

Registered number
04105160

Loopfire Systems Limited
Annual Report and Financial Statements
For the year ended 31 December 2022

Loopfire Systems Limited

Reports and financial statements For the year ended 31 December 2022

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Loopfire Systems Limited

Company Information

Directors

A W Bennion (Resigned 6 May 2022)

D Bowkett

C M McLeish (Appointed 2 May 2023)

Company Secretary

R A Parker (Appointed 27 January 2023)

N D M Giles (Resigned 27 January 2023)

Auditor

Deloitte LLP

Statutory Auditor

Four Brindleyplace

Birmingham

West Midlands

United Kingdom

B1 2HZ

Bankers

Lloyds Bank Plc

7 High Street

Leicester

United Kingdom

LE1 9FS

Registered office

Leicester Road

Ibstock

Leicestershire

United Kingdom

LE67 6HS

Registered number

04105160

Loopfire Systems Limited

Strategic Report

The Directors present their strategic report for the year ended 31 December 2022.

Principal activities

The Company's principal activity is that of a property holding company.

Results

The Company had net assets of £96,378 as at 31 December 2022 (2021: net assets of £96,378).

Review of business and future developments

The company made no profit or loss in the year (2021: no profit or loss). There are no other key financial indicators that the Directors used to monitor the performance of the Company. The Directors continue to expect the company to be a property holding company going forward.

Principal risks and uncertainties

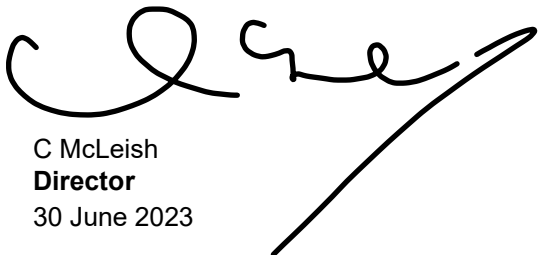
The Directors of the Company's ultimate parent consider the principal risks and uncertainties of the Group with assistance from its Audit Committee. The principal risks facing the Company are outlined below with full detail being included in the 2022 Annual Report and Accounts of Ibstock Plc.

Financial risk management

Credit risk

The Company's principal financial assets are intercompany receivables. The Company's credit risk is primarily attributable to intercompany balances. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. No allowances have been recognised as at 31 December 2022.

The report was approved by the Board on 30 June 2023 and signed on its behalf by:



C McLeish
Director
30 June 2023

Directors' Report

The Directors present their report and audited financial statements for the year ended 31 December 2022.

The Company has chosen, in accordance with Section 414 C(11) of the Companies Act 2006, to include certain matters in its Strategic report that would otherwise be required to be disclosed in this Directors' report. Details of the Company's financial risk management policies and objectives and future developments, can be found in the Strategic report on pages 2 and form part of this report by cross reference.

Directors

The following persons served as Directors during the year and up to the date of approval of the financial statements:

D Bowkett
C M McLeish (Appointed 2nd May 2023)

Auditor

Deloitte LLP have indicated their willingness to remain in office and therefore a resolution to reappoint Deloitte LLP as the auditor of the Company will be proposed at the forthcoming Annual General Meeting.

Disclosure of information to auditor

Each person who was a Director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going concern

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements. This is based on an expectation that the Company and its ultimate parent group ('the Group') have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements.

From the Company's perspective, the Group has confirmed to the Directors that it will support the Company until at least 12 months from the date of this report in meeting its liabilities as they fall due, to the extent that money is not otherwise available to meet such liabilities.

In arriving at their conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources available within the Group are sufficient to accommodate the principal risks and uncertainties faced by the Company.

During the final quarter of the 2021 year, the Group completed the refinancing of its March 2023 £215 million Revolving Credit Facility (RCF), replacing the existing facility with the issuance of £100 million of private placement notes with maturities of between seven and twelve years and a £125 million RCF for an initial four-year tenure, with a one-year extension option. In addition, in the final quarter of 2022, the Group enacted a one-year extension of the £125 million RCF, extending maturity to November 2026 on similar terms to the original agreement. At 31 December 2022 the RCF was undrawn.

The Group's financial planning and forecasting process consists of a budget for the next year followed by a medium term projection. The Directors have reviewed and robustly challenged the assumptions about future trading performance, operational and capital expenditure and debt requirements within these forecasts including the Group's liquidity and covenant forecasts, and stress testing within their going concern assessment.

