

COMPANY REGISTRATION NUMBER: 02371997

**PROFILE SECURITY SERVICES LIMITED AND ITS
SUBSIDIARY UNDERTAKINGS**

FINANCIAL STATEMENTS

30 SEPTEMBER 2021



MEADOWS & CO LIMITED

Chartered Accountants & Statutory Auditor
Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2 to 5
Directors' report	6 to 8
Independent auditor's report to the members	9 to 12
Consolidated statement of comprehensive income	13
Consolidated statement of financial position	14 to 15
Company statement of financial position	16
Consolidated statement of changes in equity	17
Company statement of changes in equity	18
Consolidated statement of cash flows	19
Notes to the financial statements	20 to 35

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

Mr A Prendergast
Mr M McGowan-Scanlon
Mr A A J L Troughton
Brigadier A Parker Bowles
Mr D Parekh
Hon J A Forbes

REGISTERED OFFICE

Stable Yard
Walk House Farm
Barrow Upon Humber
North Lincolnshire
United Kingdom
DN19 7DZ

AUDITOR

Meadows & Co Limited
Chartered Accountants & Statutory Auditor
Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

STRATEGIC REPORT

YEAR ENDED 30 SEPTEMBER 2021

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company during the year continued to be that of security guarding.

Turnover has increased by £3.6m to £56.6m in the current period compared to the prior year (2020 - £53.0m), reflecting the gain of several significant contracts during the year. This increase in turnover has driven a modest increase in profit before tax to £827k (2020 - £649k). The Net asset position at the balance sheet date remains strong at £1,092k (2020 - £665k) including cash in hand of £430k (2020 - £534k).

On 2 June 2021 the group acquired the entire share capital of Atlas (UK) Security Services Ltd, also a security guarding company, in order to enhance the strategic offering of the group in line with the strategy set out by management.

In the medium term the industry trend of pressured gross margins continues and the Group continues to manage their impact. Whilst COVID-19 has had an enormous global impact the effects on the revenue and cashflows of the group have been relatively minor, due to the nature of customers, mainly being government bodies, blue chip clients and large corporate customers who have either continued to operate during the pandemic, or have sites which still require ongoing security. The scale of any impact borne has been reduced as the main cost of the business is wages which was covered by the government's Job Retention Scheme which the directors have taken up. As a result the company has remained financially sound and resilient. As a result the directors have taken the opportunity to assess the structure of the company and make administrative savings where appropriate. The costs of this exercise have been separately identified.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors are confident that the company has available financing facilities which are sufficient to meet its working capital requirements. The majority of the company's sales and purchases are made in sterling, and so there is minimal exposure to currency risk. The directors are satisfied that credit risk is adequately managed through day-to-day monitoring by the directors, and that as a result bad debt experience is in line with the nature of the industry.

PRINCIPAL RISKS AND UNCERTAINTIES

Overview

The management and nature of the business are subject to a number of risks. The directors have set out below the principal risks facing the business. The directors are of the opinion that a thorough risk management process is adopted which involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Fixed overheads and variable revenue

There is the risk that any significant change in revenue may lead to the inability to cover the fixed costs of the business. Management closely monitors fixed overheads against budget on a monthly basis and cost saving exercises are implemented to match any decline in revenue.

Competition

The market in which the company operates is extremely competitive. As a result, there is always constant downward pressure on margins and the additional risk of being unable to meet customer's expectations. Policies of constant price and margin monitoring are in place to mitigate such risks.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

STRATEGIC REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2021

DIRECTORS' STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE GROUP

This statement explains how the Group's directors:

- Have engaged with employees, suppliers, customers and others; and
- Have regard to the employee interests, the need to foster the Group's business relationships with suppliers, customers and others, and the effect of that regards, including on the principal decisions taken by the Group during the financial year.

The statement focuses on matters of strategic importance to the Group, and the level of information disclosed is consistent with the size and complexity of the business. When making decisions, each director ensures that he acts in the way he considers, in good faith would most likely promote the Group's success for the benefit of the members as a whole, and in doing have regard (among other matters) to:

S172(1) (A) "The likely consequences of any decision in the long term"

The directors understand the business and the environment in which we operate. The strategy set by the directors is for sustainable, profitable growth. The Board and the Senior Management hold regular meetings to review business performance, to ensure that the business remains on track to deliver its strategy and that the strategy remains relevant.

S172(1) (B) "The interests of the Group's employees"

The directors recognise that the success of the business is dependent on attracting, retaining and motivating employees. The Senior Management Team work hard to develop a culture of success and achievement, offering those employees who wish to progress their careers a clear development path. Testament to the success of this, is the fact that three of the Senior Management Team have progressed through the business.

