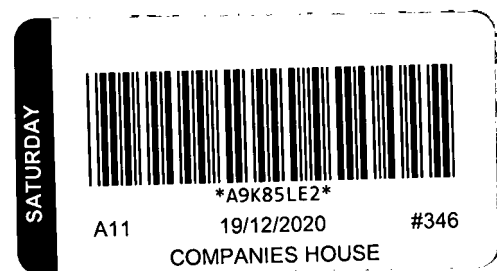


MAN Commercial Protection Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

30 September 2020



Company Registration No. 4639310

MAN Commercial Protection Limited

OFFICERS AND ADVISERS

DIRECTORS

I McCallister
T McCallister

COMPANY SECRETARY

T McCallister

REGISTERED OFFICE

5 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

BANKERS

Lloyds TSB
P O Box 70
125 Colmore Row
Birmingham
B3 3SD

AUDITOR

RSM UK Audit LLP
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

MAN Commercial Protection Limited

CONTENTS

	Page
Strategic report	2 - 3
Directors' report including statement of directors' responsibilities	4 - 5
Independent auditor's report	6 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Accounting policies	12 - 15
Notes to the financial statements	16 - 23

MAN Commercial Protection Limited

STRATEGIC REPORT

The directors submit their Strategic Report for the year ended 30 September 2020.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review continued to be in the provision of static and event security services.

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS (“KPIs”)

We aim to present a balanced review of the performance of the business during the year. Our review is consistent with the size and nature of our business and its ownership structure. We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and profit margins.

Turnover for the year was £42,702,447 (2019: £29,053,063). Gross profit margin for the year was 10% (2019: 10.6%).

Turnover grew by almost 47% compared to the previous year as we won and commenced the operation of a number of substantial new contracts. The main increase in operating costs came from operational employment related items to support the growth in turnover. Once again, the company started and finished the year with a strong pipeline of tender opportunities. Contract margins continue to be under severe pressure and the security market remains very competitive.

The company has further increased its net assets this year as a result of its increased profitability. Net assets at 30 September 2020 are £1,511,465 (2019: £368,459).

FINANCIAL INSTRUMENTS

The company’s principal financial instruments comprise bank balances, trade debtors and trade creditors that arise directly from its operations. The financial risk management objectives and policies of the company aim to minimise the risk of disruption to the business. Counter party risk relating to bank balances is managed by banking with financial institutions with strong credit ratings. Liquidity and cash flow risk is managed by regular review of funding needs and maintaining an invoice discounting facility. The company has no material exposure to interest rate risk, price risk or foreign exchange risk.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties affecting the company in the future are:

- Competition
- Loss of a major customer
- Introduction of further government legislation increasing the costs of employment

The directors monitor and manage these risks through maintaining awareness of the markets within which they operate. A careful and sensitive approach to pricing and tight cost management, together with the maintenance of strong relationships with customers and suppliers, will ensure that the company can adapt to changing market conditions.

COVID 19

The business has been required to support our “key worker” customers during the pandemic which has required substantial additional hours. We are extremely pleased to have been able to continue fully operating the business in line with government guidelines and to have been able to provide uninterrupted services to our customers.

Following the uncertainty presented by Covid 19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the level of headroom in its invoice discounting facility which enables it to meet its liabilities as they fall due.

MAN Commercial Protection Limited

STRATEGIC REPORT (Continued)

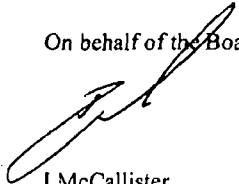
COVID 19 (continued)

The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Company's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

FUTURE DEVELOPMENTS

The market remains extremely competitive but we continue to have a good pipeline of tender opportunities to bid for and we anticipate both further sales growth and improved profitability in 2021. We have secured funding to ensure we have appropriate headroom for our future plans and we are continuing to invest in business development and customer service.

On behalf of the Board



I McCallister

Date: 17th December 2020

MAN Commercial Protection Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of MAN Commercial Protection Limited for the year ended 30 September 2020.

