

Registered Number 5072221

**MSECURE LIMITED**  
**UNAUDITED REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2015**

FRIDAY



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COMPANIES HOUSE

# **MSECURE LIMITED**

(the "Company")

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**MSECURE LIMITED****Company Information**

<b>Directors</b>	Dennis Hone Stephen Pycroft Richard Rogers
<b>Secretary</b>	Eloise Mangan
<b>Registered office</b>	155 Moorgate London EC2M 6XB
<b>Bankers</b>	Barclays Bank plc London Corporate Banking Level 28 1 Churchill Place London E14 5HP
<b>Company registration number</b>	05072221

**MSECURE LIMITED****Directors' report**

The directors have pleasure in presenting their report and the financial statements of the Company for the year ended 31 December 2015

**Results and dividends**

The profit for the year after taxation amounted to £460,000 (2014 loss £274,000) The directors have not paid a dividend (2014 £nil)

**Going concern**

After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Company's financial statements

**Directors**

The directors who served the Company during the year were as follows

Dennis Hone  
Stephen Pycroft  
Richard Rogers

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and therefore a separate strategic report is not required to be presented. Business review, outlook and financial risk objectives and policies are located in the strategic report

The financial statements are available to the public. Please write to the registered office which can be found on page 1

Signed by order of the directors



Eloise Mangan  
Company Secretary

26 July 2016

**MSECURE LIMITED****Statement of directors' responsibilities**

The directors are responsible for preparing 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 including FRS 101 'Reduced Disclosure Framework'). 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 year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## MSECURE LIMITED

**Income Statement**  
**For the year ended 31st December 2015**

	<u>Note</u>	<u>2015</u> £000s	<u>2014</u> £000s
Turnover	1	8,171	6,143
Cost of sales		<u>(7,411)</u>	<u>(6,041)</u>
<b>Gross profit</b>		<b>760</b>	<b>102</b>
Administration expenses		<u>(293)</u>	<u>(451)</u>
<b>Operating profit/(loss)</b>	2	<b>467</b>	<b>(349)</b>
Other interest receivable and similar income		-	-
<b>Profit/(loss) on ordinary activities before taxation</b>		<u><b>467</b></u>	<u><b>(349)</b></u>
Taxation on profit/(loss) on ordinary activities	4	<u>(7)</u>	<u>75</u>
<b>Profit/(loss) and total comprehensive income for the financial year</b>		<u><b>460</b></u>	<u><b>(274)</b></u>

The notes on pages 7 to 12 are an integral part of these financial statements

**MSECURE LIMITED****Balance sheet as at 31st December 2015**

	<u>Note</u>	<u>2015</u> <u>£000s</u>	<u>2014</u> <u>£000s</u>
<b>Fixed assets</b>			
Tangible fixed assets		-	1
<b>Current assets</b>			
Work in progress		-	817
Trade and other receivables	5	235	2,512
Cash and cash equivalents		1,994	1,030
		<u>2,229</u>	<u>4,359</u>
<b>Current liabilities</b>			
Trade and other payables	6	(2,629)	(5,094)
Tax payable	4	(203)	(328)
		<u>(2,832)</u>	<u>(5,422)</u>
<b>Net current liabilities</b>		<u>(603)</u>	<u>(1,063)</u>
<b>Net liabilities</b>		<u>(603)</u>	<u>(1,063)</u>
<b>Equity</b>			
Share capital	7	-	-
Retained earnings		(603)	(1,063)
<b>Total equity</b>		<u>(603)</u>	<u>(1,063)</u>

**Audit exemption statement**

For the financial year ended 31 December 2015 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 (the "Act") relating to subsidiary companies

**Directors' responsibilities**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The directors acknowledge their responsibilities for complying with the provisions applicable to companies subject to the small companies' regime and in accordance with Financial Reporting Standard for smaller entities

The financial statements were approved by the board on and signed on its behalf on 26 July 2016 by