S172(1) (C) "The need to foster the Group's business relationships with suppliers, customers and others"

The directors are aware that our strategy requires strong mutually beneficial relationships with Clients, suppliers, and other stakeholders.

Clients

Our quality systems underpin our commitment to exceeding the expectations of all of our clients. We measure and monitor service key performance indicators on a monthly basis, which ensures that we deliver a best in class service. Regular liaison with our clients allows the opportunity to collaborate and identify areas of added value

Suppliers

The business seeks to maintain a fair balance with our suppliers between a strong working relationships and commercial pressures that inevitably impact on the business. We work closely with our supply chain to ensure that our standards are adhered to and maintained, and that all of our suppliers comply with their statutory obligations.

Other stakeholders

We are regulated by the Security Industry Authority (SIA), under the terms of the Private Security Industry Act 2001 and are part of the voluntary SIA Approved Contractor Scheme (ACS). This aims to drive up standards and service delivery in the industry by setting a high quality benchmark. We rank in the top 3% of all ACS registered companies, demonstrating our commitment to these aims.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

STRATEGIC REPORT (continued)

YEAR ENDED 30 SEPTEMBER 2021

S172(1) (D) "The impact of the Group's operations on the community and environment"

The directors are committed to supporting the communities that it serves and aims to minimise its impact on the environment through a number of initiatives. The business actively supports a range of organisations through donations and fundraising activities. Our people are encouraged to participate in volunteering activities and the business is developing an apprenticeship scheme to provide opportunities for development

S172(1) (E) "The desirability of the Group maintaining a reputation for high standards of business conduct"

The directors have a very good understanding of the business and the environment in which it operates. The business undertakes a series of periodic independent assessments, that underpin its accreditations, and these include: - ISO9001 - Quality Management - ISO 14001 - Environmental Management - ISO 27001 - Information Security

These ensure that the business operates to the highest possible standards

S172(1) (F) "The need to act fairly between members of the Company"

Our people are our most valuable asset, and the directors ensure that the business operates in an equitable, fair, responsible and transparent way throughout all levels of the business.

KEY PERFORMANCE INDICATORS

The directors consider both financial and non-financial key performance indicators when measuring the success of the business.

The financial key performance indicators are considered to be Turnover, Profit before tax and Net assets at the year end and details of the year on year movements and the reasons behind these movements are included within the business review above.

The main non financial key performance indicators are considered to be employee numbers and revenue generation per employee. The number of direct staff has increased to 1,546 from 1,507 in the prior year, an uplift of 39, mainly due to the acquisition of Atlas (UK) Security Services Ltd. Compounding this uplift in staff numbers is an increase in revenue generation per employee from £32,718 to £36,598, due to a focus on more profitable jobs going forward.

FUTURE DEVELOPMENTS AND OUTLOOK

The group's business activities, together with the factors likely to affect its future development, performance and position, are set out in this report. The financial position of the company and its liquidity position are set out in the attached accounts. In addition, the principal risks and uncertainties section above details the policies and processes in place to manage financial risk, and exposures to credit and liquidity risk.

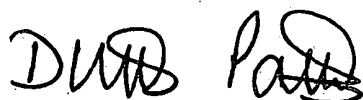
The group will continue to build on the already strong presence in the security sector through focusing on delivering a value for money, quality service as well as extending the range of services offered to clients. The company is in the fortunate position of having minimal impacts from the coronavirus pandemic, due to the nature of the business, which has allowed future business plans to continue with only minimal disruption. The business has made significant investments in its technology division as it looks to build on its success in that sector, and is planning further investment to accelerate growth.

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

STRATEGIC REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2021

This report was approved by the board of directors on 29 June 2022 and signed on behalf of the board by:

Handwritten signature of Mr D Parekh in black ink.

Mr D Parekh
Director

Registered office:
Stable Yard
Walk House Farm
Barrow Upon Humber
North Lincolnshire
United Kingdom
DN19 7DZ

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2021

The directors present their report and the financial statements of the group for the year ended 30 September 2021.

DIRECTORS

The directors who served the company during the year were as follows:

Mr A Prendergast
Mr M McGowan-Scanlon
Mr A A J L Troughton
Brigadier A Parker Bowles
Mr D Parekh
Hon J A Forbes

DIVIDENDS

Particulars of recommended dividends are detailed in note 13 to the financial statements.