DIRECTORS

The following directors held office since 1 October 2019:

I McCallister
T McCallister

INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision is in place for the directors of the company.

DIVIDENDS

During the year, dividends of £168,000 were paid in respect of the year ended 30 September 2020. The directors do not recommend payment of a further dividend.

EMPLOYEE ENGAGEMENT

The company encourages the involvement of its employees in its management through regular meetings of the management team which has responsibility for the dissemination of information of particular concern to employees, including financial and economic factors affecting performance of the company, and for receiving their views on important matters of policy.

DISABLED PERSONS

The company will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. During employment, the company seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training and development opportunities are available to enable them to reach their full potential. There is a training scheme in operation so that employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the company.

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report and the 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 company and of the profit and loss of the company for that year. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;

MAN Commercial Protection Limited

DIRECTORS' REPORT (Continued)

- c. 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.

STRATEGIC REPORT

The information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the Strategic Report in accordance with section 414c (11) of the Companies Act 2006.

AUDITORS

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



I McCallister
Director

Date: 17TH December 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAN COMMERCIAL PROTECTION LIMITED

Opinion

We have audited the financial statements of MAN Commercial Protection Limited (the 'company') for the year ended 30 September 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2020 and of its 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAN COMMERCIAL PROTECTION LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 and 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

BENJAMIN LAWRENCE (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
St Phillips Point
Temple Row
Birmingham
B2 5AF

Date 17 December 2020

MAN Commercial Protection Limited
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2020

	<i>Notes</i>	2020 £	2019 £
TURNOVER		42,702,447	29,053,063
Cost of sales		(38,435,304)	(25,985,378)
		<hr/>	<hr/>
GROSS PROFIT		4,267,143	3,067,685
Administrative expenses		(2,716,640)	(2,623,377)
Other operating income	3	179,086	-
		<hr/>	<hr/>
OPERATING PROFIT		1,729,589	444,308
Interest receivable and similar income	6	19,047	21,863
Interest payable and similar expenses	7	(124,515)	(187,849)
		<hr/>	<hr/>
PROFIT BEFORE TAXATION	2	1,624,121	278,322
Taxation	8	(313,115)	(72,744)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		1,311,006	205,578
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME		<u>1,311,006</u>	<u>205,578</u>

The operating profit for the year arises from the company's continuing operations.

The notes on pages 12 to 23 form part of these financial statements

MAN Commercial Protection Limited

STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

Company Registration Number: 4639310

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Goodwill	10		-		-
Tangible assets	11		793,037		765,284
Investment properties	12		389,993		389,993
			1,183,030		1,155,277
CURRENT ASSETS					
Stocks	13	14,565		53,326	
Debtors	14	11,202,982		9,003,854	
Cash at bank and in hand		22,339		5,030	
		11,239,886		9,062,210	
CREDITORS: Amounts falling due within one year	15	(10,861,779)		(9,685,342)	
NET CURRENT ASSETS/(LIABILITIES)			378,107		(623,132)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,561,137		532,145
CREDITORS: Amounts falling due after more than one year	16				(117,700)
Provision for liabilities	17		(49,672)		(45,986)
NET ASSETS			1,511,465		368,459
CAPITAL AND RESERVES					
Called up share capital	18		185		185
Revaluation reserve	18		157,792		161,396
Capital redemption reserve	18		25		25
Profit and loss account	18		1,353,463		206,853
TOTAL EQUITY			1,511,465		368,459

The financial statements on pages 8 to 23 were approved by the board and authorised for issue on 17 December 2020 and are signed on its behalf by:


I McCallister
Director

The notes on pages 12 to 23 form part of these financial statements

MAN Commercial Protection Limited
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 September 2020

