20 Post balance sheet events**

Post year end, the group secured a new £4m term loan in the UK, repayable over 5 years. There have been no other significant events affecting the company since the year end.

### **21 Ultimate parent company and parent undertaking of larger group**

The ultimate parent company is Lowe and Fletcher Limited, incorporated in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by Lowe and Fletcher Limited, incorporated in England. The consolidated accounts of this company are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. No other group accounts include the results of the company.