

COMPANY REGISTRATION NUMBER: 02769392

Elite Security Products Limited
Financial Statements
30 April 2019



Elite Security Products Limited

Financial Statements

Year ended 30 April 2019

Contents	Page
Directors' report	1
Independent auditor's report to the member	3
Statement of income and retained earnings	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10
The following pages do not form part of the financial statements	
Detailed income statement	22
Notes to the detailed income statement	24

Elite Security Products Limited

Directors' Report

Year ended 30 April 2019

The directors present their report and the financial statements of the company for the year ended 30 April 2019.

Principal activities

The company's principal activity continues to be that of the distribution of safety and security products to electrical wholesalers. The results for the year are set out on page 7. The company has taken advantage of the exemption available to small and medium sized companies concerning key performance indicators.

Directors

The directors who served the company during the year were as follows:

Mr G C Mordue
Mr S Taylor
Mr N Baldwin

Directors' responsibilities statement

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Elite Security Products Limited

Directors' Report *(continued)*

Year ended 30 April 2019

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 10 December 2019 and signed on behalf of the board by:



Mr G C Mordue
Director



J G Rogers
Company Secretary

Registered office:
Unit 7
Target Park Shawbank Road
Lakeside
Redditch
Worcestershire
B98 8YN

Elite Security Products Limited

Independent Auditor's Report to the Member of Elite Security Products Limited

Year ended 30 April 2019

Opinion

We have audited the financial statements of Elite Security Products Limited (the 'company') for the year ended 30 April 2019 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Elite Security Products Limited

Independent Auditor's Report to the Member of Elite Security Products Limited *(continued)*

Year ended 30 April 2019

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Elite Security Products Limited

Independent Auditor's Report to the Member of Elite Security Products Limited (continued)

Year ended 30 April 2019

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Elite Security Products Limited

Independent Auditor's Report to the Member of Elite Security Products Limited (continued)

Year ended 30 April 2019

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's member, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.



Martin Bradley FCCA (Senior Statutory Auditor)

For and on behalf of
GCN (Auditing) Limited
Chartered Certified Accountants & statutory auditor
Dominique House
1 Church Road
Netherton
Dudley
West Midlands
DY2 0LY

10 December 2019

Elite Security Products Limited
Statement of Income and Retained Earnings
Year ended 30 April 2019

	Note	2019 £	2018 £
Turnover	4	9,000,533	6,742,739
Cost of sales		<u>6,409,760</u>	<u>4,464,303</u>
Gross profit		2,590,773	2,278,436
Administrative expenses		2,681,155	2,167,606
Other operating income	5	<u>18,092</u>	–
Operating (loss)/profit	6	(72,290)	110,830
Income from participating interests	10	7,899	–
Other interest receivable and similar income	11	120	140
Interest payable and similar expenses	12	<u>7,750</u>	<u>8,356</u>
(Loss)/profit before taxation		(72,021)	102,614
Tax on (loss)/profit	13	<u>(5,568)</u>	<u>20,840</u>
(Loss)/profit for the financial year and total comprehensive income		<u>(66,453)</u>	<u>81,774</u>
Retained earnings at the start of the year		3,851,036	3,769,262
Retained earnings at the end of the year		<u>3,784,583</u>	<u>3,851,036</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 20 form part of these financial statements.

Elite Security Products Limited

Statement of Financial Position

30 April 2019

	Note	2019 £	£	2018 £
Fixed assets				
Tangible assets	14		918,685	929,713
Investments	15		7,899	—
			<u>926,584</u>	<u>929,713</u>
Current assets				
Stocks	16	3,250,653		1,948,759
Debtors	17	3,887,703		3,337,720
Cash at bank and in hand		278,803		372,149
		<u>7,417,159</u>		<u>5,658,628</u>
Creditors: amounts falling due within one year	18	<u>4,319,541</u>		<u>2,448,215</u>
Net current assets			<u>3,097,618</u>	<u>3,210,413</u>
Total assets less current liabilities			<u>4,024,202</u>	<u>4,140,126</u>
Creditors: amounts falling due after more than one year	19		<u>238,619</u>	<u>288,090</u>
Net assets			<u>3,785,583</u>	<u>3,852,036</u>
Capital and reserves				
Called up share capital	22		1,000	1,000
Profit and loss account	23		3,784,583	3,851,036
Shareholder funds			<u>3,785,583</u>	<u>3,852,036</u>

These financial statements were approved by the board of directors and authorised for issue on 10 December 2019, and are signed on behalf of the board by:



Mr G C Mordue
Director

Company registration number: 02769392

The notes on pages 10 to 20 form part of these financial statements.