  
Richard Rogers  
Director

Company registration number 05072221

The notes on pages 7 to 12 are an integral part of these financial statements

## MSECURE LIMITED

**Statement of changes in equity**  
**For the year ended 31st December 2015**

<b>2015</b>	<u>Note</u>	<u>Share capital</u> £000s	<u>Retained earnings</u> £000s	<u>Total equity</u> £000s
Balance at 1st January 2015	7	-	(1,063)	(1,063)
<b>Changes in equity</b>				
Total comprehensive income		-	460	460
<b>Balance at 31st December 2015</b>		<u>-</u>	<u>(603)</u>	<u>(603)</u>
 <b>2014</b>				
Balance at 1st January 2014	7	-	(789)	(789)
<b>Changes in equity</b>				
Total comprehensive income		-	(274)	(274)
<b>Balance at 31st December 2014</b>		<u>-</u>	<u>(1,063)</u>	<u>(1,063)</u>

The notes on pages 7 to 12 are an integral part of these financial statements



## MSECURE LIMITED

### Financial Statements for the year ended 31st December 2015

#### Notes

##### 1 Accounting Policies

MSecure Limited ("the Company") is a company incorporated and domiciled in the UK

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101")

In the transition from UK GAAP, the Company has made no measurement or recognition adjustments. In applying FRS 101, various disclosure amendments to the financial statements have been applied from International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") disclosure requirements. The results of the Company herein have not been materially impacted due to the adoption of FRS 101. The comparative information has been amended where necessary to reflect the disclosure requirements of FRS 101.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of Adopted IFRSs but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The company's ultimate parent undertaking, Mace Finance Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Mace Finance Limited, are prepared in accordance with IFRS and are available to the public and may be obtained from Companies House.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes,
- disclosures in respect of transactions with wholly owned subsidiaries,
- the effects of new but not yet effective IFRSs,
- in respect of compensation of Key Management Personnel.

As the consolidated financial statements of Mace Finance Limited, include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosures,

- certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The accompanying policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1st January 2014 for the purposes of the transition of FRS 101.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1(h).

## MSECURE LIMITED

## Financial Statements for the year ended 31st December 2015

## Notes (Continued)

## (a) Measurement convention

The financial statements are prepared on the historical cost basis except where FRS 101 requires an alternative treatment

## (b) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables. These are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Company are as follows

*Trade and other receivables*

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

*Trade and other payables*

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits with the maturity of three months or less.

## (c) Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and probable and that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specified to the liability.

The provision for doubtful debts is on a percentage of aged receivables. The provision is reviewed and checked to ensure that an appropriate balance is reflected.

## (d) Turnover

Turnover represents services rendered for the provision of cost consultancy, construction and project management services, quantity surveying and property consultancy and is net of VAT and trade discounts.

## (e) Long term contracts

Long term contract work in progress is stated at cost plus attributable profits less foreseeable losses and progress payments received and receivable and is disclosed under receivables. Cost comprises direct labour, trade contractors and attributable overheads. Attributable profit is that proportion of the total currently estimated to arise over the duration of a contract, which may reasonably be attributed to the work carried at the balance sheet date. Foreseeable losses are all losses currently expected to arise on contracts in progress, irrespective of their stage of completion at the balance sheet date. Progress payments receivable in excess of the value of work executed on individual contracts are included in payables.

## MSECURE LIMITED

## Financial Statements for the year ended 31st December 2015

## Notes (Continued)

## (f) Expenses

*Interest receivable and interest payable*

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in the income statement using the effective interest method, unwinding of the discount on provisions and net foreign exchange losses that are recognised in the income statement. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

## (g) Taxation

Tax on the income statement for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided on temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that effect neither accounting nor taxable profit other than a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

## (h) Accounting Estimates and Judgements

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") but makes amendments where necessary in order to comply with Companies Act 2006.

In some cases, the accounting treatment of a particular transaction is specifically dictated by Adopted IFRS and does not require management's judgement in its application, while in other cases, significant judgement is required in making estimates, and selecting among available alternative accounting standards that allow different accounting treatment for similar transactions. These judgements and estimates effect the reported amounts of assets, liabilities, revenue, costs and expenses and related disclosures.

The preparation of financial statements in conformity with Adopted IFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

## MSECURE LIMITED

## Financial Statements for the year ended 31st December 2015

## Notes (Continued)

Estimates and judgements are continually made and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

The Directors believe the following to be the key areas of estimation and judgement

## (i) Revenue and profit recognition

Revenue is recognised based on the stage of completion of job or contract activity. As described in the accounting policies, certain types of service provision pricing mechanisms require minimal judgement, however service provision lump sum construction and construction-type contracts do require judgements and estimates to be made to determine the stage of completion and the expected outcome for the individual contract.

