

Registered number: SC178376

SURFACE HEATING SYSTEMS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

SURFACE HEATING SYSTEMS LIMITED

COMPANY INFORMATION

DIRECTORS

Ms S L Cummings (appointed 30 September 2022)
Mr R T Good (appointed 30 September 2022)
Mr S Munro (appointed 30 September 2022)
Mr T N Scott (appointed 30 September 2022)
Ms A Strobel (appointed 30 September 2022)
Mr M Cummings (resigned 30 September 2022)
Mrs H C Cummings (resigned 30 September 2022)
Mrs A M Blyth (resigned 30 September 2022)

COMPANY SECRETARY

Ms A Strobel

REGISTERED NUMBER

SC178376

REGISTERED OFFICE

66 Cavendish Way
Glenrothes
Fife
KY6 2SB

ACCOUNTANTS

EQ Accountants LLP
Chartered Accountants
Pentland House
Saltire Centre
Glenrothes
Fife
KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

		2022 £	2021 £
Fixed assets			
Intangible assets	4	11,420	41,121
Tangible assets	5	235,369	9,727
		<u>246,789</u>	<u>50,848</u>
Current assets			
Stocks		107,242	75,137
Debtors: amounts falling due within one year	6	259,495	111,621
Cash at bank and in hand		241,021	100,729
		<u>607,758</u>	<u>287,487</u>
Creditors: amounts falling due within one year	7	(210,291)	(77,930)
Net current assets		<u>397,467</u>	<u>209,557</u>
Total assets less current liabilities		<u>644,256</u>	<u>260,405</u>
Creditors: amounts falling due after more than one year	8	(240,000)	-
Provisions for liabilities			
Deferred tax		(5,711)	(1,554)
		<u>(5,711)</u>	<u>(1,554)</u>
Net assets		<u><u>398,545</u></u>	<u><u>258,851</u></u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		398,445	258,751
		<u><u>398,545</u></u>	<u><u>258,851</u></u>

SURFACE HEATING SYSTEMS LIMITED
REGISTERED NUMBER: SC178376

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2022

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 the 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 on 29 March 2023.

Ms S L Cummings
Director

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1. General information

Surface Heating Systems Limited is a private company limited by shares and incorporated in Scotland. The registered office is 66 Cavendish Way, Glenrothes, Fife, KY6 2SB.

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 following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of income and retained earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.5 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting 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 reporting 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 reporting date.

2.7 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Research & Development	-	5	years
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.8 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.

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

Depreciation is provided on the following basis:

Land and buildings	-	Not depreciated
Plant and machinery	-	20% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	20% 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 profit or loss.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable 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 profit or loss.

2.10 Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2021 - 9).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

4. Intangible assets

	Research & Development £
Cost	
At 1 October 2021	148,510
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At 30 September 2022	148,510
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Amortisation	
At 1 October 2021	107,389
Charge for the year on owned assets	29,701
	<hr/>
At 30 September 2022	137,090
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Net book value	
At 30 September 2022	<u>11,420</u>
At 30 September 2021	<u>41,121</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

5. Tangible fixed assets

	Land and buildings	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£	£
Cost or valuation					
At 1 October 2021	-	21,252	118,804	-	140,056
Additions	208,658	6,750	-	14,254	229,662
At 30 September 2022	<u>208,658</u>	<u>28,002</u>	<u>118,804</u>	<u>14,254</u>	<u>369,718</u>
Depreciation					
At 1 October 2021	-	19,290	111,039	-	130,329
Charge for the year on owned assets	-	891	1,941	1,188	4,020
At 30 September 2022	<u>-</u>	<u>20,181</u>	<u>112,980</u>	<u>1,188</u>	<u>134,349</u>
Net book value					
At 30 September 2022	<u>208,658</u>	<u>7,821</u>	<u>5,824</u>	<u>13,066</u>	<u>235,369</u>
<i>At 30 September 2021</i>	<u>-</u>	<u>1,962</u>	<u>7,765</u>	<u>-</u>	<u>9,727</u>

The net book value of land and buildings may be further analysed as follows:

	2022 £	2021 £
Land and buildings	208,658	-
	<u>208,658</u>	<u>-</u>

6. Debtors

	2022 £	2021 £
Trade debtors	232,068	99,156
Other debtors	17,325	3,711
Prepayments and accrued income	<u>10,102</u>	<u>8,754</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	131,584	37,857
Other taxation and social security	39,931	4,242
Other creditors	33,871	31,256
Accruals and deferred income	4,905	4,575
	<u>210,291</u>	<u>77,930</u>

8. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other creditors	240,000	-
	<u>240,000</u>	<u>-</u>

9. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
55 (2021 - 55) Ordinary A shares of £1.00 each	55	55
25 (2021 - 25) Ordinary B shares of £1.00 each	25	25
20 (2021 - 20) Ordinary C shares of £1.00 each	20	20
	<u>100</u>	<u>100</u>

10. Controlling party

Surface Heating Systems Limited is fully owned by Bomad Holdings Limited.

Bomad Holdings Limited is a company registered in Scotland, registration number SC535388.

The registered office and principal place of business of Bomad Holdings Limited is 66 Cavendish Way, Glenrothes, United Kingdom, KY6 2SB.

On 30 September 2022 100% of the shareholding of BOMAD Holdings Limited were purchased by Star 5 Holdings Ltd.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

11. Security and guarantees

The company has granted security over its assets by way of a bond and floating charge and standard securities over the assets held.

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.