Elite Security Products Limited

Statement of Cash Flows

Year ended 30 April 2019

	2019 £	2018 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(66,453)	81,774
<i>Adjustments for:</i>		
Depreciation of tangible assets	57,743	30,645
Income from participating interests	(7,899)	–
Other interest receivable and similar income	(120)	(140)
Interest payable and similar expenses	7,750	8,356
Tax on (loss)/profit	(5,568)	20,840
Accrued expenses	157,216	39,342
<i>Changes in:</i>		
Stocks	(1,301,894)	(414,877)
Trade and other debtors	(549,983)	(52,882)
Trade and other creditors	1,537,144	105,322
Cash generated from operations	(172,064)	(181,620)
Interest paid	(7,750)	(8,356)
Interest received	120	140
Tax received/(paid)	5,568	(92,647)
Net cash used in operating activities	(174,126)	(282,483)
Cash flows from investing activities		
Purchase of tangible assets	(46,715)	(166,196)
Acquisition of interests in associates and joint ventures	(7,899)	–
Dividends received	7,899	–
Net cash used in investing activities	(46,715)	(166,196)
Cash flows from financing activities		
Proceeds from borrowings	(48,481)	(51,840)
Proceeds from loans from group undertakings	175,976	470,000
Net cash from financing activities	127,495	418,160
Net decrease in cash and cash equivalents	(93,346)	(30,519)
Cash and cash equivalents at beginning of year	372,149	402,668
Cash and cash equivalents at end of year	278,803	372,149

The notes on pages 10 to 20 form part of these financial statements.

Elite Security Products Limited

Notes to the Financial Statements

Year ended 30 April 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 7, Target Park Shawbank Road, Lakeside, Redditch, Worcestershire, B98 8YN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Gross factored debts

Gross sales ledger balances are shown on the balance sheet as an asset and proceeds from the factor are shown in creditors as a liability.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

A provision is made at each balance sheet date for holidays accrued but not taken, to the extent that they may be carried forward, calculated at the salary of the relevant employee at that date.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

3. Accounting policies *(continued)*

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	-	2% straight line & 10% straight line
Plant and tooling	-	15% reducing balance & 25% straight line
Fixtures and fittings	-	15% straight line
Motor vehicles	-	25% reducing balance
Computer equipment	-	33% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2019 £	2018 £
Sale of goods	<u>9,000,533</u>	<u>6,742,739</u>

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2019 £	2018 £
United Kingdom	8,276,164	6,267,093
Overseas	<u>724,369</u>	<u>475,646</u>
	<u>9,000,533</u>	<u>6,742,739</u>

5. Other operating income

	2019 £	2018 £
Other operating income	<u>18,092</u>	<u>-</u>

Other operating income relates to rent receivable in the year amount to £18,092 (2018: £Nil).

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

6. Operating profit

Operating profit or loss is stated after charging:

	2019	2018
	£	£
Depreciation of tangible assets	57,743	30,645
Impairment of trade debtors	<u>2,776</u>	<u>3,092</u>

7. Auditor's remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>8,410</u>	<u>7,800</u>

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2019	2018
	No.	No.
Production staff	8	8
Administrative staff	19	16
Management staff	<u>11</u>	<u>10</u>
	<u>38</u>	<u>34</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2019	2018
	£	£
Wages and salaries	1,379,435	1,151,405
Social security costs	159,882	130,888
Other pension costs	72,555	45,671
	<u>1,611,872</u>	<u>1,327,964</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2019	2018
	£	£
Remuneration	80,750	86,821
Company contributions to defined contribution pension plans	<u>6,800</u>	<u>4,687</u>
	<u>87,550</u>	<u>91,508</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2019	2018
	No.	No.
Defined contribution plans	<u>1</u>	<u>1</u>

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

10. Income from participating interests:

	2019	2018
	£	£
Dividends from participating interests	<u>7,899</u>	<u>–</u>

11. Other interest receivable and similar income

	2019	2018
	£	£
Interest on bank deposits	<u>120</u>	<u>140</u>

12. Interest payable and similar expenses

	2019	2018
	£	£
Interest on banks loans and overdrafts	7,753	8,356
Other interest payable and similar charges	<u>(3)</u>	<u>–</u>
	<u>7,750</u>	<u>8,356</u>

13. Tax on (loss)/profit

Major components of tax (income)/expense

	2019	2018
	£	£
Current tax:		
UK current tax (income)/expense	(3,975)	20,840
Adjustments in respect of prior periods	<u>(1,593)</u>	<u>–</u>
Total current tax	<u>(5,568)</u>	<u>20,840</u>
Tax on (loss)/profit	<u>(5,568)</u>	<u>20,840</u>

Reconciliation of tax (income)/expense

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019	2018
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(72,021)</u>	<u>102,614</u>
(Loss)/profit on ordinary activities by rate of tax	<u>(15,185)</u>	<u>19,497</u>
Adjustment to tax charge in respect of prior periods	<u>(1,593)</u>	<u>–</u>
Effect of expenses not deductible for tax purposes	8,236	6,405
Effect of capital allowances and depreciation	<u>2,974</u>	<u>(5,062)</u>
Tax on (loss)/profit	<u>(5,568)</u>	<u>20,840</u>

Elite Security Products Limited

Notes to the Financial Statements (continued)

