

# Financial Statements Safeguard Solutions Limited (formerly Safeguard Security Solutions Limited)

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**For the year ended 31 March 2013**

**Registered number: 06387991**

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**Safegard Solutions Limited (formerly Safegard Security Solutions Limited)**

## Company Information

<b>Directors</b>	Y Turgut E Wilson (resigned 31 December 2012) A Toft (appointed 1 January 2013)
<b>Company secretary</b>	Y Turgut
<b>Registered number</b>	06387991
<b>Registered office</b>	Unit 1C Kingsway West Business Park Moss Bridge Road Rochdale OL16 5LX
<b>Independent auditors</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 4 Hardman Square Spinningfields Manchester M3 3EB
<b>Bankers</b>	The Co-operative Bank 1 Balloon Street Manchester M60 4EP

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## **Directors' report**

**For the year ended 31 March 2013**

The directors present their report and the financial statements for the year ended 31 March 2013

### **Directors' responsibilities statement**

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). 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 judgments 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 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 activities**

The principal activities of the company during the year were design, supply, installation and maintenance of intruder alarms, CCTV, access control equipment, fire alarms and emergency lighting systems, concierge services, remote monitoring of intruder alarms and public space surveillance and monitoring of CCTV cameras.

The profit for the year after taxation amounted to £287,987 (2012 £204,907). During the year the company paid dividends of £300,000 (2012 £200,000).

On 14 January 2013, the Company changed its name from Safegard Security Solutions Limited to Safegard Solutions Limited.

### **Directors**

The directors who served during the year were

Y Turgut  
E Wilson (resigned 31 December 2012)  
A Toft (appointed 1 January 2013)

## **Directors' report**

**For the year ended 31 March 2013**

### **Provision of information to auditors**

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

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

### **Auditors**

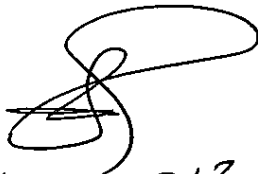
The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf

**Y Turgut**  
Director

Date

  
9 May 2013

## Independent auditors' report to the members of Safegard Solutions Limited (formerly Safegard Security Solutions Limited)

We have audited the financial statements of Safegard Solutions Limited (formerly Safegard Security Solutions Limited) for the year ended 31 March 2013, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent auditors' report to the members of Safegard Solutions Limited (formerly Safegard Security Solutions Limited)

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report.

Grant Thornton UK LLP

Fiona Baldwin (Senior statutory auditor)

for and on behalf of  
Grant Thornton UK LLP

Statutory Auditor  
Chartered Accountants

Manchester

Date 9 May 2013

## Profit and loss account

For the year ended 31 March 2013

	Note	2013 £	2012 £
Turnover	1	1,836,320	1,769,139
Cost of sales		<u>(586,000)</u>	<u>(610,272)</u>
<b>Gross profit</b>		<b>1,250,320</b>	<b>1,158,867</b>
Administrative expenses		<u>(885,888)</u>	<u>(899,450)</u>
<b>Profit on ordinary activities before taxation</b>		<b>364,432</b>	<b>259,417</b>
Tax on profit on ordinary activities	3	<u>(76,445)</u>	<u>(54,510)</u>
<b>Profit for the financial year</b>		<b><u>287,987</u></b>	<b><u>204,907</u></b>

The notes on pages 7 to 10 form part of these financial statements



## Balance sheet

As at 31 March 2013

	Note	£	2013 £	2012 £
<b>Fixed assets</b>				
Tangible assets	6		7,523	11,474
<b>Current assets</b>				
Stocks		88,145	67,785	
Debtors	7	211,175	42,843	
Cash at bank		126,541	554,851	
		<u>425,861</u>	<u>665,479</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(378,081)</u>	<u>(608,824)</u>	
<b>Net current assets</b>			<u>47,780</u>	<u>56,655</u>
<b>Total assets less current liabilities</b>			<u>55,303</u>	<u>68,129</u>
<b>Provisions for liabilities</b>				
Deferred tax			<u>(825)</u>	<u>(1,638)</u>
<b>Net assets</b>			<u><u>54,478</u></u>	<u><u>66,491</u></u>
<b>Capital and reserves</b>				
Called up share capital	10		2	2
Profit and loss account	11		<u>54,476</u>	<u>66,489</u>
<b>Shareholders' funds</b>			<u><u>54,478</u></u>	<u><u>66,491</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**Y Turgut**  
Director

