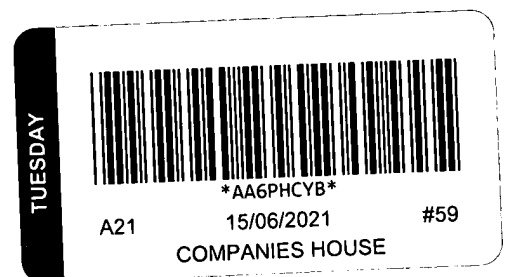


COMPANY REGISTRATION NO. 04963144 (England and Wales)

DVS LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020



DVS LTD

COMPANY INFORMATION

Directors	Mr G Dunleavy Mr T Goodson
Company number	04963144
Registered office	Unit 3 Neptune Point Vanguard Way Cardiff CF24 5PG
Auditor	UHY Hacker Young Lanyon House Mission Court Newport South Wales United Kingdom NP20 2DW

DVS LTD

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020**

The directors present the strategic report for the year ended 31 October 2020.

Fair review of the business

For the year ended 31 October 2020, the Company generated turnover of £37,376,743 (2019: £35,894,758) and profits before tax of £3,208,711 (2019: £4,002,400).

The Company continued to invest in both its infrastructure and staff development to ensure that it can achieve its long term objectives and maintain its focus on its return on equity. The Company had net assets of £9,849,958 at 31 October 2020 which is an increase of 19.6% from £8,235,374 on the prior year and average staff numbers of employees in 2019 of 63. As at 31 October 2020 staff numbers were 71.

The Company utilises an invoice factoring facility to effectively manage working capital to facilitate the extensive growth of the business. With this facility and other debt facilities provided by the Company's bankers, the Company has headroom to take on further funding to support capital investment if expansion should it be required.

Following the strong turnover growth in 2019 and significant investment in staff and operations the Directors were anticipating volumes across the Company's various industry sectors to increase in 2020. Despite the unprecedented situation of the Covid-19 pandemic and the significant impact on the UK economy, whilst turnover was significantly below budget for three months of the financial year, the turnover exceeded budget and saw growth of 4% on prior year.

Principal risks and uncertainties

The Company's strategy to address the risks of the highly competitive market place is to offer quality, flexible and cost-effective solutions and service offerings to its customers and prospective customers to satisfy their increasing requirements. The Company has an exceptionally strong pre and post-sales support structure within its team; with highly knowledgeable and experienced sales and technical support staff who ensure customer satisfaction is exceeded.

The Company's credit risk relating to its trade receivables is considered to be limited due to the invoice factoring facility in place which provides insurance against such.

The Company has assessed the potential issues that could arise due to Brexit and is comfortable that the risk is low and should not cause any disruption in the future due to low level of trade with countries in the EU.

Key performance indicators

The main performance indicator used by the directors to assess the performance of the Company is EBITDA, i.e. Operating Profit before Depreciation, Amortisation and Interest charges, which decreased to £3,396,430 from £4,168,840 for the year ended 31 October 2019, primarily due to the impact from Covid-19. The Company's key driver is to continue to grow its EBITDA while maintaining Net Profit Margin and enhance the quality of its business in all areas.

Other performance indicators

The directors believe that the use of non-financial KPI's are necessary for an understanding of the results and operations of the business and in particular for understanding and monitoring the success of the Company as a complete entity. As a measure of such staff turnover rates are regularly monitored and reviewed by the directors. The directors recognise the importance of the staff in the Company's successes, and believe the unified ethos that the team and the Company portray in striving for the success of the Company is vital for the current and future success of the Company.

On behalf of the board

Timothy Goodson

.....
Mr T Goodson

Director

14 / 06 / 2021
.....

DVS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2020

The directors present their annual report and financial statements for the year ended 31 October 2020.

Principal activities

The principal activity of the company continued to be that of the provision of CCTV, IP CCTV and video surveillance equipment.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr G Dunleavy
Mr T Goodson

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid to its parent company, Cooper Projects Limited, to settle intercompany debt, amounting to £994,161. The directors do not recommend payment of a further dividend.

Financial instruments

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk, and foreign exchange risk. The Company's principal financial instruments comprise cash at bank, trade debtors, trade creditors and financing of trade debtors. The main purpose of these instruments is to finance the Company's operation.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses the financing of trade debtors provided by external providers. Liquidity risk on trade creditors is managed by ensuring sufficient funds are available to meet amounts due.

