

Company registration number 01621814 (England and Wales)

FREDERICK COOPER (BIRMINGHAM) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
PAGES FOR FILING WITH REGISTRAR

FREDERICK COOPER (BIRMINGHAM) LIMITED

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FREDERICK COOPER (BIRMINGHAM) LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	6	1,178,659		1,074,771	
Tangible assets	7	167,808		199,494	
		<u>1,346,467</u>		<u>1,274,265</u>	
Current assets					
Stocks		345,759		248,762	
Debtors	8	1,745,989		1,344,830	
Cash at bank and in hand		644,003		1,119,488	
		<u>2,735,751</u>		<u>2,713,080</u>	
Creditors: amounts falling due within one year	9	<u>(1,390,475)</u>		<u>(1,486,942)</u>	
Net current assets		<u>1,345,276</u>		<u>1,226,138</u>	
Total assets less current liabilities		<u>2,691,743</u>		<u>2,500,403</u>	
Provisions for liabilities		<u>(27,734)</u>		<u>(23,838)</u>	
Net assets		<u>2,664,009</u>		<u>2,476,565</u>	
Capital and reserves					
Called up share capital	10	15,004		15,004	
Profit and loss reserves		2,649,005		2,461,561	
Total equity		<u>2,664,009</u>		<u>2,476,565</u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 28 June 2022 and are signed on its behalf by:

Mr A C Jones
Director

Company Registration No. 01621814

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Company information

Frederick Cooper (Birmingham) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 44 Prince Albert Street, Bordesley Green, Birmingham, West Midlands, B9 5AZ.

1.1 Accounting convention

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

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

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Frederick Cooper (Birmingham) Holdings Limited. These consolidated financial statements are available from its registered office, 44 Prince Albert Street, Bordesley Green, Birmingham, West Midlands, B9 5AZ.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies **(Continued)**

1.3 Turnover

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

Sales orders are recorded on a works order process card which allows work to be started on a project. Revenue is recognised once the works order process card has been agreed to delivery note from customers.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Development Costs	5 years straight line
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1.6 Tangible fixed assets

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

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

Plant and machinery	10% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	25% straight line

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

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

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

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

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

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

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

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1.11 Equity instruments

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

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

1.12 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.13 Taxation

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

Current tax

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

Deferred tax

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

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

1.14 Employee benefits

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

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies (Continued)

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Research and development

For the purpose of assessing whether the SME Research & Development (R&D) scheme is appropriate to be claimed, the directors have examined the relationship with its customers/clients. The examination was carried out using a number of methodologies such as contract review, sample invoice checking and discussion with the competent professionals.

Qualifying expenditure for R&D includes proportion of staffing costs. The directors have discussed qualifying cost categories with the competent professional to ensure only eligible costs have been included in the R&D claim.

Rental Cost

Rent has been charged between Frederick Cooper (Birmingham) Limited and Frederick Cooper Birmingham (Holdings) Limited with regards investment properties and plant and machinery held within the holding company. The directors have assessed the rental value on a comparable basis, estimate was initially based on Green & Co valuers report in 2016 and subsequently measured by comparing market value for similar fixed assets within the Birmingham area with adjustments for location, accessibility and design.

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Clerical	8	10
Directors	4	6
Works Supervision	15	13
Works Management	10	9
Works Maintenance	4	4
Shop Floor	86	108
	<hr/>	<hr/>
Total	127	150
	<hr/> <hr/>	<hr/> <hr/>

4 Directors' remuneration

	2021 £	2020 £
Remuneration paid to directors	440,489	377,390
	<hr/> <hr/>	<hr/> <hr/>

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

5 Taxation	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(24,891)
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	3,896	(5,891)
Adjustment in respect of prior periods	24,855	20,381
	<u> </u>	<u> </u>
Total deferred tax	28,751	14,490
	<u> </u>	<u> </u>
Total tax charge/(credit)	28,751	(10,401)
	<u> </u>	<u> </u>

