

COMPANY REGISTRATION NUMBER: 04050312

Castlegate Security Services Ltd
Unaudited Financial Statements
31 August 2017

Castlegate Security Services Ltd

Financial Statements

Year ended 31 August 2017

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Castlegate Security Services Ltd

Director's Report

Year ended 31 August 2017

The director presents his report and the unaudited financial statements of the company for the year ended 31 August 2017 .

Director

The director who served the company during the year was as follows:

Mr C Preston

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 27 June 2018 and signed on behalf of the board by:

Mr C Preston

Director

Registered office:

Suite 2a

Lower Ground Floor

Telephone House

Fenton Street

Lancaster

LA1 1AB

Castlegate Security Services Ltd

Statement of Income and Retained Earnings

Year ended 31 August 2017

		2017	2016
	Note	£	£
Turnover		889,484	652,539
Cost of sales		677,008	534,853
		-----	-----
Gross profit		212,476	117,686
Administrative expenses		124,110	98,293
		-----	-----
Operating profit		88,366	19,393
Interest payable and similar expenses		1,406	1,604
		-----	-----
Profit before taxation	5	86,960	17,789
Tax on profit	6	16,867	3,637
		-----	-----
Profit for the financial year and total comprehensive income		70,093	14,152
		-----	-----
Dividends paid and payable		(32,000)	(30,000)
Retained earnings at the start of the year		7,289	23,137
		-----	-----
Retained earnings at the end of the year		45,382	7,289
		-----	-----

All the activities of the company are from continuing operations.

Castlegate Security Services Ltd

Statement of Financial Position

31 August 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	7	9,507	12,676
Tangible assets	8	22,605	19,263
		<u>32,112</u>	<u>31,939</u>
Current assets			
Debtors	9	158,626	51,231
Cash at bank and in hand		3,350	28,870
		<u>161,976</u>	<u>80,101</u>
Creditors: amounts falling due within one year	10	140,888	102,003
Net current assets/(liabilities)		<u>21,088</u>	<u>(21,902)</u>
Total assets less current liabilities		<u>53,200</u>	<u>10,037</u>
Creditors: amounts falling due after more than one year	11	4,427	—
Provisions			
Taxation including deferred tax		3,389	2,746
Net assets		<u>45,384</u>	<u>7,291</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		45,382	7,289
Shareholders funds		<u>45,384</u>	<u>7,291</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Castlegate Security Services Ltd

Statement of Financial Position *(continued)*

31 August 2017

These financial statements were approved by the board of directors and authorised for issue on 27 June 2018 , and are signed on behalf of the board by:

Mr C Preston

Director

Company registration number: 04050312

Castlegate Security Services Ltd

Notes to the Financial Statements

Year ended 31 August 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Suite 2a, Lower Ground Floor, Telephone House, Fenton Street, Lancaster, LA1 1AB.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 September 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Amortisation

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

Goodwill	-	20% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Motor vehicles	-	20% straight line
Equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 39 (2016: 33).

5. Profit before taxation

Profit before taxation is stated after charging:

	2017	2016
	£	£
Amortisation of intangible assets	3,169	3,169
Depreciation of tangible assets	11,989	6,323
	-----	-----

6. Tax on profit

Major components of tax expense

	2017	2016
	£	£
Current tax:		
UK current tax expense	16,224	3,991
Deferred tax:		
Origination and reversal of timing differences	643	(354)
	-----	-----
Tax on profit	16,867	3,637
	-----	-----

7. Intangible assets

	Goodwill
	£
Cost	
At 1 September 2016 and 31 August 2017	28,808

Amortisation	
At 1 September 2016	16,132
Charge for the year	3,169

At 31 August 2017	19,301

Carrying amount	
At 31 August 2017	9,507

At 31 August 2016	12,676

8. Tangible assets

	Motor vehicles	Equipment	Total
	£	£	£
Cost			
At 1 September 2016	41,764	41,588	83,352
Additions	—	15,331	15,331
	-----	-----	-----
At 31 August 2017	41,764	56,919	98,683
	-----	-----	-----
Depreciation			
At 1 September 2016	31,079	33,010	64,089
Charge for the year	4,992	6,997	11,989
	-----	-----	-----
At 31 August 2017	36,071	40,007	76,078
	-----	-----	-----
Carrying amount			
At 31 August 2017	5,693	16,912	22,605
	-----	-----	-----
At 31 August 2016	10,685	8,578	19,263
	-----	-----	-----

9. Debtors

	2017	2016
	£	£
Trade debtors	158,501	51,106
Other debtors	125	125
	-----	-----

158,626

51,231

10. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	321	—
Trade creditors	16,486	11,523
Corporation tax	20,255	17,808
Social security and other taxes	81,187	60,707
Other creditors	22,639	11,965
	<u>140,888</u>	<u>102,003</u>

11. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	4,427	—
	<u>4,427</u>	<u>—</u>

12. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2017	2016
	£	£
Not later than 1 year	2,310	1,758
Later than 1 year and not later than 5 years	4,427	—
	<u>6,737</u>	<u>1,758</u>

13. Deferred tax

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

	2017	2016
	£	£
Included in provisions	3,389	2,746
	<u>3,389</u>	<u>2,746</u>

14. Director's advances, credits and guarantees

The directors loan account remained in credit throughout the current and previous year.

15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 September 2015.

No transitional adjustments were required in equity or profit or loss for the year.

Castlegate Security Services Ltd

Management Information

Year ended 31 August 2017

The following pages do not form part of the financial statements.

Castlegate Security Services Ltd

Detailed Income Statement

Year ended 31 August 2017

	2017	2016
	£	£
Turnover	889,484	652,539
Cost of sales		
Purchases	42,610	27,003
Wages and salaries	561,664	426,379
Social security costs	29,109	27,202
Subcontractor costs	43,625	54,269
	-----	-----
	677,008	534,853
	-----	-----
Gross profit	212,476	117,686
Overheads		
Administrative expenses		
Rates	311	670
Rent	4,494	4,713
Light and heat	—	1,206
Insurance	5,774	4,702
Repairs & renewals	2,422	2,840
Office wages	26,928	17,397
Employers national insurance contributions	1,469	—
Employers pension contributions	3,626	4,047
Motor expenses	24,953	19,059
Travel and subsistence	499	2
Equipment rental	3,341	1,767
Telephone	5,331	4,782
Subscriptions	1,884	1,999
Stationery & office supplies	4,548	3,952
Staff training & recruitment	1,019	3,159
Workwear	4,441	3,240
Sundry expenses	866	671
Entertaining	—	395
Bank charges	518	486
Professional fees	6,780	3,410
Accountancy	1,644	2,240
Directors remuneration	8,104	8,064
Goodwill purchased written off	3,169	3,169
Depreciation of equipment	11,989	6,323
	-----	-----
	124,110	98,293
	-----	-----
Operating profit	88,366	19,393
Interest payable and similar expenses	(1,406)	(1,604)
	-----	-----
Profit before taxation	86,960	17,789

Castlegate Security Services Ltd

Notes to the Detailed Income Statement

Year ended 31 August 2017

	2017	2016
	£	£
Interest payable and similar expenses		
Interest on overdue tax	178	—
Hire purchase interest	1,228	1,604

	1,406	1,604

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