Year ended 30 April 2019

14. Tangible assets

	Land and buildings £	Plant and tooling £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 May 2018	1,026,013	–	121,843	–	109,772	1,257,628
Additions	13,286	11,663	10,776	10,840	150	46,715
At 30 Apr 2019	<u>1,039,299</u>	<u>11,663</u>	<u>132,619</u>	<u>10,840</u>	<u>109,922</u>	<u>1,304,343</u>
Depreciation						
At 1 May 2018	155,250	–	69,847	–	102,818	327,915
Charge for the year	31,785	8,142	11,641	2,258	3,917	57,743
At 30 Apr 2019	<u>187,035</u>	<u>8,142</u>	<u>81,488</u>	<u>2,258</u>	<u>106,735</u>	<u>385,658</u>
Carrying amount						
At 30 Apr 2019	<u>852,264</u>	<u>3,521</u>	<u>51,131</u>	<u>8,582</u>	<u>3,187</u>	<u>918,685</u>
At 30 Apr 2018	<u>870,763</u>	<u>–</u>	<u>51,996</u>	<u>–</u>	<u>6,954</u>	<u>929,713</u>

The directors consider that the difference between net book and market values of leasehold land and building is not significant.

15. Investments

	Shares in participating interests £
Cost	
At 1 May 2018	–
Additions	7,899
At 30 April 2019	<u>7,899</u>
Impairment	
At 1 May 2018 and 30 April 2019	–
Carrying amount	
At 30 April 2019	<u>7,899</u>
At 30 April 2018	–

Subsidiaries, associates and other investments

	Registered office	Class of share	Percentage of shares held
Other significant holdings			
Elite Security Products Ireland Ltd	18 Corrig Road Sandyford Industrial Estate Dublin 18	Ordinary	50

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

16. Stocks

	2019	2018
	£	£
Finished goods and goods for resale	<u>3,250,653</u>	<u>1,948,759</u>

17. Debtors

	2019	2018
	£	£
Trade debtors	1,902,474	1,386,061
Amounts owed by group undertakings	1,898,862	1,898,862
Prepayments and accrued income	72,976	49,799
Other debtors	13,391	2,998
	<u>3,887,703</u>	<u>3,337,720</u>

The debtors above include the following amounts falling due after more than one year:

	2019	2018
	£	£
Amounts owed by group undertakings	<u>1,898,862</u>	<u>1,898,862</u>

18. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	50,020	49,030
Trade creditors	1,593,720	343,987
Amounts owed to group undertakings	1,100,000	924,024
Accruals and deferred income	323,412	166,196
Social security and other taxes	113,285	86,714
Other creditors	1,139,104	878,264
	<u>4,319,541</u>	<u>2,448,215</u>

The bank loan payable within one year amounting to £50,020 (2018: £49,030) is secured by a first legal charge over the leasehold property and a floating charge over the other assets of the company. The loan is repayable by October 2024 through monthly repayments and interest is charged at 1.75% over base rate.

Included within other creditors is an invoice discounting arrangement facility amounting to £1,139,104 (2018: £878,264). This creditor is secured upon the trade debtors of the company.

19. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	<u>238,619</u>	<u>288,090</u>

The bank loan payable after more than one year amounting to £238,619 (2018: £288,090) is secured by a first legal charge over leasehold property together with a floating charge over the other assets of the company. The loan is repayable by October 2024 through monthly repayments and interest is charged at 1.75% over base rate.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

19. Creditors: amounts falling due after more than one year *(continued)*

Included within creditors: amounts falling due after more than one year is an amount of £27,500 (2018: £81,871) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £72,555 (2018: £45,671).

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>4,080,139</u>	<u>3,657,072</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>1,593,719</u>	<u>343,987</u>
Loan commitments measured at cost less impairment		
Loan commitments measured at cost less impairment	<u>2,527,743</u>	<u>2,139,408</u>

22. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000.00</u>	<u>1,000</u>	<u>1,000.00</u>

23. Reserves

Profit and loss account - this reserve records retained earnings and accumulated losses.

24. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Not later than 1 year	<u>36,669</u>	17,378
Later than 1 year and not later than 5 years	<u>6,683</u>	<u>94,097</u>
	<u>43,352</u>	<u>111,475</u>

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

25. Related party transactions

The company was under the control of Elite Security Products Holdings Limited throughout the current period by virtue of the ownership of 100% of the ordinary share capital.

The company has taken advantage of the exemption under paragraph 33.1A of FRS102 relating to subsidiaries where 100% of the voting rights are controlled within the group not to disclose transactions between the company and fellow group undertakings.

The ultimate parent company is Scolmore (International) Limited. The company has an omnibus guarantee and set off agreement in favour of the groups banking arrangements.

26. Controlling party

The immediate parent company is Elite Security Products Holdings Limited by virtue of the ownership of 100% of the ordinary share capital.

The ultimate parent company is Scolmore (International) Limited. The consolidated accounts of Scolmore (International) Ltd can be obtained from the registered office address - 1 Scolmore Park, Landsberg, Lichfield Road Industrial Estate, Tamworth, Staffordshire, B79 7XB.