Registered number: 01335720

UNITRUST PROTECTION SERVICES (U.K.) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

UNITRUST PROTECTION SERVICES (U.K.) LIMITED

COMPANY INFORMATION

Directors	R N Griffin P R Griffin S J Gough S L Griffin
Registered number	01335720
Registered office	Unitrust House Heather Park Drive Wembley Middlesex HA0 1SS
Independent auditor	Barnes Roffe LLP Chartered Accountants & Statutory Auditor 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The directors present their strategic report for the year ended 31 March 2023.

Business review

2022/23 was another successful year of growth for Unitrust. We have come out of covid in a strong place and continue to build relationships with established and new clients. Investment in the Senior Leadership team, the operational teams and technology commenced in 2022/23 and commitments have been made to further invest in 2023/24. We have now expanded into two offices with our HQ still in Wembley supplemented by a new Central London office opened to ensure we are close to our key client base in the City of London.

Environment

Unitrust is fully committed to working and growing in a sustainable manner. We have committed to reducing our carbon footprint and becoming a Net Zero business by 2030. We recognise we cannot do this alone. We are working with our internal teams, our supply chain, and our clients on our journey to sustainability.

Social

Unitrust has a long history of fundraising and volunteering to help charities and organisations that are close to our hearts.

Every year we support national awareness days by hosting mini events such as Macmillan Coffee Mornings, supporting people living with cancer and getting involved in "Wear it Pink" for Breast Cancer Now.

We have taken part in beach cleans and litter picks, in the Big Sleep Out for homelessness, and have supported the KidsOut Giving Tree. We have also donated food to the Trussell Trust and have been part of sponsored events including charity bike rides and many more.

Governance

We are working with independent environmental consultants to help us identify ways we can make our business more environmentally friendly and sustainable.

We are building a Company culture to ensure that we are all aligned with our environmental objectives. Our online CPD Accredited and IOSH Approved training course is designed to introduce staff and management at all levels to the issues of environmental responsibility as well as to look at how individually and collectively we can minimise our impact from our day-to-day activities.

Financial instruments

The Company's primary financial instruments are trade debtors, cash and bank, trade creditors and intercompany balances, which arise directly from its operations.

Principal risks and uncertainties

Credit risk

The Company trades only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on ongoing basis with the result that the Company's exposure to bad debt is not significant.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial key performance indicators

Key financial performance indicators included gross profit, turnover and working capital.

This report was approved by the board on 28th September 2023 and signed on its behalf.

P. Griffin

P R Griffin
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements 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 to 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.

Principal activity

The principal activity of the Company in the year continued to be that of providing all services relating to security and close protection services.

Results and dividends

The profit for the year, after taxation, amounted to £793,177 *(2022 - £672,206)*.

During the year, the Company paid inter-group dividends of £500,000 *(2022 - £500,000)*.

Matters covered in the strategic report

The consideration of financial instruments is noted in the strategic report.

Directors

The directors who served during the year were:

R N Griffin
P R Griffin
S J Gough
S L Griffin

Future developments

Unitrust continues to concentrate on our core services offerings within the Manned Security and Close Protection
Sectors and to focus on 3 main objectives:

- to grow its client base across a wide portfolio of businesses, primarily in the South East
- to strengthen the depth of its Employee and Management structure and,
- to invest in technologies and processes to improve our client experience and enhance our industry reputation and profile.

Engagement with employees

The Company recognises the importance of good communications with its employees. It has a fully integrated induction and development programme for each employee. The Career Mapping Pathway 'Steps to Success' programme continues with both internal and external training, mentoring and annual appraisals. We are utilising the Apprenticeship Levy to invest in our future management and expertise. This is supplemented by our Employee Portal, a monthly newsletter, regular Company briefings and meetings and informal discussions. We have an EAP programme and a Corporate Social Responsibility Programme, led by Unitrust's Compliance Director and representatives from each Department. The CSR programme maintains its focus on smaller, local organisations with a complimentary purpose.

Disclosure of information to the auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28th September 2023 and signed on its behalf.

P. Griffin

P R Griffin
Director

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNITRUST PROTECTION SERVICES (U.K.) LIMITED

Opinion

We have audited the financial statements of Unitrust Protection Services (U.K.) Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity 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 Financial Reporting Standard 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 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITRUST PROTECTION SERVICES (U.K.) LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 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 page 3, 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.

Auditors' 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 Auditors' 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, are as follows:

    - Companies Act 2006.
    - FRS102.
    - Employment legislation.
    - Tax legislation.

- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing board minutes; and
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquiries of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the Company's usual course of business.

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITRUST PROTECTION SERVICES (U.K.) LIMITED (CONTINUED)

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 Auditors' 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.