GREENHOUSE GAS EMISSIONS AND ENERGY CONSUMPTION

	Unit	2021	2020
Emissions resulting from activities for which the group is responsible	tCO ₂ e	471	228
Emissions resulting from the purchase of electricity by the group for its own use	tCO ₂ e	7	14
Total emissions	tCO ₂ e	478	242
Total energy consumption	kWh	2,335,721	953,148
Total emissions per guarding site		0.89	0.72
Total emissions per direct staff member		0.31	0.16

METHODOLOGIES FOR ENERGY AND EMISSIONS CALCULATIONS

We have reported all of the emission sources under the Companies Act 2006 (Strategic Report and Directors Reports) Regulations 2013 as required. We have calculated and reported our emissions in line with the GHG Protocol Corporate accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2021.

The reporting period is the year ended 30 September 2021, the same as that covered by the Annual Report and Financial Statements. The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary

PRINCIPAL MEASURES TAKEN TO INCREASE ENERGY EFFICIENCY

The Senior Management Team regularly review the activities of the business with a view to improve energy efficiency from both a business and an environmental perspective.

The vast majority of the emissions produced by the business relate to the vehicle fleet, and the Senior Management Team has enacted a policy that all new vehicles, either purchased or leased by the business, will have lower carbon emissions than the vehicles they are replacing.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2021

EMPLOYMENT OF DISABLED PERSONS

The company's policy is to recruit disabled workers for those vacancies they are able to fill. All necessary assistance with initial training courses is given. Once employed a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

EMPLOYEE INVOLVEMENT

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

The directors have chosen, in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, directors' 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 group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2021

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 29 June 2022 and signed on behalf of the board by:



Mr D Parekh
Director

Registered office:
Stable Yard
Walk House Farm
Barrow Upon Humber
North Lincolnshire
United Kingdom
DN19 7DZ

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

YEAR ENDED 30 SEPTEMBER 2021

OPINION

We have audited the financial statements of Profile Security Services Limited and its Subsidiary Undertakings (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, 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 group's and of the parent company's affairs as at 30 September 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group 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

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 group's or the parent 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.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS (continued)

YEAR ENDED 30 SEPTEMBER 2021

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. 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 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS (continued)

YEAR ENDED 30 SEPTEMBER 2021

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 group's and the parent 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 group or the parent 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.

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 have undertaken high level reviews of the results and position of the company for the year in question, and have considered the effects of the industry and wider economy on the company.

We have made enquiries of management regarding the company's own risk assessment procedures and any identified irregularities, including fraud, identified in the year.

We have used our knowledge and understanding of the company's business, including the remuneration of key management personnel, to assess how and where irregularities, including fraud, might arise and we have planned our testing using a risk based approach. We have considered the potential for irregularities, including fraud, in all our testing but have also carried out specific testing to comply with the ISA (UK) requirements regarding management override of controls.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROFILE SECURITY SERVICES
LIMITED AND ITS SUBSIDIARY UNDERTAKINGS (continued)**

YEAR ENDED 30 SEPTEMBER 2021

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Meadows & Co

Douglas Parker BSc FCA (Senior Statutory Auditor)

For and on behalf of
Meadows & Co Limited
Chartered Accountants & Statutory Auditor
Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

29 June 2022

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 £	2020 £
TURNOVER	4	56,581,005	52,970,100
Cost of sales		48,571,094	46,732,821
GROSS PROFIT		8,009,911	6,237,279
Administrative expenses		7,675,860	6,183,149
Other operating income	5	578,062	863,734
Exceptional items		–	132,238
OPERATING PROFIT	6	912,113	785,626
Other interest receivable and similar income	10	20	233
Interest payable and similar expenses	11	85,106	136,672
PROFIT BEFORE TAXATION		827,027	649,187
Tax on profit	12	190,677	240,310
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		636,350	408,877
Profit for the financial year attributable to:			
The owners of the parent company		636,350	410,034
Non-controlling interests		–	(1,157)
		636,350	408,877

All the activities of the group are from continuing operations.

The notes on pages 20 to 35 form part of these financial statements.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 SEPTEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	14	1,142,034	773,001
Tangible assets	15	1,078,026	765,749
Investments	16	3,834	3,834
		<u>2,223,894</u>	<u>1,542,584</u>
CURRENT ASSETS			
Stocks	17	1,062	14,489
Debtors	18	14,919,142	10,602,510
Cash at bank and in hand		430,299	534,091
		<u>15,350,503</u>	<u>11,151,090</u>
CREDITORS: amounts falling due within one year	20	<u>16,356,782</u>	<u>11,856,627</u>
NET CURRENT LIABILITIES		<u>1,006,279</u>	<u>705,537</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,217,615</u>	<u>837,047</u>
CREDITORS: amounts falling due after more than one year	21	–	101,513
PROVISIONS	22	<u>125,696</u>	<u>70,986</u>
NET ASSETS		<u>1,091,919</u>	<u>664,548</u>
CAPITAL AND RESERVES			
Called up share capital	26	100	100
Profit and loss account	27	<u>1,166,672</u>	<u>739,301</u>
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		<u>1,166,772</u>	<u>739,401</u>
NON-CONTROLLING INTERESTS		<u>(74,853)</u>	<u>(74,853)</u>
		<u>1,091,919</u>	<u>664,548</u>

