



PINPOINT LIMITED

Company registration number SC138358

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020



S8VNR5W

SCT 29/06/2021 #57
COMPANIES HOUSE

PINPOINT LIMITED
REGISTERED NUMBER:SC138358

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	120,332	142,018
Tangible assets	6	98,371	136,599
Investments	7	693,693	667,464
		<u>912,396</u>	<u>946,081</u>
Current assets			
Stocks		690,655	554,971
Debtors Within One Year	8	520,324	656,209
Bank and cash balances		987,812	588,136
		<u>2,198,591</u>	<u>1,797,316</u>
Creditors: amounts falling due within one year	9	(932,696)	(996,673)
Net current assets		<u>1,265,895</u>	<u>800,643</u>
Total assets less current liabilities		<u>2,178,291</u>	<u>1,746,724</u>
Deferred tax		-	-
Net assets		<u>2,178,291</u>	<u>1,746,724</u>
Capital and reserves			
Called up share capital	11	295	295
Share premium account		55,592	55,592
Capital redemption reserve		5	5
Profit and loss account		2,122,399	1,690,832
		<u>2,178,291</u>	<u>1,746,724</u>

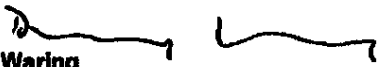
PINPOINT LIMITED
REGISTERED NUMBER: SC138358
BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2020

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 by:


D Waring
Director

Date: 25 June 2021

The notes on pages 3 to 15 form part of these financial statements.

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which (the majority of) the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 30 June 2020.

The continuing activity of Pinpoint Limited is the design, sale and installation of personal security alarm systems.

Pinpoint Limited is a private company limited by shares incorporated in the United Kingdom and registered in Scotland. Details of the registered number and office can be found on the company information page of these financial statements.

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 applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies (see note 2.18).

The following principal accounting policies have been applied:

2.2 Going concern

In the opinion of the Board the company has sufficient cash reserves to meet its day to day working capital requirements. Given the company's low gearing and strong market position, in the opinion of the Board, there are no material uncertainties that exist which cast significant doubt on the ability of the company to continue as a going concern. This assessment takes into account the impact of the Covid-19 pandemic. The Board therefore assesses that the company will continue to trade for a period of at least 12 months from the date of approval of the financial statements and that it is appropriate to adopt the going concern basis for preparing the financial statements.

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

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.

2.4 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.

Development costs - 20% reducing balance

2.5 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.

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Leasehold property	- 20% reducing balance
Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 20% reducing balance
Computer equipment	- 3 years 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.

2.6 Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Stocks and work in progress

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.

2.8 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.

2.9 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.

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.11 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.



PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.12 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.

All foreign exchange gains and losses presented in the Statement of Comprehensive Income are within administrative expenses.

2.13 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.

2.14 Hire purchase and lease transactions

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.

2.15 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 Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.16 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.

2.17 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is deemed to be 5 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.18 Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reporting income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experiences and expectations of future events that are believed to be reasonable under circumstances. Actual results in the future could differ from such estimates.

The directors are satisfied that the accounts policies are appropriate and applied consistently. Key sources of estimation have been applied to the depreciation rates which have been deemed appropriate for the class of asset

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

3. Employees

The average monthly number of employees, including directors, during the year was 43 (2019 - 43).

4. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	282,326	258,790
Company contributions to defined contribution pension schemes	18,837	18,738
	<u>301,163</u>	<u>277,528</u>

5. Intangible assets

	R & D £
Cost	
At 1 July 2019	369,210
Additions	6,845
At 30 June 2020	<u>365,055</u>
Amortisation	
At 1 July 2019	217,192
Charge for the year on owned assets	27,631
At 30 June 2020	<u>244,723</u>
Net book value	
At 30 June 2020	<u>120,332</u>
At 30 June 2019	<u>142,018</u>

PINPOINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

6. Tangible fixed assets

	Leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 July 2019	49,000	138,692	193,899	112,773	112,348	597,412
Additions	13,440	4,760	-	-	6,922	24,112
Disposals	-	-	(81,274)	-	-	(81,274)
At 30 June 2020	62,440	143,452	112,625	112,773	119,270	540,560
Depreciation						
At 1 July 2019	36,336	108,899	129,891	98,662	100,639	469,813
Charge for the year on owned assets	1,167	7,672	14,627	3,192	7,170	33,298
Disposals	-	-	(62,142)	-	-	(62,142)
At 30 June 2020	37,503	116,571	82,376	101,854	107,809	446,113
Net book value						
At 30 June 2020	24,937	26,881	30,249	10,919	11,461	98,447
At 30 June 2019	12,664	29,793	64,008	14,111	11,709	136,285

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

7. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Listed Investments £	Loans to subsidiaries £	Total £
Cost					
At 1 July 2019	300	3	1	867,160	867,464
Additions	-	-	-	26,229	26,229
At 30 June 2020	<u>300</u>	<u>3</u>	<u>1</u>	<u>893,389</u>	<u>893,693</u>
Impairment					
At 1 July 2019	-	-	-	200,000	200,000
At 30 June 2020	-	-	-	200,000	200,000
Net book value					
At 30 June 2020	<u>300</u>	<u>3</u>	<u>1</u>	<u>693,389</u>	<u>693,693</u>
At 30 June 2019	<u>300</u>	<u>3</u>	<u>1</u>	<u>667,160</u>	<u>667,464</u>

Pinpoint Inc. is registered and located in the United States of America. The company commenced trading during 2008 and its latest financial statements are for the year ended 31 December 2019. The aggregate capital and reserves at that date were negative £684,043 and the loss for the year was £60,141.

All other subsidiaries are located and registered in Scotland and are dormant.

The nominal value of the shares in Pinpoint Priority Service Ltd and Staffsafety Limited is £0.01 per share and Pinpoint Systems Ltd is £1 per share.

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

8. Debtors

	2020 £	2019 £
Trade debtors	338,640	477,371
Other debtors	181,684	177,216
Deferred taxation	-	1,622
	<u>520,324</u>	<u>656,209</u>

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	211,340	216,347
Corporation tax	13,403	73
Other taxation and social security	154,621	196,593
Accruals and deferred income	553,332	583,660
	<u>932,696</u>	<u>996,673</u>

Potential bank borrowings are secured by a pre-existing bond and floating charge over all assets of the company.

10. Deferred taxation

	2020 £
At beginning of year	1,622
Charged to profit or loss	(1,622)
At end of year	<u>-</u>

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

10. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	-	(1,886)
Losses and other deductions	-	3,508
	<u>-</u>	<u>1,622</u>

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
29,509 (2019 - 29,509) Ordinary Shares shares of £0.01 each	<u>295</u>	<u>295</u>

12. Reserves

Share premium account

Share premium relates to amounts brought forward from prior periods.

Profit and loss account

All movements relate to current and prior period retained profit and losses and dividends paid.

PINPOINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

13. Commitments under operating leases

At 30 June 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Land and buildings		
Not later than 1 year	60,000	60,000
Later than 1 year and not later than 5 years	200,000	240,000
Later than 5 years	-	20,000
	<u>260,000</u>	<u>320,000</u>
	2020 £	2019 £
Other		
Not later than 1 year	88,372	96,381
Later than 1 year and not later than 5 years	82,223	46,929
	<u>170,595</u>	<u>143,310</u>

14. Related party transactions

Included within other debtors is an amount of £122,267 (2019: £124,375) due from D Waring, a director.

The amount owed is unsecured, undated and interest free.

Pinpoint Inc, a subsidiary company, purchased goods totalling £30,389 (2019: £33,367) from Pinpoint Limited during the year. £125,627 (2019: £82,358) was outstanding from Pinpoint Inc at 30 June 2020, which was included in trade debtors.

15. Controlling party

The company was under the control of its managing director and majority shareholder, D Waring.

16. Other professional services provided by the auditor

In common with many other 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.

PINPOINT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

17. Auditor's information

The auditor's report on the financial statements for the year ended 30 June 2020 was unqualified and did not include any matter to which the auditor drew attention by way of emphasis.

The audit report was signed by Gareth Magee (Senior Statutory Auditor) on behalf of Azets Audit Services.