

Registered number: 01333068

S.I.R.S. NAVIGATION LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2021

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S.I.R.S. NAVIGATION LIMITED
REGISTERED NUMBER: 01333068

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	649,878	692,554
		<u>649,878</u>	<u>692,554</u>
Current assets			
Stocks	6	177,028	251,672
Debtors	7	868,423	782,118
Cash at bank and in hand	8	131,237	521,282
		<u>1,176,688</u>	<u>1,555,072</u>
Creditors: amounts falling due within one year	9	(326,663)	(436,178)
Net current assets		<u>850,025</u>	<u>1,118,894</u>
Total assets less current liabilities		<u>1,499,903</u>	<u>1,811,448</u>
Creditors: amounts falling due after more than one year	10	(265,593)	(293,865)
Provisions for liabilities			
Deferred tax	12	(9,419)	(14,307)
Other provisions	13	(10,101)	(19,616)
		<u>(19,520)</u>	<u>(33,923)</u>
Net assets		<u>1,214,790</u>	<u>1,483,660</u>
Capital and reserves			
Called up share capital	14	1,000	1,000
Profit and loss account		1,213,790	1,482,660
		<u>1,214,790</u>	<u>1,483,660</u>

S.I.R.S. NAVIGATION LIMITED
REGISTERED NUMBER: 01333068

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

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 comprehensive income 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 15-9-21.


R W Eady
Director

The notes on pages 3 to 13 form part of these financial statements.

S.I.R.S. NAVIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

S.I.R.S. Navigation Limited is a private company limited by shares and incorporated in England and Wales. The address of the registered office is Compass House Bowes Estate, Wrotham Road, Meopham, Kent, DA13 0QB. The principal activity of the company during the year continues to be that of the manufacture of navigation compasses.

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 Going concern

Since March 2020 the company has had to deal with the coronavirus pandemic and the associated measures that governments, customers, suppliers and finance providers are putting in place to deal with it. While the company will undoubtedly suffer some adverse impact from this in the short and medium term, the directors are confident that they can work through the disruption and that the company's business plans are robust even in the current situation. On the basis of the above the accounts have been prepared on the going concern basis.

2.3 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

S.I.R.S. NAVIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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

Revenue 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 revenue 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.

2.5 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.6 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 Research and development

Research and development expenditure is written off in the year in which it is incurred.

S.I.R.S. NAVIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.8 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 profit or loss 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 comprehensive income in the same period as the related expenditure.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees and one for the director. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

S.I.R.S. NAVIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.13 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 income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.14 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.

2.15 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.

S.I.R.S. NAVIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.15 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance method.

Depreciation is provided on the following bases:

Freehold property	- Straight line over fifty years
Plant & machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance

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.

2.16 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 balance sheet 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.

2.17 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 Creditors

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

S.I.R.S. NAVIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.21 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.

2.22 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 19 (2020 - 25).

S.I.R.S. NAVIGATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Intangible assets

	Patents and know how £
Cost	
At 1 April 2020	35,000
At 31 March 2021	35,000
Amortisation	
At 1 April 2020	35,000
At 31 March 2021	35,000
Net book value	
At 31 March 2021	-
At 31 March 2020	-

S.I.R.S. NAVIGATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2020	700,627	735,729	8,724	1,445,080
Additions	469	357	-	826
At 31 March 2021	<u>701,096</u>	<u>736,086</u>	<u>8,724</u>	<u>1,445,906</u>
Depreciation				
At 1 April 2020	130,389	613,887	8,250	752,526
Charge for the year on owned assets	14,020	29,363	119	43,502
At 31 March 2021	<u>144,409</u>	<u>643,250</u>	<u>8,369</u>	<u>796,028</u>
Net book value				
At 31 March 2021	<u>556,687</u>	<u>92,836</u>	<u>355</u>	<u>649,878</u>
At 31 March 2020	<u>570,238</u>	<u>121,842</u>	<u>474</u>	<u>692,554</u>

6. Stocks

	2021 £	2020 £
Raw materials	177,028	251,672
	<u>177,028</u>	<u>251,672</u>

S.I.R.S. NAVIGATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Debtors

	2021	2020
	£	£
Due after more than one year		
Amounts owed by group undertakings	354,639	266,513
	354,639	266,513
Due within one year		
Trade debtors	451,927	457,709
Other debtors	34,325	33,659
Prepayments and accrued income	27,532	24,237
	868,423	782,118

8. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	131,237	521,282
	131,237	521,282

9. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	27,291	25,784
Trade creditors	231,899	251,242
Corporation tax	-	93,320
Other taxation and social security	11,028	14,195
Other creditors	48,186	42,799
Accruals and deferred income	8,259	8,838
	326,663	436,178

S.I.R.S. NAVIGATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

	2021 £	2020 £
Bank loans	265,593	293,865
	<u>265,593</u>	<u>293,865</u>

Secured loans

Creditors falling due within and after one year include bank loans amounting to £292,884 (2020: £319,649) which are secured on the freehold property.

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	27,291	25,784
Amounts falling due 1-2 years		
Bank loans	28,814	27,250
Amounts falling due 2-5 years		
Bank loans	96,160	91,108
Amounts falling due after more than 5 years		
Bank loans	140,619	175,507
	<u>292,884</u>	<u>319,649</u>

12. Deferred taxation

	2021 £	2020 £
At beginning of year	(14,307)	(18,482)
Credited to profit or loss	4,888	4,175
At end of year	<u>(9,419)</u>	<u>(14,307)</u>

S.I.R.S. NAVIGATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2021	2020
	£	£
Accelerated capital allowances	(9,419)	(14,307)
	(9,419)	(14,307)

13. Provisions

	Warranty Provision £
At 1 April 2020	19,616
Utilised in year	(9,515)
At 31 March 2021	10,101

Provision is made for claims under warranties given by the company for some of its products. The provision is based on an assessment of future claims with reference to past experience.

14. Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
1,000 (2020 - 1,000) Ordinary Shares shares of £1.00 each	1,000	1,000

15. Ultimate parent company

The company is a wholly owned subsidiary of SIRS Products Limited, a company incorporated in England and Wales.