Foreign currency risk

The Company's purchasing activities expose it to limited financial risks associated with changes in currency exchange rates, specifically USD and EUR. The Company has access to the facilities required to use foreign exchange contracts to hedge these exposures should the risk be deemed significant.

Credit risk

The Company's credit risk is very low and is primarily attributable to its trade debtors. Trade debtors are managed in respect of this risk by an insured invoice factoring facility along with policies and procedures concerning the credit offered to customers and regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the Balance Sheet are net of allowances for doubtful debtors. The credit risk on cash at bank is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Future developments

Future developments of the company are discussed in the Strategic Report on page 2.

Auditor

UHY Hacker Young were appointed as auditor to the company in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

As discussed in the strategic report, despite the unprecedented situation of the Covid-19 pandemic and the significant impact on the UK economy, whilst turnover for the Company was significantly below budget for three months of the financial year, the turnover exceeded budget and saw growth of 4% on prior year. Whilst Covid-19 is a disruption, we have ensured that we have appropriate business continuity planning in place and are satisfied we have sufficient resources to ensure that the Group remains a going concern.

On behalf of the board

Timothy Goodson
.....

Mr T Goodson
Director

Date: 14 / 06 / 2021

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DVS LTD**

Opinion

We have audited the financial statements of DVS Ltd (the 'company') for the year ended 31 October 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, 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 31 October 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 our audit:

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF DVS LTD

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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, 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 members 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mr John Griffiths (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

14 / 06 / 2021

Chartered Accountants
Statutory Auditor

Newport
South Wales
United Kingdom

DVS LTD**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2020**

		2020	2019
	Notes	£	£
Turnover	3	37,376,743	35,894,758
Cost of sales		(30,929,079)	(28,883,504)
Gross profit		6,447,664	7,011,254
Administrative expenses		(3,340,295)	(2,976,357)
Other operating income		140,021	-
Operating profit	4	3,247,390	4,034,897
Interest payable and similar expenses	8	(38,679)	(32,497)
Profit before taxation		3,208,711	4,002,400
Tax on profit	9	(599,966)	(731,270)
Profit for the financial year		2,608,745	3,271,130

The profit and loss account has been prepared on the basis that all operations are continuing operations.

DVS LTD

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2020**

	2020	2019
	£	£
Profit for the year	2,608,745	3,271,130
Other comprehensive income	-	-
Total comprehensive income for the year	<u>2,608,745</u>	<u>3,271,130</u>

DVS LTD

BALANCE SHEET
AS AT 31 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		407,686		394,875
Current assets					
Stocks	12	7,025,444		7,361,501	
Debtors	13	7,623,712		7,809,925	
Cash at bank and in hand		5,771,491		1,005,012	
		<u>20,420,647</u>		<u>16,176,438</u>	
Creditors: amounts falling due within one year	14	<u>(9,003,104)</u>		<u>(8,217,252)</u>	
Net current assets			11,417,543		7,959,186
Total assets less current liabilities			<u>11,825,229</u>		<u>8,354,061</u>
Creditors: amounts falling due after more than one year	15		(1,914,063)		(70,906)
Provisions for liabilities	18		(61,208)		(47,781)
Net assets			<u>9,849,958</u>		<u>8,235,374</u>
Capital and reserves					
Called up share capital	21		100		100
Capital redemption reserve	22		33		33
Profit and loss reserves	22		9,849,825		8,235,241
Total equity			<u>9,849,958</u>		<u>8,235,374</u>

The financial statements were approved by the board of directors and authorised for issue on 14/06/2021 and are signed on its behalf by:

Timothy Goodson

Mr T Goodson
Director

Company Registration No. 04963144

DVS LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2020**

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 November 2018		100	33	6,372,129	6,372,262
Year ended 31 October 2019:					
Profit and total comprehensive income for the year		-	-	3,271,130	3,271,130
Dividends	10	-	-	(1,408,018)	(1,408,018)
Balance at 31 October 2019		100	33	8,235,241	8,235,374
Year ended 31 October 2020:					
Profit and total comprehensive income for the year		-	-	2,608,745	2,608,745
Dividends	10	-	-	(994,161)	(994,161)
Balance at 31 October 2020		100	33	9,849,825	9,849,958

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

1 Accounting policies

Company information

DVS Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 3 Neptune Point, Vanguard Way, Cardiff, CF24 5PG.