The consolidated statement of financial position
continues on the following page.
The notes on pages 20 to 35 form part of these financial statements.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

30 SEPTEMBER 2021

These financial statements were approved by the board of directors and authorised for issue on 29 June 2022, and are signed on behalf of the board by:

Two handwritten signatures in black ink. The first signature appears to be 'D Parekh' and the second is a cursive signature, likely of another director.

Mr D Parekh
Director

Company registration number: 02371997

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

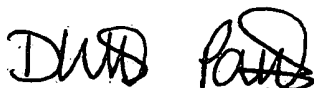
COMPANY STATEMENT OF FINANCIAL POSITION

30 SEPTEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	14	621,865	512,052
Tangible assets	15	1,042,271	766,327
Investments	16	858,433	549,945
		<u>2,522,569</u>	<u>1,828,324</u>
CURRENT ASSETS			
Stocks	17	1,062	14,489
Debtors	18	14,770,783	10,573,478
Cash at bank and in hand		307,395	500,449
		<u>15,079,240</u>	<u>11,088,416</u>
CREDITORS: amounts falling due within one year	20	<u>16,310,314</u>	<u>11,734,537</u>
NET CURRENT LIABILITIES		<u>1,231,074</u>	<u>646,121</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,291,495</u>	<u>1,182,203</u>
CREDITORS: amounts falling due after more than one year	21	—	51,513
PROVISIONS	22	120,387	51,554
NET ASSETS		<u><u>1,171,108</u></u>	<u><u>1,079,136</u></u>
CAPITAL AND RESERVES			
Called up share capital	26	100	100
Profit and loss account	27	1,171,008	1,079,036
SHAREHOLDERS FUNDS		<u><u>1,171,108</u></u>	<u><u>1,079,136</u></u>

The profit for the financial year of the parent company was £300,951 (2020: £87,861).

These financial statements were approved by the board of directors and authorised for issue on 29 June 2022, and are signed on behalf of the board by:



Mr D Parekh
Director

Company registration number: 02371997

The notes on pages 20 to 35 form part of these financial statements.

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 SEPTEMBER 2021

		Called up share capital £	Profit and loss account £	Equity attributable to the owners of the parent company £	Non-controll ing interests £	Total £
AT 1 OCTOBER 2019		100	671,451	671,551	(73,696)	597,855
Profit for the year		—	410,034	410,034	(1,157)	408,877
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	410,034	410,034	(1,157)	408,877
Dividends paid and payable	13	—	(342,184)	(342,184)	—	(342,184)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	(342,184)	(342,184)	—	(342,184)
AT 30 SEPTEMBER 2020		100	739,301	739,401	(74,853)	664,548
Profit for the year		—	636,350	636,350	—	636,350
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	636,350	636,350	—	636,350
Dividends paid and payable	13	—	(208,979)	(208,979)	—	(208,979)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	(208,979)	(208,979)	—	(208,979)
AT 30 SEPTEMBER 2021		100	1,166,672	1,166,772	(74,853)	1,091,919

The notes on pages 20 to 35 form part of these financial statements.

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

COMPANY STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 SEPTEMBER 2021

		Called up share capital £	Profit and loss account £	Total £
AT 1 OCTOBER 2019		100	1,333,359	1,333,459
Profit for the year		—	87,861	87,861
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	87,861	87,861
Dividends paid and payable	13	—	(342,184)	(342,184)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	(342,184)	(342,184)
AT 30 SEPTEMBER 2020		100	1,079,036	1,079,136
Profit for the year		—	300,951	300,951
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	300,951	300,951
Dividends paid and payable	13	—	(208,979)	(208,979)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	(208,979)	(208,979)
AT 30 SEPTEMBER 2021		<u>100</u>	<u>1,171,008</u>	<u>1,171,108</u>

