

COMMUNITY AND SAFETY SERVICES LIMITED

Registered number: SC308081

Directors' Report and Financial Statements

For the year ended 31 March 2016

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COMMUNITY AND SAFETY SERVICES LIMITED

Financial Statements For the year ended 31 March 2016

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COMMUNITY AND SAFETY SERVICES LIMITED
Company Information

Officers and Professional Advisors

Board of Directors

Philip Walker – Managing Director
Brian McNulty
John McMurtie Duncanson

Company Secretary

Brodies Secretarial Services Limited

Registered Office and Principal Address

Eastgate
727 London Road
Glasgow
G40 3AQ

communitysafetyglasgow.org

Auditor

Scott-Moncrieff
Chartered Accountants
25 Bothwell Street
Glasgow
G2 6NL

Principal Bankers

Clydesdale Bank Plc
30 St Vincent Place
Glasgow
G1 2HL

Solicitors

Burness Paull LLP
50 Lothian Road
Edinburgh
EH3 9WJ

Brodies LLP
100 Queen Street
Glasgow
G1 3BX

COMMUNITY AND SAFETY SERVICES LIMITED

DIRECTORS' REPORT

For the year ended 31 March 2016

The directors present their report and the audited financial statements for the year ended 31 March 2016.

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 applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards including Section 1A of 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 activity

Community & Safety Services Limited (CSS) was established as Community Safety Glasgow's (CSG) trading subsidiary in 2009. The company is registered in Scotland SC308081. Community and Safety Services allows CSG to deliver services to non GCC customers with no affect to the parent company's charitable status.

The main areas of service delivery were:-

- Antisocial Behaviour Services
- Lone worker
- Alarm & CCTV monitoring
- Security Services.

The above services are delivered to a number of customers; however the main customers were -

- 24 Glasgow based Housing Associations
- Priory Group
- NHS

The strategy for 2016/17 is to continue to grow the services provided by the Alarm Receiving Centre.

Review of Business

The Statement of Comprehensive Income on page 6 reflects a loss for the year amounting to £59k, (before gift aid of £19k to Community Safety Glasgow).

The receipt of income in year of £446k was allocated in accordance with all funding guidelines.

The movement against net assets represents the net position of funding against expenditure in the financial year ending 31 March 2016, inclusive of Gift Aid.

The budget for 2016-17 indicates that Community and Safety Services Ltd will generate a small profit. The financial statements are prepared on a going concern basis.

COMMUNITY AND SAFETY SERVICES LIMITED

DIRECTORS' REPORT

For the year ended 31 March 2016

Directors

The directors during the year and up to the date of approval of the financial statements were:

Philip Walker – Managing Director

Nina Baker (resigned 27 June 2016)

Catherine Fallon (resigned 8 August 2016)

Brian McNulty (appointed 24 March 2016)

John McMurtie Duncanson (appointed 24 November 2015)

Andrew Bates (appointed 6 May 2015 and resigned 24 March 2016)

Wayne Patrick Mawson (resigned 6 May 2015)

Future developments

The directors do not anticipate any significant changes to the nature of the business conducted in the near future.

Disclosure of information to auditor

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- So far as the director is aware, there is no relevant information of which the company's auditor is unaware, and;
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of the information.

Post balance sheet events

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

Auditor

A resolution to re-appoint Scott-Moncrieff, Chartered Accountants, as auditor will be put to members at the annual general meeting.

Small company exemptions

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 30 August 2016 and signed on its behalf by:-



Philip Walker
Director

COMMUNITY AND SAFETY SERVICES LIMITED

Independent auditor's report to the members of Community and Safety Services Limited

We have audited the financial statements of Community and Safety Services Limited for the year ended 31 March 2016 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS102 'the Financial Reporting standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Small Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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 and the Directors' Report has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of our audit, we have not identified any material misstatements in the Directors' Report.

COMMUNITY AND SAFETY SERVICES LIMITED

Independent auditor's report to the members of Community and Safety Services 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 and the directors' report in accordance with the small companies regime; or
- the directors were not exempt from the requirements to prepare a strategic report.

