

REGISTERED NUMBER: 02548101 (England and Wales)

Abbreviated Accounts
for the Year Ended 31 October 2013
for
Anchor Security Services Limited



Anchor Security Services Limited

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for the Year Ended 31 October 2013

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Anchor Security Services Limited

Company Information
for the Year Ended 31 October 2013

DIRECTORS:

A W Harper
L Hiles

SECRETARY:

R Evans

REGISTERED OFFICE:

The Steam Mill Business Centre
Steam Mill Street
Chester
Cheshire
CH3 5AN

REGISTERED NUMBER:

02548101 (England and Wales)

AUDITORS:

McEwan Wallace Limited
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

Anchor Security Services Limited

Strategic Report
for the Year Ended 31 October 2013

The directors present their strategic report for the year ended 31 October 2013.

REVIEW OF BUSINESS

Anchor Security continues to be profitable in very challenging economic conditions.

This year we saw a drop in turnover to £7.4m. Due to increased competition for guarding services, the company has found it increasingly difficult to renew contracts at the same rates. The resulting reduction in guarding work has led to increased focus on finding alternative income streams, with 'Care Parking' commencing at the end of 2010, and 'Care Properties' in 2012. These new areas of service provision have grown steadily, allowing the company to evolve the range and level of services it offers. Our aim is to continue to promote these sectors in the coming years.

With the continual move away from low margined guarding and towards higher margined parking and property, the gross profit percentage has increased from 19.2% in 2012 to 20.1% in 2013. This improved level of profitability has mitigated the overall impact of the decrease in turnover, allowing the company to remain profitable even with reduced turnover.

The next twelve months will provide increased opportunities for Anchor to build its order book based on a growing reputation for no-nonsense service delivery. As the support service sector marketplace consolidates, customers are often left with a choice between the smaller local company and one of the large nationals. At Anchor, we are working hard to become the preferred alternative to customers of any size.

The Board is confident that we can deliver a strong performance in 2014, and that we will be very well placed for the future.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that the company is well placed to meet future challenges. They have assessed what they considered to be the major risks that the company faces and are satisfied that adequate systems are in place to mitigate those risks. This assessment covered the normal risk areas expected for a company of this size and nature, including market competition and likely future market developments.

ON BEHALF OF THE BOARD:



Signed on behalf of the board
R Evans - Secretary

29 April 2014

Anchor Security Services Limited

Report of the Directors
for the Year Ended 31 October 2013

The directors present their report with the accounts of the company for the year ended 31 October 2013.

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2013.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2012 to the date of this report.

A W Harper
L Hiles

EMPLOYMENT POLICY

The company places great emphasis on its employees and has continued its practice of keeping them informed on matters affecting their employment and the financial and economic factors affecting the performance of the company.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the company may continue.

It is the policy of the company that training, career development and promotion opportunities should be available to all employees.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

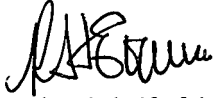
Anchor Security Services Limited

Report of the Directors
for the Year Ended 31 October 2013

AUDITORS

The auditors, McEwan Wallace Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'R Evans', is written over the printed name.

Signed on behalf of the board
R Evans - Secretary

29 April 2014

Report of the Independent Auditors to
Anchor Security Services Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages six to twenty one, together with the full financial statements of Anchor Security Services Limited for the year ended 31 October 2013 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

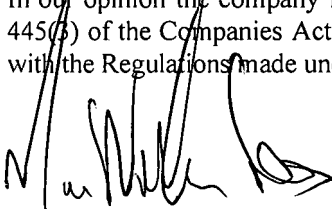
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Thomas Cochrane BA FCA DChA (Senior Statutory Auditor)
for and on behalf of McEwan Wallace Limited
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