Date 9 May 2013

The notes on pages 7 to 10 form part of these financial statements

# Notes to the financial statements

For the year ended 31 March 2013

## 1. Accounting policies

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

### 1.2 Going concern

These financial statements have been prepared on a going concern basis. The directors have prepared forecasts for the period until 30 June 2014 and are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future. The company's forecasts and projections, which take into account reasonable possible changes in trading performance, show that the company will be able to operate within the level of the current facilities. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

### 1.3 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

### 1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	Five years straight line
Fixtures & fittings	-	Five years straight line
Office equipment	-	Five years straight line

## 2. Operating profit

The operating profit is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	3,951	3,622
Auditors' remuneration	5,460	5,200
Pension costs	86,493	78,248

During the year, no director received any emoluments (2012 - £NIL)

# Notes to the financial statements

For the year ended 31 March 2013

## 3. Tax on profit on ordinary activities

	2013 £	2012 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b>		
Corporation tax on profit on ordinary activities at 24% (2012 20%)	77,258	52,872
<b>Deferred tax</b>		
Origination and reversal of timing differences	(813)	1,638
<b>Tax on profit on ordinary activities</b>	<u>76,445</u>	<u>54,510</u>

## 4. Staff costs

Staff costs were as follows

	2013 £	2012 £
Wages and salaries	668,174	641,883
Social security costs	48,975	45,777
Other pension costs	86,493	78,248
	<u>803,642</u>	<u>765,908</u>

The average monthly number of staff employed by the company during the year was as follows

	2013 No.	2012 No
Operational	8	5
Administration	2	2
	<u>10</u>	<u>7</u>

During the period, the company utilised 17 employees (2012 19) seconded from Rochdale Boroughwide Housing Limited. The aggregate payroll costs include seconded employees for the period.

## 5. Directors' remuneration

Directors are remunerated through the company's controlling interests

# Notes to the financial statements

For the year ended 31 March 2013

## 6. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2012 and 31 March 2013	8,902	312	8,513	17,727
<b>Depreciation</b>				
At 1 April 2012	3,117	10	3,126	6,253
Charge for the year	1,781	63	2,107	3,951
At 31 March 2013	4,898	73	5,233	10,204
<b>Net book value</b>				
At 31 March 2013	4,004	239	3,280	7,523
At 31 March 2012	5,785	302	5,387	11,474

## 7. Debtors

	2013 £	2012 £
Trade debtors	15,964	18,304
Amounts due from controlling parties	123,515	-
Amounts due from related parties	47,335	-
Prepayments & accrued income	24,361	22,169
Other debtors	-	2,370
	<b>211,175</b>	<b>42,843</b>

## 8. Creditors:

### Amounts falling due within one year

	2013 £	2012 £
Trade creditors	24,886	-
Amounts owed to controlling parties	104,386	-
Corporation tax	77,258	52,872
Other taxation	46,079	141,554
Accruals and deferred income	125,472	414,398
	<b>378,081</b>	<b>608,824</b>

## Notes to the financial statements

For the year ended 31 March 2013

### 9. Related party transactions

During the year the company had the following transactions with related parties

During the year sales of £1,241,670 (2012 £1,967,724) and purchases of £1,081,285 (2012 £1,034,996) were made to/from Rochdale Boroughwide Housing Limited, a controlling party of Safegard Solutions Limited. In addition, sales of £235,000 (2012 £31,595), and purchases of £958 (2012 £Nil) were made to Rochdale Metropolitan Borough Council (RMBC), which is related to Rochdale Boroughwide Housing Limited due to the inclusion of several RMBC councillors on the Board of directors

Amounts due from Rochdale Boroughwide Housing Limited, a controlling party at 31 March 2013 were £123,515 (2012 £Nil). Amounts owed to Rochdale Boroughwide Housing Limited at 31 March 2013 were £104,386 (2012 £Nil). Amounts due from Rochdale Metropolitan Borough Council were £47,335 (2012 £7,626)

### 10. Share capital

	2013 £	2012 £
<b>Authorised</b>		
1,000,000 Ordinary shares shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares shares of £1 each	<u>2</u>	<u>2</u>

### 11. Profit and loss account

	2011 £
At 1 April 2012	66,489
Profit for the financial year	287,987
Dividends paid	<u>(300,000)</u>
At 31 March 2013	<u>54,476</u>

### 12. Ultimate controlling party

The company is a joint venture between Securecom Limited and Rochdale Boroughwide Housing Limited. Both controlling parties own one ordinary share each.

Copies of financial statements of the controlling parties are publicly available