	<i>Notes</i>	Share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £	Total £
Balance at 1 October 2018		210	165,000	-	17,671	182,881
Profit for the year		-	-	-	205,578	205,578
Transfers between revaluation reserve and profit and loss account		-	(3,604)	-	3,604	-
Total comprehensive income for the year		-	(3,604)	-	209,182	205,578
Transactions with owners in their capacity as owners:						
Repurchase of shares		(25)	-	25	(20,000)	(20,000)
Total transactions with owners in their capacity as owners		(25)	-	25	(20,000)	(20,000)
Balance at 30 September 2019		185	161,396	25	206,853	368,459
Profit for the year		-	-	-	1,311,006	1,311,006
Transfers between revaluation reserve and profit and loss account		-	(3,604)	-	3,604	-
Total comprehensive income for the year		-	(3,604)	-	1,314,610	1,311,006
Transactions with owners in their capacity as owners:						
Dividends	9	-	-	-	(168,000)	(168,000)
Total transactions with owners in their capacity as owners		-	-	-	(168,000)	(168,000)
Balance at 30 September 2020		185	157,792	25	1,353,463	1,511,465

The notes on pages 12 to 23 form part of these financial statements

MAN Commercial Protection Limited

STATEMENT OF CASH FLOWS for the year ended 30 September 2020

	<i>Notes</i>	2020 £	2019 £
Operating activities			
Cash generated from operations	20	1,913,677	367,063
Income taxes paid		(93,616)	(26,715)
Net cash provided by operating activities		<u>1,820,061</u>	<u>340,348</u>
Investing activities			
Purchase of tangible fixed assets		(67,937)	(33,262)
Purchase of investment property		-	(2,315)
Net cash used in investing activities		<u>(67,937)</u>	<u>(35,577)</u>
Financing activities			
Interest paid		(124,515)	(135,785)
Repayments of borrowings		(168,977)	(70,845)
Payments to acquire own shares		-	(20,000)
Dividends paid		(8,000)	-
Net cash used in financing activities		<u>(301,492)</u>	<u>(226,630)</u>
Net increase in cash and cash equivalents		<u>1,450,632</u>	<u>78,141</u>
Cash and cash equivalents at beginning of year		<u>(3,706,546)</u>	<u>(3,784,686)</u>
Cash and cash equivalents at end of year		<u><u>(2,255,914)</u></u>	<u><u>(3,706,546)</u></u>
Relating to:			
Bank balances included in cash at bank and in hand		22,339	5,030
Overdrafts included in 'creditors: amounts falling due within one year'		(2,278,253)	(3,711,576)
		<u><u>(2,255,914)</u></u>	<u><u>(3,706,546)</u></u>

The notes on pages 12 to 23 form part of these financial statements

MAN Commercial Protection Limited

ACCOUNTING POLICIES

for the year ended 30 September 2020

GENERAL INFORMATION

MAN Commercial Protection Limited ("the Company") is a private company, limited by shares, domiciled and incorporated in England and Wales.

The address of the Company's registered office and principal place of business is 5 Highlands Court, Cranmore Avenue, Solihull, West Midlands, B90 4LE.

The Company's principal activities are set out in the Strategic Report.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include the revaluation of long leasehold properties and to include investment properties at fair value.

The financial statements are presented in sterling which is also the functional currency of the Company.

Monetary amounts in these financial statements are rounded to the nearest whole £1.

TURNOVER

Turnover represents the fair value, net of value added tax and discounts, of goods and work carried out in respect of services provided to customers. Revenue is recognised at the point goods or services are provided to the customer. All turnover is attributable to the one principal activity of the Company and derives from the United Kingdom.

OTHER INCOME

Interest income

Interest income is accrued on a time apportioned basis, by reference to the principal outstanding on the directors' loan accounts at the effective interest rate.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	- 2% - 20% straight line
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

REVALUATION OF PROPERTIES

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and loss are recognised in profit or loss.

MAN Commercial Protection Limited

ACCOUNTING POLICIES (continued)
for the year ended 30 September 2020

INVESTMENT PROPERTIES

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

STOCKS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost basis.