29 April 2014

Anchor Security Services Limited

Abbreviated Profit and Loss Account
for the Year Ended 31 October 2013

	Notes	31.10.13 £	31.10.12 £
TURNOVER		7,403,976	8,361,412
Cost of sales and other operating income		(5,913,470)	(6,757,081)
		<hr/> 1,490,506	<hr/> 1,604,331
Administrative expenses		<hr/> 1,471,481	<hr/> 1,551,936
OPERATING PROFIT	3	19,025	52,395
Interest payable and similar charges	4	<hr/> 8,724	<hr/> 5,896
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,301	46,499
Tax on profit on ordinary activities	5	<hr/> 5,468	<hr/> 2,343
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/> 4,833	<hr/> <hr/> 44,156

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these abbreviated accounts

Abbreviated Balance Sheet

31 October 2013

	Notes	31.10.13 £	31.10.12 £
FIXED ASSETS			
Intangible assets	6	15,000	16,000
Tangible assets	7	247,711	195,156
		<u>262,711</u>	<u>211,156</u>
CURRENT ASSETS			
Stocks	8	12,471	12,471
Debtors	9	2,812,472	2,482,291
Cash at bank and in hand		396	757
		<u>2,825,339</u>	<u>2,495,519</u>
CREDITORS			
Amounts falling due within one year	10	2,752,896	2,374,193
NET CURRENT ASSETS		<u>72,443</u>	<u>121,326</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>335,154</u>	<u>332,482</u>
CREDITORS			
Amounts falling due after more than one year	11	(52,750)	(57,087)
PROVISIONS FOR LIABILITIES	15	(13,652)	(11,476)
NET ASSETS		<u><u>268,752</u></u>	<u><u>263,919</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	20,103	20,103
Share premium	17	84,552	84,552
Profit and loss account	17	164,097	159,264
SHAREHOLDERS' FUNDS	21	<u><u>268,752</u></u>	<u><u>263,919</u></u>

The notes form part of these abbreviated accounts


Anchor Security Services Limited (Registered number: 02548101)

Abbreviated Balance Sheet - continued

31 October 2013

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 29 April 2014 and were signed on its behalf by:

A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right.

A W Harper - Director

The notes form part of these abbreviated accounts

Anchor Security Services Limited

Cash Flow Statement
for the Year Ended 31 October 2013

	Notes	31.10.13 £	£	31.10.12 £	£
Net cash inflow from operating activities	1		168,418		82,411
Returns on investments and servicing of finance	2		(8,724)		(5,896)
Taxation			(2,821)		-
Capital expenditure	2		(151,816)		(85,485)
			5,057		(8,970)
Financing	2		8,195		(33,381)
Increase/(decrease) in cash in the period			<u>13,252</u>		<u>(42,351)</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(decrease) in cash in the period		13,252		(42,351)	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(17,958)</u>		<u>31,619</u>	
Change in net debt resulting from cash flows			<u>(4,706)</u>		<u>(10,732)</u>
Movement in net debt in the period			<u>(4,706)</u>		<u>(10,732)</u>
Net debt at 1 November			<u>(174,673)</u>		<u>(163,941)</u>
Net debt at 31 October			<u><u>(179,379)</u></u>		<u><u>(174,673)</u></u>

The notes form part of these abbreviated accounts

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.10.13	31.10.12
	£	£
Operating profit	19,025	52,395
Depreciation charges	95,391	79,230
Loss on disposal of fixed assets	4,763	-
Increase in debtors	(320,311)	(75,800)
Increase in creditors	369,550	26,586
	<u>168,418</u>	<u>82,411</u>
Net cash inflow from operating activities	<u>168,418</u>	<u>82,411</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.10.13	31.10.12
	£	£
Returns on investments and servicing of finance		
Interest paid	(6,235)	(3,573)
Interest element of hire purchase payments	(2,489)	(2,323)
	<u></u>	<u></u>
Net cash outflow for returns on investments and servicing of finance	<u>(8,724)</u>	<u>(5,896)</u>
 Capital expenditure		
Purchase of tangible fixed assets	(157,566)	(85,485)
Sale of tangible fixed assets	5,750	-
	<u></u>	<u></u>
Net cash outflow for capital expenditure	<u>(151,816)</u>	<u>(85,485)</u>
 Financing		
Loan repayments in year	(20,000)	(20,000)
New HP contracts	83,954	-
Capital repayments in year	(45,996)	(11,619)
Amount withdrawn by directors	(9,763)	(1,762)
	<u></u>	<u></u>
Net cash inflow/(outflow) from financing	<u>8,195</u>	<u>(33,381)</u>