The notes on pages 20 to 35 form part of these financial statements.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the financial year		636,350	408,877
<i>Adjustments for:</i>			
Depreciation of tangible assets		515,667	535,397
Amortisation of intangible assets		169,073	156,748
Impairment of intangible assets		–	93,373
Government grant income		(536,785)	(843,021)
Other interest receivable and similar income		(20)	(233)
Interest payable and similar expenses		85,106	136,672
(Gains)/loss on disposal of tangible assets		(11,634)	9,664
Tax on profit		190,677	240,310
Accrued expenses		2,668,994	207,382
<i>Changes in:</i>			
Stocks		13,427	(10,074)
Trade and other debtors		(4,316,632)	(1,065,351)
Trade and other creditors		239,008	2,402,226
Cash generated from operations		(346,769)	2,271,970
Interest paid		(85,106)	(136,672)
Interest received		20	233
Tax received/(paid)		73,963	(239,296)
Net cash (used in)/from operating activities		(357,892)	1,896,235
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible assets		(807,769)	(480,737)
Proceeds from sale of tangible assets		28,939	71,400
Acquisition of subsidiaries		(505,078)	–
Net cash used in investing activities		(1,283,908)	(409,337)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		(52,792)	67,287
Government grant income		536,785	843,021
Payments of finance lease liabilities		–	(30,099)
Dividends paid		(208,979)	(342,184)
Net cash from financing activities		275,014	538,025
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(1,366,786)	2,024,923
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		534,091	(1,490,832)
CASH AND CASH EQUIVALENTS AT END OF YEAR	19	(832,695)	534,091

The notes on pages 20 to 35 form part of these financial statements.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

1. GENERAL INFORMATION

The company is a private company limited by shares, incorporated in England and Wales, registered number 02371997. The address of the registered office is Stable Yard, Walk House Farm, Barrow Upon Humber, North Lincolnshire, DN19 7DZ, United Kingdom.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of Profile Security Services Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not included its individual statement of comprehensive income.

Non-controlling interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

3. ACCOUNTING POLICIES (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

3. ACCOUNTING POLICIES (continued)

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Purchased goodwill	-	Over 5 years / 10 years / 15 years
Goodwill on consolidation	-	Over 5 years / 10 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to premises	-	10% / 20% straight line
Plant & machinery	-	25% / 33% straight line
Fixtures & fittings	-	20% / 25% / 33% straight line and 25% reducing balance
Motor vehicles	-	25% / 33% / 50% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY **UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

3. ACCOUNTING POLICIES (continued)

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

3. ACCOUNTING POLICIES (continued)

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit and loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit and loss.

Defined contribution plans

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The assets of the scheme are held separately from those of the company.

Business combinations

Business combinations are accounted for using the purchase method.

The cost of a business combination is measured as the aggregate of the fair values, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

Where control is achieved in stages, the cost of the business combination is the aggregate of the fair values of the assets given, liabilities incurred or assumed, and equity instruments issued at the date of each transaction in the series.

Where the business combination requires an adjustment to the cost contingent on future events, the estimated amount of that adjustment is included in the cost of the combination at the acquisition date providing it is probable and can be measured reliably. Where it is not recognised at the acquisition date but subsequently becomes probable and can be measured reliably, the additional consideration is treated as an adjustment to the cost of the combination. If such expected future events do not occur, or the estimate needs to be revised, the cost of the business combination is adjusted accordingly. The unwinding of any discounting is recognised as a finance cost in profit or loss in the period it arises.

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

4. TURNOVER

Turnover arises from:

	2021 £	2020 £
Security services	56,581,005	52,970,100

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. OTHER OPERATING INCOME

	2021 £	2020 £
Government grant income	536,785	843,021
Miscellaneous income	41,277	20,713
	<u>578,062</u>	<u>863,734</u>

6. OPERATING PROFIT

Operating profit or loss is stated after charging/crediting:

	2021 £	2020 £
Amortisation of intangible assets	169,073	156,748
Depreciation of tangible assets	515,667	535,397
(Gains)/loss on disposal of tangible assets	(11,634)	9,664
Impairment of trade debtors	(2,861)	–
Foreign exchange differences	438	(2,116)

7. AUDITOR'S REMUNERATION

	2021 £	2020 £
Fees payable for the audit of the financial statements	57,500	56,000

8. STAFF COSTS

The average number of persons employed by the group during the year, including the directors, amounted to:

	2021 No.	2020 No.
Production staff	1,546	1,507
Administrative staff	107	106
Management staff	6	6
	<u>1,659</u>	<u>1,619</u>

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

8. STAFF COSTS (continued)

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	42,201,114	40,734,127
Social security costs	3,202,370	3,112,532
Other pension costs	883,318	850,518
	<u>46,286,802</u>	<u>44,697,177</u>

9. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	167,000	220,788
Company contributions to defined contribution pension plans	62,656	83,112
	<u>229,656</u>	<u>303,900</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	No.	No.
Defined contribution plans	<u>2</u>	<u>2</u>

Remuneration of the highest paid director in respect of qualifying services:

	2021	2020
	£	£
Aggregate remuneration	92,000	96,006
Company contributions to defined contribution pension plans	34,402	43,887
	<u>126,402</u>	<u>139,893</u>

10. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
Interest on cash and cash equivalents	<u>20</u>	<u>233</u>

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

11. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Interest on banks loans and overdrafts	12	9,808
Interest on obligations under finance leases and hire purchase contracts	2,100	2,107
Corporation tax interest	(3,171)	5,732
Other interest payable and similar charges	86,165	119,025
	<u>85,106</u>	<u>136,672</u>

12. TAX ON PROFIT

Major components of tax expense

	2021 £	2020 £
Current tax:		
UK current tax expense	127,350	195,093
Adjustments in respect of prior periods	(2,620)	6,433
Total current tax	<u>124,730</u>	<u>201,526</u>
Deferred tax:		
Origination and reversal of timing differences	65,947	38,784
Tax on profit	<u>190,677</u>	<u>240,310</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit on ordinary activities before taxation	827,027	649,187
Profit on ordinary activities by rate of tax	157,135	123,345
Adjustment to tax charge in respect of prior periods	(2,620)	6,433
Effect of expenses not deductible for tax purposes	39,924	49,625
Effect of capital allowances and depreciation	1,142	29,258
Utilisation of tax losses	(203)	—
Unused tax losses	64	28,698
Other timing differences leading to an increase in taxation	—	3,428
Sundry tax adjusting items	(4,765)	(477)
Tax on profit	<u>190,677</u>	<u>240,310</u>

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

13. DIVIDENDS

	2021 £	2020 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	208,979	342,184

14. INTANGIBLE ASSETS

Group	Purchased goodwill £	Goodwill on consolidation £	Total £
Cost			
At 1 October 2020	1,304,010	354,939	1,658,949
Additions	–	538,106	538,106
Transfers	321,440	(321,440)	–
At 30 September 2021	<u>1,625,450</u>	<u>571,605</u>	<u>2,197,055</u>
Amortisation			
At 1 October 2020	791,958	93,990	885,948
Charge for the year	150,018	19,055	169,073
Transfers	61,609	(61,609)	–
At 30 September 2021	<u>1,003,585</u>	<u>51,436</u>	<u>1,055,021</u>
Carrying amount			
At 30 September 2021	<u>621,865</u>	<u>520,169</u>	<u>1,142,034</u>
At 30 September 2020	<u>512,052</u>	<u>260,949</u>	<u>773,001</u>
Company			Purchased goodwill £
Cost			
At 1 October 2020			1,026,325
Transfers			321,440
At 30 September 2021			<u>1,347,765</u>
Amortisation			
At 1 October 2020			514,273
Charge for the year			150,018
Impairment losses			61,609
At 30 September 2021			<u>725,900</u>
Carrying amount			
At 30 September 2021			<u>621,865</u>
At 30 September 2020			<u>512,052</u>

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

15. TANGIBLE ASSETS

Group	Improvements to premises £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 October 2020	17,927	2,568,455	131,111	447,488	3,164,981
Additions	101,215	542,469	2,440	161,645	807,769
Disposals	—	—	—	(55,524)	(55,524)
Transfers	3,063	26,406	—	89,457	118,926
At 30 September 2021	122,205	3,137,330	133,551	643,066	4,036,152
Depreciation					
At 1 October 2020	7,372	2,043,726	112,823	235,311	2,399,232
Charge for the year	4,036	416,518	68	95,045	515,667
Disposals	—	—	—	(38,219)	(38,219)
Transfers	3,063	13,627	—	64,756	81,446
At 30 September 2021	14,471	2,473,871	112,891	356,893	2,958,126
Carrying amount					
At 30 September 2021	107,734	663,459	20,660	286,173	1,078,026
At 30 September 2020	10,555	524,729	18,288	212,177	765,749
Company					
	Improvements to premises £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 October 2020	17,927	2,173,330	779	345,460	2,537,496
Additions	101,214	540,819	2,440	161,645	806,118
Disposals	—	—	—	(55,524)	(55,524)
At 30 September 2021	119,141	2,714,149	3,219	451,581	3,288,090
Depreciation					
At 1 October 2020	7,372	1,623,358	778	139,661	1,771,169
Charge for the year	4,035	415,877	68	92,890	512,870
Disposals	—	—	—	(38,220)	(38,220)
At 30 September 2021	11,407	2,039,235	846	194,331	2,245,819
Carrying amount					
At 30 September 2021	107,734	674,914	2,373	257,250	1,042,271
At 30 September 2020	10,555	549,972	1	205,799	766,327