At each reporting date, the Company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the Company to consume substantially all of its economic benefits), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

RETIREMENT BENEFITS

The Company operates a defined contribution scheme the amount charged to the Statement of Comprehensive Income in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

LEASED ASSETS AND OBLIGATIONS

All leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

MAN Commercial Protection Limited

ACCOUNTING POLICIES (continued)

for the year ended 30 September 2020

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or are capitalised as an intangible fixed asset or a tangible fixed asset.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

PURCHASED GOODWILL

Goodwill representing the excess of the consideration for an acquired business compared with the fair value of net assets acquired is capitalised and written off evenly over 10 years as in the opinion of the directors this represents the period over which the goodwill is effective. The useful economic lives are reviewed at the end of each reporting date.

IMPAIRMENTS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairments. Impairment losses are recognised in profit and loss.

GOING CONCERN

At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Following the uncertainty presented by Covid 19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the level of headroom in its invoice discounting facility which enables it to meet its liabilities as they fall due.

The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Company's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade and other debtors

Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

MAN Commercial Protection Limited

ACCOUNTING POLICIES (continued)
for the year ended 30 September 2020

FINANCIAL INSTRUMENTS (continued)

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Bank overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Tangible fixed assets and investment property valuation

In determining the valuation for property assets not externally valued by an independent valuation specialist, the company is required to apply judgements over the effects of the current rental yields coupled with market conditions and the quality of the specific property. Benchmarks from other properties within the local area or similar assets on the market will also be reviewed in determining a reasonable fair value.

2 PROFIT BEFORE TAXATION

	2020	2019
	£	£
Profit before taxation is stated		
after charging:		
Depreciation of tangible fixed assets		
- owned assets	40,184	35,471
Auditor's remuneration for the statutory audit	20,000	18,000
Operating lease rentals – plant and machinery	220,176	137,804
	<u> </u>	<u> </u>

3 OTHER OPERATING INCOME

Included in other operating income is £179,086 which was received during the year in relation to the Job Retention Scheme.

4 DIRECTORS' REMUNERATION AND KEY MANAGEMENT PERSONNEL

	2020	2019
	£	£
Amounts paid to the directors	107,666	112,032
	<u> </u>	<u> </u>

The directors are not accruing retirement benefits.

The total remuneration of the directors and key management personnel (including employer's national insurance) amounted to £392,985 (2019: £368,692).

5 EMPLOYEES

	2020	2019
	£	£
Wages and salaries	28,964,879	21,234,731
Social security costs	2,545,395	1,851,830
Defined contribution pension costs	470,037	338,077
	<u> </u>	<u> </u>
	<u>31,980,311</u>	<u>23,424,638</u>

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

5	EMPLOYEES (CONTINUED)	2020	2019
		No.	No.
	Operational employees	1,209	885
	Management and administrative staff	31	28
		<u>1,240</u>	<u>913</u>
		<u><u>1,240</u></u>	<u><u>913</u></u>
6	INTEREST RECEIVABLE AND SIMILAR INCOME	2020	2019
		£	£
	Interest receivable on directors' loan accounts	19,047	21,863
		<u>19,047</u>	<u>21,863</u>
		<u><u>19,047</u></u>	<u><u>21,863</u></u>
7	INTEREST PAYABLE AND SIMILAR EXPENSES	2020	2019
		£	£
	Interest on bank loans and overdrafts	4,879	8,235
	Interest on other loans	119,636	127,550
	Write off of loan account	-	52,064
		<u>124,515</u>	<u>187,849</u>
		<u><u>124,515</u></u>	<u><u>187,849</u></u>
8	TAXATION	2020	2019
		£	£
	Current tax:		
	UK corporation tax charge on profit for the year	309,429	68,364
	Deferred tax:		
	Origination and reversal of timing differences	3,686	4,380
		<u>313,115</u>	<u>72,744</u>
	Total tax on profit	<u><u>313,115</u></u>	<u><u>72,744</u></u>

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

8 TAXATION (CONTINUED)

The tax assessed for the year differs from the standard rate of corporation tax in the UK 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Profit before tax	1,624,121	278,322
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	308,583	52,881
Effects of:		
Expenses not deductible for tax purposes	11,435	18,511
Depreciation in excess of capital allowances	(6,903)	1,352
Total tax charge	313,115	72,744