Barnes Roffe LLP

Mark Hancock (Senior Statutory Auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants & Statutory Auditor
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

Date: 29 September 2023

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Turnover	4	**20,130,381**	*18,330,191*
Cost of sales		**(17,618,310)**	*(15,977,247)*
Gross profit		**2,512,071**	*2,352,944*
Administrative expenses		**(1,565,950)**	*(1,514,299)*
Operating profit	6	**946,121**	*838,645*
Interest receivable and similar income	9	**7,300**	*132*
Interest payable and similar expenses	10	**(1,334)**	*(44)*
Profit before tax		**952,087**	*838,733*
Tax on profit	11	**(158,910)**	*(166,527)*
Profit for the financial year		**793,177**	*672,206*
Total comprehensive income for the year		**793,177**	*672,206*

The notes on pages 13 to 25 form part of these financial statements.

UNITRUST PROTECTION SERVICES (U.K.) LIMITED
REGISTERED NUMBER:01335720

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	13		**123,093**		*134,462*
Current assets					
Debtors: amounts falling due within one year	14	**2,811,928**		*3,004,425*	
Cash at bank and in hand	15	**1,990,828**		*1,950,578*	
		4,802,756		*4,955,003*	
Creditors: amounts falling due within one year	16	**(4,194,120)**		*(4,650,913)*	
Net current assets			**608,636**		*304,090*
Net assets			**731,729**		*438,552*
Capital and reserves					
Called up share capital	18		**100**		*100*
Profit and loss account	19		**731,629**		*438,452*
			731,729		*438,552*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
28th September 2023

P. Griffin

P R Griffin
Director

The notes on pages 13 to 25 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	100	438,452	438,552
Comprehensive income for the year			
Profit for the year	-	793,177	793,177
Total comprehensive income for the year	-	793,177	793,177
Dividends: Equity capital	-	(500,000)	(500,000)
At 31 March 2023	100	731,629	731,729

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	100	266,246	266,346
Comprehensive income for the year			
Profit for the year	-	672,206	672,206
Total comprehensive income for the year	-	672,206	672,206
Dividends: Equity capital	-	(500,000)	(500,000)
At 31 March 2022	100	438,452	438,552

The notes on pages 13 to 25 form part of these financial statements.

1. General information

Unitrust Protection Services (U.K.) Limited is a Company limited by shares, incorporated in England and Wales. The address of the registered office is Unitrust House, Heather Park Drive, Wembley, Middlesex, HA0 1SS.

The Company specialises in providing all services relating to security and close protection services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006, and on the assumption that the Company is a going concern.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company has taken the exemption from producing a cashflow as it is included in the parent's consolidated financial statements.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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

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

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the year in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue is recognised when the services are provided.

2.4 Operating leases: Lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term until the date the rent is expected to be adjusted to the prevailing market rate.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Finance costs

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

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

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

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

2.8 Taxation

Tax is recognised in the Statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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

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

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

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

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

Depreciation is provided on the following bases:

Motor vehicles	- 20% straight line
Fixtures and fittings	- 10% straight line
Office equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.10 Debtors

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

2.11 Cash and cash equivalents

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

2.12 Creditors

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

2. Accounting policies (continued)

2.13 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.14 Dividends

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

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements in applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements:

1. Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

2. Determine whether trade debtors are recoverable. Factors taken into consideration include credit insurance and expected recovery.

4. Turnover

An analysis of turnover by class of business is as follows:

	2023	*2022*
	£	*£*
Security and close protection services	**20,130,381**	*18,330,191*
	20,130,381	*18,330,191*

All turnover arose within the United Kingdom.

5. Cost of sales

Included under cost of sales is Coronavirus furlough grant income of £Nil *(2022 - £119,157)*.

6. Operating profit

The operating profit is stated after charging:

	2023	*2022*
	£	*£*
Depreciation of tangible fixed assets	**28,771**	*29,196*
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	**16,800**	*14,000*
Other operating lease rentals	**96,662**	*74,652*

7. Employees

Staff costs were as follows:

	2023	*2022*
	£	*£*
Wages and salaries	**14,129,214**	*13,228,385*
Social security costs	**1,456,219**	*1,313,443*
Cost of defined contribution scheme	**364,775**	*348,307*
	15,950,208	*14,890,135*

The average monthly number of employees, including the directors, during the year was as follows:

	2023	*2022*
	No.	*No.*
Security	**389**	*380*
Head office	**34**	*38*
	423	*418*

8. Directors' remuneration

During the year, the total emoluments paid to the directors amounted to £53,813 *(2022 - £53,639)*.

During the year, no retirement benefits were accruing to the directors *(2022 - £Nil)* in respect of defined benefit contribution pension schemes.