Anchor Security Services Limited

Notes to the Cash Flow Statement
for the Year Ended 31 October 2013

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.11.12 £	Cash flow £	At 31.10.13 £
Net cash:			
Cash at bank and in hand	757	(361)	396
Bank overdraft	<u>(71,830)</u>	<u>13,613</u>	<u>(58,217)</u>
	<u>(71,073)</u>	<u>13,252</u>	<u>(57,821)</u>
Debt:			
Hire purchase	(65,267)	(37,958)	(103,225)
Debts falling due within one year	(20,000)	1,667	(18,333)
Debts falling due after one year	<u>(18,333)</u>	<u>18,333</u>	<u>-</u>
	<u>(103,600)</u>	<u>(17,958)</u>	<u>(121,558)</u>
Total	<u><u>(174,673)</u></u>	<u><u>(4,706)</u></u>	<u><u>(179,379)</u></u>

The notes form part of these abbreviated accounts

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the amount derived from ordinary activities, stated after trade discounts, VAT and any other sales taxes.

Turnover is recognised in the month the security service was carried out.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is being amortised evenly over its estimated useful life of twenty years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Site assets	- 33% on cost and 20% on cost
Office equipment	- 20% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are only recognised where recovery can be forecast with reasonable certainty.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Anchor Security Services Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2013

2. STAFF COSTS

	31.10.13	31.10.12
	£	£
Wages and salaries	5,848,514	6,590,142
Social security costs	486,304	562,932
	<u>6,334,818</u>	<u>7,153,074</u>

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

	31.10.13	31.10.12
Security guards	667	615
Directors	2	2
Administration	8	10
	<u>677</u>	<u>627</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.10.13	31.10.12
	£	£
Radio hire and expenses	6,863	10,640
Other operating leases	68,688	79,463
Depreciation - owned assets	54,771	55,512
Depreciation - assets on hire purchase contracts	39,727	22,718
Loss on disposal of fixed assets	4,763	-
Goodwill amortisation	1,000	1,000
Auditors' remuneration	4,920	7,308
Redundancy and staff related costs following internal restructuring	<u>56,293</u>	<u>-</u>
Directors' remuneration	<u>90,354</u>	<u>86,020</u>

During the year, total costs of £56,293 were incurred following an internal restructuring of support services within the company and wider group. These costs are disclosed within administrative expenses in the profit and loss account for the year.

These costs are considered to be 'one-off' items and non-recurring as there are currently no plans for further restructuring.

4. **INTEREST PAYABLE AND SIMILAR CHARGES**

	31.10.13	31.10.12
	£	£
Bank interest	6,235	3,573
Hire purchase	2,489	2,323
	<u>8,724</u>	<u>5,896</u>

5. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.10.13	31.10.12
	£	£
Current tax:		
Under provision of corporation tax	3,292	-
Deferred tax	<u>2,176</u>	<u>2,343</u>
Tax on profit on ordinary activities	<u>5,468</u>	<u>2,343</u>

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.10.13	31.10.12
	£	£
Profit on ordinary activities before tax	<u>10,301</u>	<u>46,499</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2012 - 20%)	2,060	9,300
Effects of:		
Expenses not deductible for tax purposes	1,382	-
Capital allowances in excess of depreciation	(15,582)	(4,210)
Utilisation of tax losses	-	(5,090)
Adjustments to tax charge in respect of previous periods	3,292	-
Losses carried forward	<u>12,140</u>	<u>-</u>
Current tax charge	<u>3,292</u>	<u>-</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2013

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 November 2012	
and 31 October 2013	20,000
AMORTISATION	
At 1 November 2012	4,000
Amortisation for year	1,000
At 31 October 2013	5,000
NET BOOK VALUE	
At 31 October 2013	15,000
At 31 October 2012	16,000