9 DIVIDENDS

	2020 £	2019 £
Interim paid	168,000	-

10 INTANGIBLE FIXED ASSETS

	Goodwill £
Cost:	
1 October 2019 and 30 September 2020	15,000
Amounts written off:	
1 October 2019 and 30 September 2020	15,000
Net book value:	
30 September 2019 and 30 September 2020	-

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

11 TANGIBLE FIXED ASSETS	<i>Long leasehold property</i> £	<i>Plant and machinery</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
Cost or valuation:				
At 1 October 2019	710,104	274,125	2,853	987,082
Additions	28,415	39,522	-	67,937
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2020	738,519	313,647	2,853	1,055,019
Depreciation:				
At 1 October 2019	16,244	203,156	2,398	221,798
Charge for the year	17,140	22,930	114	40,184
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2020	33,384	226,086	2,512	261,982
Net book value:				
At 30 September 2020	705,135	87,561	341	793,037
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 September 2019	693,860	70,969	455	765,284
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Long leasehold property with a carrying amount of £705,135 was revalued as at 30 September 2018 by Shepherd Commercial, Chartered Surveyors, on an existing use open market value basis, in accordance with the Guidance Notes of the Royal Institution of Chartered Surveyors. Shepherd Commercial are not connected with the Company. The valuation was based on recent market transactions on an arm's length basis for similar properties.

If land and buildings were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2020 £	2019 £
Cost	660,422	632,007
Accumulated depreciation	(147,751)	(134,543)
	<hr/>	<hr/>
Carrying amount	512,671	497,464
	<hr/> <hr/>	<hr/> <hr/>

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

12	INVESTMENT PROPERTIES	2020 £	2019 £
	Fair value:		
	At 1 October 2019	389,993	387,678
	Additions	-	2,315
	At 30 September 2020	<u>389,993</u>	<u>389,993</u>

The investment properties have been valued at the balance sheet date by the directors on an existing use open market value basis. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

The historical cost of investment properties at the balance sheet date is £389,993 (2019: £389,993).

13	STOCKS	2020 £	2019 £
	Stocks	<u>14,565</u>	<u>53,326</u>

14	DEBTORS	2020 £	2019 £
	Trade debtors	9,934,201	7,637,109
	Other debtors	989,477	1,112,693
	Corporation tax recoverable	279,304	254,052
		<u>11,202,982</u>	<u>9,003,854</u>

15	CREDITORS: Amounts falling due within one year	2020 £	2019 £
	Bank loans and overdraft (secured) (note 16)	2,278,253	3,762,853
	Trade creditors	2,969,067	1,608,436
	Corporation tax	309,429	68,364
	Other taxes and social security	2,789,856	2,202,103
	Other creditors	2,515,174	2,043,586
		<u>10,861,779</u>	<u>9,685,342</u>

Included in bank loan and overdraft is an invoice discounting facility of £2,278,253 (2019: £3,650,318) which is secured on the book debts of the Company.

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

16	CREDITORS: Amounts falling due after more than one year	2020 £	2019 £
	Bank loans (secured)	-	117,700
	Included above are the following:	2020 £	2019 £
	Amounts repayable by instalments, the amount falling due after more than five years	-	3,940
17	DEFERRED TAX	2020 £	2019 £
	Deferred tax liability:		
	At beginning of year	(45,986)	(41,606)
	Debited to profit and loss in year	(3,686)	(4,380)
	At end of year	(49,672)	(45,986)
	Provision for deferred tax liability has been made as follows:	2020 £	2019 £
	Accelerated capital allowances	(14,672)	(10,986)
	Valuation of land and buildings	(35,000)	(35,000)
		(49,672)	(45,986)

The deferred tax liability of £49,672 (2019: £45,986) is expected to reverse over the life of the related assets.

