

FIRE SHIELD LIMITED

UNAUDITED

**DIRECTORS' REPORT
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 OCTOBER 2018**

FIRE SHIELD LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2018**

The directors present their report and the financial statements for the year ended 31 October 2018.

Principal activity

The company's principal activity during the year was the provision of passive fire protection services.

Directors

The directors who served during the year were:

Mr G Rutherford

Mr M Palmer

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

Mr G Rutherford

Director

Date: 25 July 2019

FIRE SHIELD LIMITED
REGISTERED NUMBER: 02841816

BALANCE SHEET
AS AT 31 OCTOBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	126,870	120,744
Investment property	5	270,000	320,000
		<u>396,870</u>	<u>440,744</u>
Current assets			
Debtors: amounts falling due within one year	6	1,925,946	1,660,371
Cash at bank and in hand		24,779	181,406
		<u>1,950,725</u>	<u>1,841,777</u>
Creditors: amounts falling due within one year	7	(1,205,693)	(1,101,077)
Net current assets		<u>745,032</u>	<u>740,700</u>
Total assets less current liabilities		<u>1,141,902</u>	<u>1,181,444</u>
Provisions for liabilities			
Deferred tax	8	(4,682)	(4,682)
Other provisions	9	(563,076)	(628,592)
		<u>(567,758)</u>	<u>(633,274)</u>
Net assets		<u><u>574,144</u></u>	<u><u>548,170</u></u>
Capital and reserves			
Called up share capital	10	108	108
Revaluation reserve	11	(26,809)	23,191
Profit and loss account	11	600,845	524,871
		<u><u>574,144</u></u>	<u><u>548,170</u></u>

FIRE SHIELD LIMITED
REGISTERED NUMBER: 02841816

BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2018

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 income and retained earnings 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 G Rutherford

Director

Date: 25 July 2019

The notes on pages 5 to 12 form part of these financial statements.

FIRE SHIELD LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2018**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 November 2016	108	23,191	581,042	604,341
Profit for the year	-	-	233,111	233,111
Dividends: Equity capital	-	-	(289,282)	(289,282)
	108	23,191	524,871	548,170
At 1 November 2017				
Profit for the year	-	-	292,726	292,726
Transfer fair value loss to revaluation reserve	-	-	50,000	50,000
Dividends: Equity capital	-	-	(266,752)	(266,752)
Transfer fair value loss to revaluation reserve	-	(50,000)	-	(50,000)
	108	(26,809)	600,845	574,144
At 31 October 2018				

The notes on pages 5 to 12 form part of these financial statements.

FIRE SHIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

1. General information

Fire Shield Limited is a private company, limited by shares, and incorporated in England and Wales, registered number 02841816. The registered office address is: The Old Forge, The Street, Cranleigh, Surrey, GU6 7QD.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling, which is the functional currency of the company, and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover for a project is determined by reference to the contract price and its stage of completion at a given point in time.

Revenue derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

FIRE SHIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the following methods.

Depreciation is provided on the following basis:

Long term leasehold property	-	2%	straight line
Short term leasehold property	-	5%	straight line
Plant and machinery	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance
Office and computer equipment	-	25%	reducing balance
Other fixed assets	-	4%	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 the statement of income and retained earnings.

2.4 Investment property

Investment property is carried at fair value determined annually by a director 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 the statement of income and retained earnings.

2.5 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.

2.6 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

2. Accounting policies (continued)

2.7 Financial instruments

The Company only enters into basic financial instruments 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 and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

2.8 Creditors

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

2.9 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Foreign currency transactions are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of income and retained earnings.

2.11 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

2. Accounting policies (continued)

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

2.13 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 the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

2.15 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 the statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, 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 balance sheet 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 balance sheet 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 balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 43 (2017 - 42).

FIRE SHIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

4. Tangible fixed assets

	Long-term leasehold property £	Short-term leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 November 2017	116,115	4,194	30,231	104,763	16,239	271,542
Additions	-	-	9,075	10,183	-	19,258
At 31 October 2018	116,115	4,194	39,306	114,946	16,239	290,800
Depreciation						
At 1 November 2017	39,479	3,990	24,251	81,902	1,176	150,798
Charge for the year on owned assets	2,322	204	2,314	7,642	650	13,132
At 31 October 2018	41,801	4,194	26,565	89,544	1,826	163,930
Net book value						
At 31 October 2018	74,314	-	12,741	25,402	14,413	126,870
At 31 October 2017	76,636	204	5,980	22,861	15,063	120,744

5. Investment property

	Freehold investment property £
Valuation	
At 1 November 2017	320,000
Surplus on revaluation	(50,000)
At 31 October 2018	270,000

The 2018 valuations were made by a director, on an open market value for existing use basis.

FIRE SHIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

6. Debtors

	2018 £	2017 £
Trade debtors	637,225	291,062
Amounts owed by group undertakings	405,588	362,35£
Other debtors	4,329	4,66£
Prepayments and accrued income	878,804	1,002,282
	<u>1,925,946</u>	<u>1,660,371</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	51,992	119,132
Trade creditors	571,406	255,200
Corporation tax	86,519	74,441
Other taxation and social security	193,898	244,431
Other creditors	83,217	87,671
Accruals and deferred income	218,661	320,202
	<u>1,205,693</u>	<u>1,101,077</u>

The bank overdraft is secured by a fixed and floating charge over the assets of the company.

I

8. Deferred taxation

	2018 £	2017 £
At beginning of year	4,682	4,565
Charged to profit or loss	-	(117)
At end of year	<u>4,682</u>	<u>4,682</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	<u>4,682</u>	<u>4,682</u>

FIRE SHIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

9. Provisions

The company has made provisions against projects where there is an expectation of remedial work to be carried out.

	2018 £
At 1 November 2017	628,592
Charged to profit or loss	(65,516)
At 31 October 2018	<u>563,076</u>

10. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
34 (2017 - 34) Ordinary shares of £1.00 each	34	34
3 (2017 - 3) Ordinary A shares of £1.00 each	3	3
1 (2017 - 1) Ordinary B share of £1.00	1	1
34 (2017 - 34) Ordinary C shares of £1.00 each	34	34
34 (2017 - 34) Ordinary D shares of £1.00 each	34	34
1 (2017 - 1) Ordinary E share of £1.00	1	1
1 (2017 - 1) Ordinary F share of £1.00	1	1
	<u>108</u>	<u>108</u>

11. Reserves

Revaluation reserve

The revaluation reserve represents the gain on investments properties net of a deferred tax charge on the gain.

Profit and loss account

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

12. Other financial commitments

The financial commitments of the company at the year end were £30,000 (2017 - £30,000).

13. Related party transactions

The Company has taken advantage of Section 33 paragraph 1A not to disclose transactions with wholly owned group members.

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