## (ii) Valuation of accrued revenue and amounts recoverable under construction contracts. The key judgements and estimates in determining the recoverable amounts of accrued revenue arising from construction and non-construction contracts were

- an estimation of work completed by subcontractors, as yet unbilled,
- an estimation of costs to complete, and
- an estimation of remaining revenues

These assessments include a degree of uncertainty and therefore if the key judgements and estimates change, further adjustments of recoverable amounts may be necessary.

## 2 Operating profit/(loss)

This is stated after charging

	<u>2015</u> £000s	<u>2014</u> £000s
Depreciation	1	1
Staff costs (see note 3 below)	<u>-</u>	<u>-</u>

## 3 Staff numbers and costs

	<u>2015</u> £000s	<u>2014</u> £000s
Staff Costs	<u>-</u>	<u>-</u>

All staff are employed by Mace International (UK) Limited and during the year £980,000 (2014: £958,000) was recharged to MSecure Limited from Mace International (UK) Limited and Mace Limited. The costs represent those attributable to the projects and administration of the company. It is impractical to estimate the average number of employees utilised on projects of the company, but the average number of persons employed and utilised on projects undertaken by the Company, its parent company and fellow subsidiaries is disclosed within the report and financial statements of Mace Limited.

## MSECURE LIMITED

## Financial Statements for the year ended 31st December 2015

## Notes (Continued)

## 4 Taxation

Recognised in the income statement

	<u>2015</u> £000s	<u>2014</u> £000s
Tax on profit/(loss) on ordinary activities	<u>7</u>	<u>(75)</u>

*Factors affecting the tax expense*

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

Reconciliation of effective tax rate

Profit/(loss) before taxation	<u>467</u>	<u>(349)</u>
Tax at the UK corporation tax rate of 20 25% (2014 21 50%)	<u>7</u>	<u>(75)</u>
Total tax expense	<u>7</u>	<u>(75)</u>
Current taxes payable		
Current taxes payable per the balance sheet	<u>203</u>	<u>328</u>

Reductions in the UK corporation tax rate from 23 2% (effective 1st April 2013) to 21 50% (effective 1st April 2014) and to 20 25% (effective from 1st April 2015) have been enacted. This will reduce the Company's future current tax charge accordingly.

## 5 Trade and other receivables due within one year

	<u>2015</u> £000s	<u>2014</u> £000s
Trade receivables	140	1,992
Amounts owed by group undertakings	54	277
Taxation and social security receivable	41	97
Other receivables	-	4
Prepayments and accrued income	<u>-</u>	<u>142</u>
	<u>235</u>	<u>2,512</u>

## MSECURE LIMITED

## Financial Statements for the year ended 31st December 2015

## Notes (Continued)

## 6 Trade and other payables due within one year

	<u>2015</u> £000s	<u>2014</u> £000s
Trade payables	57	360
Amounts due to group undertakings	2,277	4,036
Accruals and deferred income	266	699
Other payables	29	-
	<u>2,629</u>	<u>5,094</u>

## 7 Capital and reserves

	<u>2015</u> £000s	<u>2014</u> £000s
Share capital		
Allotted, called up and fully paid		
9 ordinary shares of £1 each	-	-

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company

## 8 Contingent assets and liabilities

The Company will accrue for contingent obligations, including estimated legal costs, when the obligation is probable and the amount is reasonable estimable. As facts concerning contingencies become known, the Company reassesses the position and makes appropriate adjustments to the financial statements.

Estimates that are particularly sensitive to future changes include those related to tax, legal, and other regulatory matters, changes in the interpretation and enforcement of international laws, and the impact of local economic conditions and practices, which are all subject to change as events evolve and as additional information becomes available during the administrative and litigation process.

The Company is party to a group liability arrangement with its principal bankers providing a right of set-off of all group balances. Whilst certain group companies have overdrawn balances, at 31 December 2015 there was no net group indebtedness to its bankers and therefore the directors consider that no contingency arises.

## 9 Immediate and ultimate controlling party

The Company is a wholly owned subsidiary of Mace Limited. Mace Finance Limited is the ultimate parent undertaking with Mace Limited being the immediate parent undertaking. Both companies are registered in England and Wales. The results of the Company are included in the consolidated accounts of Mace Limited and Mace Finance Limited, copies of which are available at Companies House.

## 10 First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS101 and have not impacted on equity or profit and loss.