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.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 Cooper Projects Limited. These consolidated financial statements are available from its registered office, Unit 3 Neptune Point, Vanguard Way, Cardiff, CF24 5PG.

1.2 Going concern

Following the strong turnover growth in 2019 and significant investment in staff and operations the Directors were anticipating volumes across the Company's various industry sectors to increase in 2020. Despite the unprecedented situation of the Covid-19 pandemic and the significant impact on the UK economy, whilst turnover was significantly below budget for three months of the financial year, the turnover exceeded budget and saw growth of 4% on prior year.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 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:

Leasehold land and buildings	10% on cost
Plant and equipment	25% on cost
Fixtures and fittings	25% on cost
Office equipment	25% on cost
Motor vehicles	20% on cost

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.

1.5 Stocks

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

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

(Continued)

1.6 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.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

1.7 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.

1.8 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.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

(Continued)

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

1.11 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.

1.12 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.

Stock provision

Management provides for slow and obsolete stocks based on a combination of age and other known factors which might affect the ability to sell the stock item. The provision rates used are reassessed regularly against experience.

3 Turnover and other revenue

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

3 Turnover and other revenue**(Continued)**

	2020	2019
	£	£
Other operating income		
Grants received	118,295	-
Other	21,726	-
	<u>112,754</u>	<u>-</u>
	2020	2019
	£	£
Turnover analysed by geographical market		
United kingdom	37,162,530	35,641,539
Europe	205,631	242,279
Rest of the world	8,582	10,940
	<u>37,376,743</u>	<u>35,894,758</u>

The whole of the turnover is attributable to the principal activity of the Company being the provision of CCTV, IP CCTV and video surveillance equipment.

Grants received includes £91,028 of furlough income from the UK Government due to the Covid-19 pandemic and a £27,267 Business Interruption Payments paid by the UK Government in relation to the CBILS loan.

4 Operating profit

	2020	2019
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(2,182)	(17,042)
Government grants	(118,295)	-
Depreciation of owned tangible fixed assets	105,348	133,943
Depreciation of tangible fixed assets held under finance leases	43,691	-
Profit on disposal of tangible fixed assets	(7,517)	-
Operating lease charges	101,488	104,843

5 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	10,000	11,500

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

6 Employees

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

	2020 Number	2019 Number
Sales	31	26
Administration	13	12
Technical & support	15	15
Warehouse	10	8
Directors	2	2
Total	71	63

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	2,656,980	2,226,499
Social security costs	259,984	248,137
Pension costs	58,630	52,370
	2,975,594	2,527,006

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	349,894	328,841
Company pension contributions to defined contribution schemes	12,333	10,863
	362,227	339,704

During the year retirement benefits were accruing to 2 directors (2019: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £180,115 (2019: £172,346).

The value of the Company's contributions paid to defined contribution pension scheme in respect of the highest paid director amounted to £6,050 (2019: £5,546).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

8 Interest payable and similar expenses

	2020	2019
	£	£
Interest on bank overdrafts and loans (see note 3)	27,267	-
Interest on invoice finance arrangements	4,329	28,008
Interest on finance leases and hire purchase contracts	7,083	4,489
	<u>38,679</u>	<u>32,497</u>

9 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	586,539	742,397
Adjustments in respect of prior periods	-	271
Total current tax	<u>586,539</u>	<u>742,668</u>
Deferred tax		
Origination and reversal of timing differences	7,806	(12,739)
Changes in tax rates	5,621	-
Adjustment in respect of prior periods	-	1,341
Total deferred tax	<u>13,427</u>	<u>(11,398)</u>
Total tax charge	<u>599,966</u>	<u>731,270</u>

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

	2020	2019
	£	£
Profit before taxation	<u>3,208,711</u>	<u>4,002,400</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	609,655	760,456
Tax effect of expenses that are not deductible in determining taxable profit	6,584	5,493
Adjustments in respect of prior years	-	271
Effect of change in corporation tax rate	5,622	1,341
Group relief	(23,177)	(36,291)
Permanent capital allowances in excess of depreciation	1,282	-
Taxation charge for the year	<u>599,966</u>	<u>731,270</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

9 Taxation**(Continued)****Factors that may affect future tax changes**

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the Balance Sheet date have been measured using these enacted tax rates and reflected in these financial statements.