The key uncertainty faced by the Group is the industry demand for its products in light of macroeconomic factors. Accordingly, the Group has modelled financial scenarios which see reduction in the industry demands for its products thereby stress testing the Group's resilience. Further detail on the Group's scenario modelling is included within the Annual report and accounts 2022 of Ibstock Plc.

Having taken account of the various scenarios modelled, and in light of the mitigations available to the Group, the Directors are satisfied that the Company has sufficient resources and support of its parent to continue in operation for a period of not less than 12 months from the date of approval of this report. Accordingly, the financial information is prepared on a going concern basis.

Directors' Report (continued)

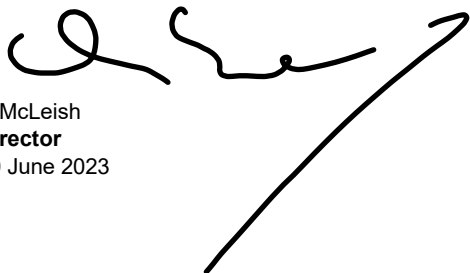
Dividends

No dividend was paid in the current or preceding period. The Directors do not recommend the payment of dividend after the balance sheet date.

Subsequent events

No subsequent events requiring disclosure or adjustments to these financial statements have been identified since the balance sheet date.

The report was approved by the Board on 30 June 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C McLeish', with a long diagonal stroke extending downwards and to the right.

C McLeish
Director
30 June 2023

Loopfire Systems Limited

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland." 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;
- 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the member of Loopfire Systems Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Loopfire Systems Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 9

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Independent Auditor's Report to the member of Loopfire Systems Limited (continued)

Report on the audit of the financial statements (continued)

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK companies act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Independent Auditor's Report to the member of Loopfire Systems Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Other matter

As the company was exempt from audit under section 480 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.

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.



Lee Highton (FCA)
Senior Statutory Auditor
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
30 June 2023

Loopfire Systems Limited

Income Statement

For the year ended 31 December 2022

	Notes	2022 £	(Unaudited) 2021 £
Turnover		-	-
Cost of sales		-	-
Operating profit		-	-
Profit before taxation		-	-
Tax on profit		-	-
Profit for the financial year		-	-

All amounts were from continuing operations.

The notes on pages 12 to 14 form an integral part of the financial statements.

Statement of other comprehensive income

There are no other items of comprehensive income or loss in the current or prior year other than those included in the Income Statement.

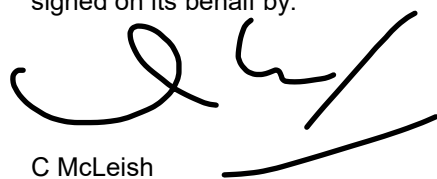
Statement of Financial Position

as at 31 December 2022

	Notes	2022 £	(Unaudited) 2021 £
Fixed assets			
Tangible assets	3	15,727	15,727
Current assets			
Debtors: amounts due within one year	4	80,651	234,052
Creditors: amounts falling due after more than one year	5	-	(153,401)
Net assets		<u><u>96,378</u></u>	<u><u>96,378</u></u>
Capital and reserves			
Called up share capital	6	1	1
Profit and loss account	6	96,377	96,377
Total equity/(deficit)		<u><u>96,378</u></u>	<u><u>96,378</u></u>

The notes on pages 12 to 14 form an integral part of the financial statements.

The financial statements were approved by the Board and authorised for issue on 30 June 2023 and signed on its behalf by:



C McLeish
Director
30 June 2023

Loopfire Systems Limited

Statement of Changes in Equity

For the year ended 31 December 2022

	Called up share capital £	Share premium £	Profit and loss account £	Total £
At 1 January 2021 (unaudited)	1	-	96,377	96,378
Profit for the year	-	-	-	-
At 31 December 2021 (unaudited)	1	-	96,377	96,378
At 1 January 2022	1	-	96,377	96,378
Profit for the year	-	-	-	-
At 31 December 2022	1	-	96,377	96,378

The notes on pages 12 to 14 form an integral part of the financial statements.

Loopfire Systems Limited

Notes to the Financial Statements

For the year ended 31 December 2022

1 Summary of significant accounting policies

Statement of compliance

Loopfire Systems Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Registered Office is Leicester Road, Ibstock, Leicestershire, United Kingdom, LE67 6HS.