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

16. INVESTMENTS

Group				Other investments other than loans £
Cost				
At 1 October 2020 and 30 September 2021				3,834
Impairment				
At 1 October 2020 and 30 September 2021				—
Carrying amount				
At 1 October 2020 and 30 September 2021				3,834
At 30 September 2020				3,834
Company				
	Shares in group undertakings £	Other investments other than loans £		Total £
Cost				
At 1 October 2020	639,441	3,834		643,275
Additions	818,500	—		818,500
Transfers	(510,012)	—		(510,012)
At 30 September 2021	<u>947,929</u>	<u>3,834</u>		<u>951,763</u>
Impairment				
At 1 October 2020 and 30 September 2021	<u>93,330</u>	—		<u>93,330</u>
Carrying amount				
At 30 September 2021	<u>854,599</u>	<u>3,834</u>		<u>858,433</u>
At 30 September 2020	<u>546,111</u>	<u>3,834</u>		<u>549,945</u>

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

16. INVESTMENTS (continued)

The company owns 100% of the issued ordinary share capital of Facilities Resource Management Limited, DBI Support Services Limited, Trigon Limited and Griffin Security Solutions Limited.

The company also owns 75% of the issued ordinary share capital of Profile Consultants Limited (formerly Farleigh Consultants Limited).

During the year the company purchased 100% of the issued ordinary share capital of Atlas (UK) Security Services Ltd.

The accounting dates of Facilities Resource Management Limited, Trigon Limited and Griffin Security Solutions Limited are different to Profile Security Services Limited. The latest accounting date of Facilities Resource Management Limited, Trigon Limited and Griffin Security Solutions Limited was 31 December 2020.

The address of the registered office of all of the above companies is Stable Yard, Walk House Farm, Barrow Upon Humber, North Lincolnshire, DN19 7DZ.

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
Profile Security Holdings Limited	Ordinary	100
Trigon Limited	Ordinary	100
Griffin Security Solutions Limited	Ordinary	100
Profile Consultants Limited (formerly Farleigh Consultants Limited)	Ordinary	75
Control Room Services Limited	Ordinary	100
Atlas (UK) Security Services Ltd	Ordinary	100
DBI Support Services Limited	Ordinary	100
Apple Security Group Limited	Ordinary	100
Facilities Resource Management Limited	Ordinary	100

17. STOCKS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Raw materials and consumables	<u>1,062</u>	<u>14,489</u>	<u>1,062</u>	<u>14,489</u>

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

18. DEBTORS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	12,885,760	8,699,686	12,614,418	8,502,110
Amounts owed by group undertakings	290,230	276,480	502,797	466,955
Prepayments and accrued income	1,302,401	1,097,239	1,295,785	1,094,295
Other debtors	440,751	529,105	357,783	510,118
	<u>14,919,142</u>	<u>10,602,510</u>	<u>14,770,783</u>	<u>10,573,478</u>

The company has an ongoing debt financing arrangement whereby it receives a proportion of the value of sales invoices in advance. Advances are disclosed in the balance sheet as current liabilities and the gross amount of the financial debtors is included in trade debtors.

19. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	2021	2020
	£	£
Cash at bank and in hand	430,299	534,091
Bank overdrafts	(1,262,994)	—
	<u>(832,695)</u>	<u>534,091</u>

20. CREDITORS: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	1,311,715	—	1,264,512	18,233
Trade creditors	2,026,450	1,295,229	2,063,756	1,249,302
Amounts owed to group undertakings	220,961	220,962	588,024	128,133
Accruals and deferred income	4,363,841	1,613,101	4,314,348	1,569,402
Corporation tax	469,101	270,408	338,440	242,348
Social security and other taxes	4,350,175	4,848,499	4,129,048	5,061,598
Other creditors	3,614,539	3,608,428	3,612,186	3,465,521
	<u>16,356,782</u>	<u>11,856,627</u>	<u>16,310,314</u>	<u>11,734,537</u>

Included in bank loans are advances in respect of financial debtors of £1,262,994 (2020 - £Nil) which are secured against the assets of the company.

Hire purchase creditors are secured against the assets they relate to.