10 Dividends

	2020 £	2019 £
Final paid	994,161	1,408,018

11 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Office equipment £	Motor vehicles £	Total £
Cost						
At 1 November 2019	200,478	21,066	53,471	355,183	182,074	812,272
Additions	10,134	33,500	41,595	86,378	-	171,607
Disposals	-	(16,496)	-	-	(18,298)	(34,794)
At 31 October 2020	210,612	38,070	95,066	441,561	163,776	949,085
Depreciation and impairment						
At 1 November 2019	78,520	19,986	46,186	205,581	67,124	417,397
Depreciation charged in the year	20,808	7,676	14,443	70,163	35,949	149,039
Eliminated in respect of disposals	-	(16,496)	-	-	(8,541)	(25,037)
At 31 October 2020	99,328	11,166	60,629	275,744	94,532	541,399
Carrying amount						
At 31 October 2020	111,284	26,904	34,437	165,817	69,244	407,686
At 31 October 2019	121,958	1,080	7,285	149,602	114,950	394,875

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2020 £	2019 £
Motor vehicles	117,336	105,335

DVS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

12 Stocks

	2020	2019
	£	£
Finished goods and goods for resale	7,025,444	7,361,501

13 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	7,461,182	7,597,681
Other debtors	10,835	70,419
Prepayments and accrued income	151,695	141,825
	<u>7,623,712</u>	<u>7,809,925</u>

14 Creditors: amounts falling due within one year

	2020	2019
	£	£
	Notes	
Bank loans	16	135,657
Obligations under finance leases	17	52,742
Trade creditors		3,260,327
Corporation tax		285,265
Other taxation and social security		1,232,776
Other creditors		-
Accruals and deferred income		4,036,337
		<u>9,003,104</u>
		<u>8,217,252</u>

Included within other creditors is an invoice discounting facility of £nil (2019: £1,197,219).

15 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
	Notes	
Bank loans and overdrafts	16	1,864,343
Obligations under finance leases	17	49,720
		<u>1,914,063</u>
		<u>70,906</u>

DVS LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020****16 Loans and overdrafts**

	2020 £	2019 £
Bank loans	2,000,000	-
Payable within one year	135,657	-
Payable after one year	1,864,343	-

The bank loan above relates to money received in relation to Coronavirus Business Interruption Loan.

Bank loans are secured against certain assets of the company and are repayable in monthly instalments from June 2021. Interest will be charged at basic rate plus 3.99% if not repaid by June 2021.

There is a fixed charge over all present freehold and leasehold property and a fixed and floating charge over all other assets of the business held by the Group's bank.

17 Finance lease obligations

	2020 £	2019 £
Future minimum lease payments due under finance leases:		
Within one year	52,742	24,474
In two to five years	49,720	70,906
	102,462	95,380

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3.6 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18 Provisions for liabilities

	2020 £	2019 £
	Notes	
Deferred tax liabilities	19	61,208
		47,781

DVS LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020****19 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2020	Liabilities 2019
	£	£
Balances:		
Accelerated capital allowances	61,354	47,781
Other	(146)	-
	<u>61,208</u>	<u>47,781</u>
		2020
		£
Movements in the year:		
Liability at 1 November 2019		47,781
Charge to profit or loss		13,427
		<u>61,208</u>
Liability at 31 October 2020		<u>61,208</u>

The deferred tax liability set out above is expected to reverse within and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

	2020	2019
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	58,630	52,370
	<u>58,630</u>	<u>52,370</u>

21 Share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

22 Reserves**Capital redemption reserve**

The capital redemption reserves represents the cumulative nominal value of shares repurchased by the Company.

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

DVS LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020****23 Operating lease commitments****Lessee**

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

	2020 £	2019 £
Within one year	99,192	101,491
Between two and five years	335,966	392,413
In over five years	-	42,798
	<u>435,158</u>	<u>536,702</u>

24 Related party transactions**Transactions with related parties**

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

During the year the Company made purchases of £nil (2019: £9,800) from Goodson Thomas Limited, a company in which S Goodson (the wife of T Goodson, a director of DVS Ltd) has a controlling interest. £nil (2019: £nil) was outstanding at the year end.

25 Ultimate controlling party

The immediate parent company is Cooper Projects Limited, who are the parent of the smallest and largest group to consolidate these financial statements.

The ultimate controlling party is Timothy Goodson by virtue of his shareholding.