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Profit/(loss) before taxation	880,704	(308,228)
	<u> </u>	<u> </u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	167,334	(58,563)
Tax effect of expenses that are not deductible in determining taxable profit	82,383	97,422
Tax effect of utilisation of tax losses not previously recognised	-	(24,891)
Unutilised tax losses carried forward	1,094	89,558
Group relief	20,938	101,280
Permanent capital allowances in excess of depreciation	5,413	(11,087)
Under/(over) provided in prior years	24,855	20,381
Deferred tax adjustments in respect of prior years	3,896	(5,891)
Profit/loss on sale of fixed asset	(1,733)	121
Research and Development	(275,429)	(218,731)
	<u> </u>	<u> </u>
Taxation charge/(credit) for the year	28,751	(10,401)
	<u> </u>	<u> </u>

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Intangible fixed assets

	Other £
Cost	
At 1 October 2020	2,325,889
Additions	630,271
	<hr/>
At 30 September 2021	2,956,160
	<hr/>
Amortisation and impairment	
At 1 October 2020	1,251,118
Amortisation charged for the year	526,383
	<hr/>
At 30 September 2021	1,777,501
	<hr/>
Carrying amount	
At 30 September 2021	1,178,659
	<hr/> <hr/>
At 30 September 2020	1,074,771
	<hr/> <hr/>

7 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 October 2020	402,971
Additions	19,909
Disposals	(12,995)
	<hr/>
At 30 September 2021	409,885
	<hr/>
Depreciation and impairment	
At 1 October 2020	203,477
Depreciation charged in the year	48,617
Eliminated in respect of disposals	(10,017)
	<hr/>
At 30 September 2021	242,077
	<hr/>
Carrying amount	
At 30 September 2021	167,808
	<hr/> <hr/>
At 30 September 2020	199,494
	<hr/> <hr/>

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

8 Debtors	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	1,283,963	944,679
Corporation tax recoverable	-	24,891
Other debtors	462,026	375,260
	<u>1,745,989</u>	<u>1,344,830</u>

9 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	306,289	129,178
Amounts owed to group undertakings	464,325	270,765
Corporation tax	63,592	33,701
Other taxation and social security	300,354	488,814
Other creditors	255,915	564,484
	<u>1,390,475</u>	<u>1,486,942</u>

10 Called up share capital	2021	2020	2021	2020
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary shares of £1 each	15,004	15,004	15,004	15,004
	<u>15,004</u>	<u>15,004</u>	<u>15,004</u>	<u>15,004</u>

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Mr Steven McLoughlin FCCA and the auditor was Jerroms Business Solutions Limited.

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021	2020
£	£
63,000	99,000
<u>63,000</u>	<u>99,000</u>

13 Events after the reporting date

After the reporting date, Frederick Cooper Birmingham (Group) Limited has acquired the entire share capital of Frederick Cooper Birmingham (Holdings) Limited via a share for share exchange. Total consideration paid for shares amounted to £7,970,870.

FREDERICK COOPER (BIRMINGHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Rental costs	
	2021	2020
	£	£
Entities with control, joint control or significant influence over the company	624,632	602,230

The following amounts were outstanding at the reporting end date:

	2021	2020
	£	£
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	464,324	270,764

15 Directors' transactions

Dividends totalling £164,509 (2020 - £107,111) were paid in the year in respect of shares held by the company's directors.

Description	% Rate	Opening balance	Amounts advanced	Interest charged	Amounts repaid	Closing balance
		£	£	£	£	£
Directors loan	2.25	183,627	166,462	6,858	(117,847)	239,100
		183,627	166,462	6,858	(117,847)	239,100

16 Parent company

The ultimate controlling party is Frederick Cooper Birmingham (Holdings) Limited, a company registered in England and Wales, who own 99.97% of the issued share capital.

The parent company is under the control of Mr R O Noon, who owns 74% of the issued share capital and is a director of both companies.

17 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

18 Auditor's liability limitation agreement

The company has, by resolution, waived the need for approval of the auditors' limitation liability, which has been set at £2,000,000 within the letter of engagement dated 14 June 2022. This approval has been confirmed in the letter of representation dated 28 June 2022.

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.