21. CREDITORS: amounts falling due after more than one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	—	101,513	—	51,513

**PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY
UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

22. PROVISIONS

Group	Deferred tax (note 23) £
At 1 October 2020	70,986
Charge against provision	54,710
At 30 September 2021	<u>125,696</u>
Company	Deferred tax (note 23) £
At 1 October 2020	51,554
Charge against provision	68,833
At 30 September 2021	<u>120,387</u>

23. DEFERRED TAX

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Included in provisions (note 22)	<u>125,696</u>	<u>70,986</u>	<u>120,387</u>	<u>51,554</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Accelerated capital allowances	<u>125,696</u>	<u>70,986</u>	<u>120,387</u>	<u>51,554</u>

24. EMPLOYEE BENEFITS

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £883,318 (2020: £850,518).

The company operated a defined contribution scheme and sponsored a private scheme. The pension cost charge represents contributions payable by the company to the schemes. At 30 September 2021 £204,617 (2020 - £232,174) was owing to the schemes.

25. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Recognised in other operating income: Government grants recognised directly in income	<u>536,785</u>	<u>843,021</u>	<u>536,785</u>	<u>843,021</u>

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

26. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

27. RESERVES

Share capital account - This records the nominal value of shares that have been issued.

Profit and loss account - This reserve records retained earnings and accumulated profits.

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Oct 2020	Cash flows	At 30 Sep 2021
	£	£	£
Cash at bank and in hand	534,091	(103,792)	430,299
Bank overdrafts	—	(1,262,994)	(1,262,994)
Debt due within one year	(220,962)	(48,720)	(269,682)
Debt due after one year	(101,513)	101,513	—
	<u>211,616</u>	<u>(1,313,993)</u>	<u>(1,102,377)</u>

29. BUSINESS COMBINATIONS

Acquisition of Atlas (UK) Security Services Ltd

On 2 June 2021 the group acquired the entire share capital of Atlas (UK) Security Services Ltd.

Goodwill in relation to this acquisition is to be amortised over 10 years.

The fair value of consideration paid in relation to the acquisition of Atlas (UK) Security Services Ltd is as follows:

	£
Cash	768,500
Deferred consideration	<u>50,000</u>
	<u>818,500</u>

The fair value of amounts recognised at the acquisition date in relation to Atlas (UK) Security Services Ltd are as follows:

	Fair value £
Tangible assets acquired	37,478
Trade debtors acquired	291,062
Cash and cash equivalents acquired	263,422
Trade creditors assumed	(987)
Other creditors assumed	<u>(300,581)</u>
	<u>290,394</u>

PROFILE SECURITY SERVICES LIMITED AND ITS SUBSIDIARY **UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2021

30. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Not later than 1 year	218,109	132,413	218,109	132,413
Later than 1 year and not later than 5 years	229,684	160,107	229,684	160,107
	<u>447,793</u>	<u>292,520</u>	<u>447,793</u>	<u>292,520</u>

31. RELATED PARTY TRANSACTIONS

Company

The company has made use of the exemptions in Financial Reporting Standard 102 not to disclose group transactions with qualifying members of the Profile Security Group Limited group.

During the year the company undertook the following transactions with Related Parties:

During the year to 30 September 2021 Profile Security Services Limited had the following transactions with a company controlled by a director: expenses were recharged to Profile Security Services Limited of £128,356 (2020 - £73,927); expenses totalling £154,373 (2020 - £115,404) were paid by Profile Security Services Limited on behalf of the company; and loan repayments of £81,316 (2020 - £211,286) were received by Profile Security Services Limited. At 30 September 2021, Profile Security Services Limited owed £83,761 (2020 - £28,484) in relation to loans and trade debts due to a company controlled by a director.

During the year to 30 September 2021 Profile Security Services Limited had the following transactions with a company in which it holds a participating interest: expenses were recharged to Profile Security Services Limited of £2,447 (2020 - £5,157); expenses totalling £26,299 (2020 - £21,230) were paid by Profile Security Services Limited on behalf of the company; receipts paid to Profile Security Services Limited on behalf of the company totalled £Nil (2020 - £11,868); and loan write offs of £Nil (2020 - £318,281) were made by Profile Security Services Limited. At 30 September 2021, Profile Security Services Limited was owed £28,746 (2020 - £Nil) in relation to loans and trade debts due from a company which Profile Security Services Limited holds a participating interest in.

32. CONTROLLING PARTY

The company's controlling related party is Profile Security Group Limited, a company incorporated in England and Wales, by virtue of its 100% holding in the company's issued share capital. Profile Security Group Limited is the only undertaking preparing consolidated financial statements which include the results and position of the company.

The registered office of Profile Security Group Limited is Stable Yard, Walk House Farm, Barrow Upon Humber, North Lincolnshire, DN19 7DZ.