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 December 2022.

The principal activities of the Company and the nature of the operations are set out on the strategic report on page 2.

Basis of preparation

The financial statements of Loopfire Systems Limited were approved for issue by the Board on 30 June 2023.

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards. The financial statements are prepared in Sterling which is the functional currency of the Company.

Reduced disclosure exemptions

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to financial instruments and remuneration of key management personnel.

The company has taken advantage of the reduced disclosure exemption under FRS 102 (Section 1.12(a)) and is not required to follow the requirements of paragraph 4.12(a)(iv) of FRS 102 and disclose a reconciliation of the number of shares outstanding between the beginning and end of the period.

Tangible fixed assets

Tangible fixed assets are measured at cost less cumulative depreciation and any cumulative impairment losses.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Freehold land is not depreciated.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Loopfire Systems Limited

Notes to the Financial Statements

For the year ended 31 December 2022

1 Summary of significant accounting policies (continued)

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to exercise judgement in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Due to the inherent uncertainty in making these critical judgements and estimates, actual outcomes could be different.

Key sources of estimation uncertainty

Estimates and underlying assumptions are reviewed by management on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future period affected. No key estimates were made in applying the Company's accounting policies for the year ended 31 December 2022 or for the year ended 31 December 2021.

Critical accounting estimates and judgements

No critical judgements were made in applying the Company's accounting policies for the year ended 31 December 2022 or for the year ended 31 December 2021.

2 Staff costs

The Company has no employees other than the two Directors (2021: two Directors).

The Directors' services to the Company do not occupy a significant amount of their time. As such the Directors do not consider that they have received any remuneration for their inconsequential services to the Company for the year ended 31 December 2022 and the year ended 31 December 2021.

3 Tangible fixed assets

	Freehold land
	£
Cost	
At 1 January 2022 & 31 December 2022	15,727
Carrying amount	
At 1 January 2022 & 31 December 2022	<u>15,727</u>

4 Debtors: amounts falling due within one year

	2022	2021
	£	(Unaudited)
		£
Amounts owed by parent undertakings	80,651	234,052

Amounts due from parent undertakings are unsecured, do not carry any interest and repayable on demand. These amounts have been recorded as current assets as plans are being put in place to settle them with their related counterparties and these are not expected to be used on a continuing basis.

Loopfire Systems Limited

Notes to the Financial Statements

For the year ended 31 December 2022

5 Creditors: amounts falling due after one year	2022	2021
	£	(Unaudited)
		£
Amounts owed to parent undertakings	-	153,401

In 2022, Wealdbeam Systems Limited distributed its loan receivable to Ibstock Brick Limited, who was the immediate parent of the Company

Amounts due to parent undertakings were unsecured, do not carry any interest and repayable on demand.

6 Share capital	Nominal	Number	2022	2021
	value		£	(Unaudited)
				£
Allotted, called up and fully paid:				
Ordinary shares	£1 each	1	1	1

The Ordinary shares give full voting, dividend and capital distribution rights.

The profit and loss reserve represents cumulative profit or losses net of dividends and other adjustments.

7 Related party transactions

The Company is a wholly owned subsidiary of Ibstock Plc as at 31 December 2022, the consolidated financial statements of which are publicly available at Ibstock Plc, Leicester Road, Ibstock, Leicestershire, United Kingdom, LE67 6HS. Accordingly, the Company has taken advantage of the exemption in FRS 102.33.1A, from disclosing transactions with members of Ibstock Plc Group. Related party balances are disclosed in Note 4 and Note 5.

8 Controlling party

The Company's immediate parent undertaking is Ibstock Brick Limited. The ultimate parent company, the ultimate controlling party and the only Group company into which this Company is consolidated is Ibstock Plc. Both Ibstock Brick Limited and Ibstock Plc have the same registered office address as the Company.

The parent of the smallest and largest group in which these financial statements are consolidated is Ibstock Plc, incorporated in England.

The address of Ibstock Plc is: Leicester Road, Ibstock, Leicestershire, United Kingdom, LE67 6HS.

These financial statements are available from the Ibstock Plc website at www.ibstockplc.co.uk.

9 Subsequent events

No subsequent events requiring disclosure or adjustments to these financial statements have been identified since the balance sheet date.