7. TANGIBLE FIXED ASSETS

	Site assets £	Office equipment £	Fixtures and fittings £
COST			
At 1 November 2012	149,071	15,213	187,575
Additions	102,224	1,646	-
At 31 October 2013	251,295	16,859	187,575
DEPRECIATION			
At 1 November 2012	94,185	13,251	159,885
Charge for year	48,695	904	6,002
Eliminated on disposal	-	-	-
At 31 October 2013	142,880	14,155	165,887
NET BOOK VALUE			
At 31 October 2013	108,415	2,704	21,688
At 31 October 2012	54,886	1,962	27,690

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2013

7. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 November 2012	157,496	109,670	619,025
Additions	36,391	17,305	157,566
Disposals	(12,130)	-	(12,130)
	<hr/>	<hr/>	<hr/>
At 31 October 2013	181,757	126,975	764,461
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 November 2012	80,404	76,144	423,869
Charge for year	26,581	12,316	94,498
Eliminated on disposal	(1,617)	-	(1,617)
	<hr/>	<hr/>	<hr/>
At 31 October 2013	105,368	88,460	516,750
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 October 2013	76,389	38,515	247,711
	<hr/>	<hr/>	<hr/>
At 31 October 2012	77,092	33,526	195,156
	<hr/>	<hr/>	<hr/>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Site assets £	Motor vehicles £	Totals £
COST			
At 1 November 2012	27,005	79,705	106,710
Additions	38,475	36,391	74,866
Transfer to ownership	(27,005)	(12,130)	(39,135)
	<hr/>	<hr/>	<hr/>
At 31 October 2013	38,475	103,966	142,441
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 November 2012	10,982	20,475	31,457
Charge for year	17,924	21,803	39,727
Transfer to ownership	(19,984)	(1,617)	(21,601)
	<hr/>	<hr/>	<hr/>
At 31 October 2013	8,922	40,661	49,583
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 October 2013	29,553	63,305	92,858
	<hr/>	<hr/>	<hr/>
At 31 October 2012	16,023	59,230	75,253
	<hr/>	<hr/>	<hr/>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2013

8. STOCKS

	31.10.13	31.10.12
	£	£
Stocks	12,471	12,471

9. DEBTORS

	31.10.13	31.10.12
	£	£
Amounts falling due within one year:		
Trade debtors	1,922,469	1,770,235
Other debtors	188,680	162,110
Directors' loan accounts	98,933	89,170
Prepayments and accrued income	567,946	408,954
	<u>2,778,028</u>	<u>2,430,469</u>
Amounts falling due after more than one year:		
Prepayments and accrued income	<u>34,444</u>	<u>51,822</u>
Aggregate amounts	<u>2,812,472</u>	<u>2,482,291</u>

The company discounts most of its debts with the Royal Bank of Scotland. At 31st October 2013, total debtors discounted amounted to £1,891,784 (2012 - £1,733,087), against which £1,081,807 was advanced to the company (2012 - £821,496).

Discounting charges incurred by the company during the year amounted to £23,293 (2012 - £30,459).

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.13	31.10.12
	£	£
Bank loans and overdrafts (see note 12)	76,550	91,830
Hire purchase contracts (see note 13)	50,475	26,513
Trade creditors	193,953	145,969
Tax	471	-
Social security and other taxes	305,898	190,439
VAT	453,676	489,608
Other creditors	586,203	599,691
Amounts owed to discounter	1,081,807	821,496
Accruals and deferred income	3,863	8,647
	<u>2,752,896</u>	<u>2,374,193</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2013

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.10.13	31.10.12
	£	£
Bank loans (see note 12)	-	18,333
Hire purchase contracts (see note 13)	52,750	38,754
	<u>52,750</u>	<u>57,087</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.10.13	31.10.12
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	58,217	71,830
Bank loans	18,333	20,000
	<u>76,550</u>	<u>91,830</u>

Amounts falling due between one and two years:

Bank loans - 1-2 years	-	18,333
	<u>-</u>	<u>18,333</u>

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	31.10.13	31.10.12
	£	£
Gross obligations repayable:		
Within one year	56,945	31,131
Between one and five years	58,082	44,127
	<u>115,027</u>	<u>75,258</u>
Finance charges repayable:		
Within one year	6,470	4,618
Between one and five years	5,332	5,373
	<u>11,802</u>	<u>9,991</u>
Net obligations repayable:		
Within one year	50,475	26,513
Between one and five years	52,750	38,754
	<u>103,225</u>	<u>65,267</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2013

13. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	31.10.13	31.10.12	31.10.13	31.10.12
	£	£	£	£
Expiring:				
Within one year	38,225	-	-	-
Between one and five years	-	-	4,684	19,492
In more than five years	-	76,449	-	-
	<u>38,225</u>	<u>76,449</u>	<u>4,684</u>	<u>19,492</u>

14. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.10.13	31.10.12
	£	£
Bank overdrafts	58,217	71,830
Bank loans	18,333	38,333
Hire purchase contracts	103,225	65,267
	<u>179,775</u>	<u>175,430</u>

The hire purchase liabilities are secured on the assets concerned.

The bank overdraft is secured via an unscheduled Mortgage Debenture dated 20th January 1993 incorporating a fixed and floating charge over all current and future assets of the company.

25% of the bank loan is personally secured by A W Harper, a director. The remaining 75% is secured by the Department of Trade and Industry.

There is a cross company guarantee between Anchor Group Services Ltd, Anchor Security Services Ltd and Anchor Cleaning Services Ltd dated 17th September 2010.

15. **PROVISIONS FOR LIABILITIES**

	31.10.13	31.10.12
	£	£
Deferred tax provision	<u>13,652</u>	<u>11,476</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 October 2013

15. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 November 2012	11,476
Charge to profit and loss account during year	2,176
Balance at 31 October 2013	<u>13,652</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31.10.13	31.10.12
Number:	Class:	£1	£	£
20,103	Ordinary		<u>20,103</u>	<u>20,103</u>

17. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 November 2012	159,264	84,552	243,816
Profit for the year	4,833		4,833
At 31 October 2013	<u>164,097</u>	<u>84,552</u>	<u>248,649</u>

18. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 October 2013 and 31 October 2012:

	31.10.13 £	31.10.12 £
A W Harper		
Balance outstanding at start of year	89,170	87,408
Amounts advanced	6,420	1,762
Amounts repaid	-	-
Balance outstanding at end of year	<u>95,590</u>	<u>89,170</u>
L Hiles		
Balance outstanding at start of year	-	-
Amounts advanced	3,343	-
Amounts repaid	-	-
Balance outstanding at end of year	<u>3,343</u>	<u>-</u>

18. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

All advances are interest free, unsecured and have no formal repayment schedule.

19. RELATED PARTY DISCLOSURES

The company was deemed to be related to Anchor Cleaning Services Limited by virtue of the common ownership of the two companies by Anchor Group Services Limited.

Anchor Security Services Limited received income and paid expenses on behalf of Anchor Cleaning Services Limited during the year. At the year end Anchor Security Services were owed £136,150 by Anchor Cleaning Services (2012 - £123,488) which is disclosed in Other Debtors.

No amounts were due to or from the holding company at the year end.

There is a cross company guarantee between Anchor Group Services Ltd, Anchor Security Services Ltd and Anchor Cleaning Services Ltd dated 17th September 2010.

A W Harper, a director, has personally secured 25% of the bank loan.

20. ULTIMATE CONTROLLING PARTY

The ultimate holding company of Anchor Security Services Limited is Anchor Group Services Limited.

Mr A W Harper is considered to ultimately control both entities due to his majority shareholding in Anchor Group Services Limited.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.10.13	31.10.12
	£	£
Profit for the financial year	4,833	44,156
Net addition to shareholders' funds	<u>4,833</u>	<u>44,156</u>
Opening shareholders' funds	263,919	219,763
Closing shareholders' funds	<u><u>268,752</u></u>	<u><u>263,919</u></u>