9. *Interest receivable*

	2023	*2022*
	£	*£*
Bank interest receivable	**7,300**	*132*
	7,300	*132*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Interest payable and similar expenses

	2023 £	*2022* *£*
Bank overdraft interest payable	**1**	*44*
Other interest payable	**1,333**	*-*
	1,334	*44*

11. Taxation

	2023 £	*2022* *£*
Corporation tax		
Current tax on profits for the year	**162,589**	*166,560*
Adjustments in respect of previous periods	**(3,679)**	*(33)*
Total current tax	**158,910**	*166,527*
Taxation on profit on ordinary activities	**158,910**	*166,527*

Factors affecting tax charge for the year

The tax assessed for the year is lower than (*2022 - higher than*) the standard rate of corporation tax in the UK of 19% *(2022 - 19%)*. The differences are explained below:

	2023 £	*2022* *£*
Profit on ordinary activities before tax	**952,087**	*838,733*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	**180,897**	*159,359*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**6,694**	*4,225*
Capital allowances for year differing from depreciation	**1,344**	*2,721*
Other timing difference	**(3,745)**	*249*
Permanent differences due to exercise of options	**(22,601)**	*-*
Other differences leading to an increase in the tax charge	**-**	*6*
Adjustments to tax charge in respect of prior periods	**(3,679)**	*(33)*
Total tax charge for the year	**158,910**	*166,527*

11. Taxation (continued)

Factors that may affect future tax charges

In the March 2021 Budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

12. Dividends

	2023 £	*2022* £
Dividends paid on equity share capital	**500,000**	*500,000*
	500,000	*500,000*

The directors and their close families had an interest in dividends paid by the Company during the year of £Nil *(2022 - £Nil).*

13. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 April 2022	65,789	299,213	96,723	461,725
Additions	-	5,760	4,846	10,606
Disposals	(65,789)	(57,125)	(84,406)	(207,320)
At 31 March 2023	-	247,848	17,163	265,011
Depreciation				
At 1 April 2022	65,789	175,313	86,161	327,263
Charge for the year	-	22,431	6,340	28,771
Disposals	(65,789)	(64,412)	(83,915)	(214,116)
At 31 March 2023	-	133,332	8,586	141,918
Net book value				
At 31 March 2023	-	114,516	8,577	123,093
At 31 March 2022	*-*	*123,900*	*10,562*	*134,462*

14. Debtors

	2023 £	*2022 £*
Trade debtors	2,302,633	*2,323,942*
Amounts owed by Group undertakings	426,105	*631,072*
Other debtors	18,684	*6,159*
Prepayments and accrued income	64,506	*43,252*
	2,811,928	*3,004,425*

15. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	1,990,828	1,950,578
	1,990,828	1,950,578

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	249,888	244,947
Corporation tax	41,989	166,560
Other taxation and social security	2,561,509	2,711,364
Other creditors	1,061,426	933,143
Accruals and deferred income	279,308	594,899
	4,194,120	4,650,913

17. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	2,876,434	2,961,173
Financial liabilities		
Financial liabilities measured at amortised cost	1,311,314	1,178,090

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and amounts owed by Group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors.

18. Share capital

	2023 £	*2022 £*
Allotted, called up and fully paid		
220 Ordinary 'A' shares of £0.10 each	**22**	*22*
220 Ordinary 'B' shares of £0.10 each	**22**	*22*
510 Ordinary 'C' shares of £0.10 each	**51**	*51*
50 Ordinary 'D' shares of £0.10 each	**5**	*5*
	100	*100*

All classes of share rank pari passu in every respect except that dividends may be declared at different rates on different classes of share.

19. Reserves

Profit and loss account

Profit and loss account includes all current and prior year retained profits and losses.

20. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £364,775 *(2022 - £348,307)*. There were amounts owing of £74,061 *(2022 - £74,562)* at the year end.

21. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	*2022 £*
Others		
Not later than 1 year	**3,708**	*7,902*
Later than 1 year and not later than 5 years	**-**	*1,908*
	3,708	*9,810*

22. Related party transactions

The total remuneration of key management during the year was £504,067 *(2022 - £433,209)*.

The Company is exempt under FRS102 from disclosing related party transactions and balances with other Companies that are wholly owned within the Group.

23. Ultimate parent undertaking and controlling party

The Company is controlled by Unitrust Protection Services Holdings Limited, parent undertaking, by virtue of its 100% shareholding. The registered office of the parent undertaking is Unitrust House Heather Park Drive, Wembley, London, Middlesex, HA0 1SS. The ultimate controlling parties are the directors.

This is the smallest and largest Group for which consolidated financial statements are prepared. Consolidated accounts can be obtained from Companies House.