18 SHARE CAPITAL AND RESERVES

	Ordinary 'A' Shares Number	Ordinary 'B' Shares Number	Total Number
SHARE CAPITAL: Allotted, issued and fully paid:			
At 1 October 2019 and 30 September 2020	105	80	185

The Ordinary A shares of £1.00 each are non-redeemable and rank equally in terms of voting rights, one vote for each share, rights to participate in all approved dividend distributions for that class of share, and rights to participate in any capital distribution. The Ordinary B shares of £1.00 each do not carry any voting rights and are non-redeemable and rank equally in terms of rights to participate in all approved dividend distributions for that class of share, and rights to participate in any capital distribution on winding up only in respect of capital paid up and with no other participation in the assets of the Company.

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

18 SHARE CAPITAL AND RESERVES (CONTINUED)

RESERVES

Reserves of the Company represent the following:

Profit and loss account

Cumulative profit and loss net of distributions to owners.

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in the profit and loss account.

Capital redemption reserve

Represents the par value of the redeemed company shares.

19 COMMITMENTS UNDER OPERATING LEASES

At 30 September, the Company had total future minimum lease payments under non-cancellable operating leases as follows:

	Plant and machinery	
	2020	2019
	£	£
Amounts due:		
Within 1 year	79,570	77,361
Within 2 to 5 years	76,834	30,955
	<u>156,404</u>	<u>108,316</u>

20 RECONCILIATION OF PROFIT AFTER TAX TO NET CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Profit after tax	1,311,006	205,578
Adjustments for:		
Depreciation of tangible fixed assets	40,184	35,471
Taxation	313,115	72,744
Interest payable	124,515	187,849
Interest receivable	(19,047)	(21,863)
	<u>1,769,773</u>	<u>479,779</u>
Decrease in stocks	38,761	2,484
Increase in debtors	(2,314,829)	(2,242,260)
Increase in creditors	2,419,972	2,127,060
	<u>1,913,677</u>	<u>367,063</u>

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2020

21 ANALYSIS OF CHANGES IN NET DEBT

	At 1 October 2019 £	Cash flow £	Other non-cash changes £	At 30 September 2020 £
Cash in hand, and at bank	5,030	17,309	-	22,339
	<u>5,030</u>	<u>17,309</u>	<u>-</u>	<u>22,339</u>
Bank overdraft	(61,258)	61,258	-	-
Invoice discounting	(3,650,318)	1,372,065	-	(2,278,253)
Bank loans	(51,276)	51,276	-	-
	<u>(3,762,852)</u>	<u>1,484,599</u>	<u>-</u>	<u>(2,278,253)</u>
Debt due within one year	(3,762,852)	1,484,599	-	(2,278,253)
	<u>(117,700)</u>	<u>117,700</u>	<u>-</u>	<u>-</u>
Bank loans	(117,700)	117,700	-	-
	<u>(117,700)</u>	<u>117,700</u>	<u>-</u>	<u>-</u>
Debt due after one year	(117,700)	117,700	-	-
	<u>(3,875,522)</u>	<u>1,619,608</u>	<u>-</u>	<u>(2,255,914)</u>
Net debt	(3,875,522)	1,619,608	-	(2,255,914)

22 RETIREMENT BENEFITS

The Company operates a defined contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the Company in an independently administered fund. The contributions payable by the Company charged to profit or loss amounted to £470,037 (2019: £338,077). Contributions totalling £152,672 (2019: £117,825) were payable to the fund at the year end and are included in creditors.

23 RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY

During the year, the Company made advances to the directors of £85,103 (2019: £77,702). Included within debtors is £868,463 (2019: £924,313) due from the directors. The maximum balance outstanding during the year was £938,271 (2019: £924,313). Interest accrues on the balance at a rate of 2.25% and the charge for the year amounted to £19,047 (2019: £21,863). There is no set repayment date. During the year, dividends of £160,000 (2019: £nil) were payable by the company to the directors.

The ultimate controlling party is Mr I McCallister.

24 POST BALANCE SHEET EVENTS

Subsequent to the year end, the company paid a dividend of £1.3m to the Ordinary "A" shareholders.