Scott-Moncrieff

Allison Gibson, Senior Statutory Auditor
For and on behalf of Scott-Moncrieff, Statutory Auditor
Chartered Accountants
25 Bothwell Street
Glasgow
G2 6NL

Dated: 30 August 2016

COMMUNITY AND SAFETY SERVICES LIMITED

Statement of Comprehensive Income For the year ended 31 March 2016

	Note	31 March 2016 £	31 March 2015 £
Turnover	5	445,901	560,030
Cost of sales		(495,641)	(503,855)
Gross (loss)/profit		(49,740)	56,175
Administrative expenses		(9,157)	(37,188)
Operating (loss)/profit	6	(58,897)	18,987
Gift Aid payment to charitable parent company		(18,987)	(54,639)
(Loss) before taxation		(77,884)	(35,652)
Tax on loss	8	-	-
(Loss) for the year		(77,884)	(35,652)
Other comprehensive income for the year			
Total comprehensive income for the year		(77,884)	(35,652)

The notes on pages 9 to 14 form part of these financial statements

COMMUNITY AND SAFETY SERVICES LIMITED

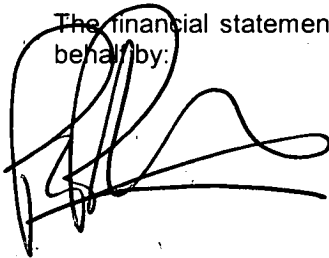
Balance Sheet

For the year ended 31 March 2016

	Note	31 March 2016		31 March 2015	
		£	£	£	£
Current assets					
Debtors	9	111,800		122,672	
Cash and cash equivalents	10	113,808		139,221	
			225,608		261,893
Creditors: amounts falling due within one year	11	(284,503)		(242,904)	
			(284,503)		(242,904)
Net (liabilities)/assets			(58,895)		18,989
Capital & reserves					
Called up share capital	13		2		2
Profit and loss account	14		(58,897)		18,987
			(58,895)		18,989

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with Section 1A of the FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The financial statements were authorised for issue by the Board on 30 August 2016 and signed on its behalf by:



Philip Walker

Director

Company Number: SC308081

The notes on pages 9 to 14 form part of these financial statements

COMMUNITY AND SAFETY SERVICES LIMITED**Statement of Changes in Equity
As at 31 March 2016**

	Called up share capital £	Retained earnings £	Total Equity £
Balance at 1 April 2014	2	54,639	54,641
Changes in equity			
Total comprehensive income	-	(35,652)	(35,652)
Balance at 31 March 2015	2	18,987	18,989
Changes in equity			
Total comprehensive income	-	(77,884)	(77,884)
Balance at 31 March 2016	2	(58,897)	(58,895)

The notes on pages 9 to 14 form part of these financial statements

COMMUNITY AND SAFETY SERVICES LIMITED

Notes to the Financial Statements For the year ended 31 March 2016

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company.

Community and Safety Services Limited was established as Community Safety Glasgow's (CSG) trading subsidiary in 2009. The company is registered in Scotland SC308081. Community and Safety Services allows CSG to deliver services to non GCC customers with no effect to the parent company's charitable status.

Community and Safety Services Limited is a company limited by shares incorporated in the United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements.

2. Statement of compliance

The financial statements are the company's first financial statements prepared in compliance with Financial Reporting Standard 102 Section 1A, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities) and the Companies Act 2006. The company's date of transition to Section 1A of FRS102 is 1 April 2014.

Before 1 April 2015 the financial statements were prepared in accordance with UK GAAP applicable prior to the adoption of FRS102 Section 1A, as issued by the Financial Reporting Council, and referred to below as "previous UK GAAP". Information on the impact of first-time adoption of Section 1A of FRS102 is given in note 18 to these financial statements.

3. Accounting Policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 Section 1A, "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities) and the Companies Act 2006.

Information on the impact of first time adoption of FRS102 Section 1A is given in note 18.

The preparation of financial statements in compliance with Section 1A of FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 4).

Financial reporting standard 102 – reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The requirements of Section 7 Statement of Cashflows and Section 3 Financial Statement Presentation paragraph 3.17(d). This information is included in the consolidated financial statements of Community Safety Glasgow as at 31 March 2016, and these financial statements may be obtained from that company's registered office.

Going Concern

Community and Safety Services Limited has net liabilities as at 31 March 2016 of £59k. The directors are satisfied that there are sufficient resources in place to continue operating for the foreseeable future. Thus the directors are satisfied that the use of the going concern basis of accounting is appropriate.

COMMUNITY AND SAFETY SERVICES LIMITED

Notes to the Financial Statements For the year ended 31 March 2016

3. Accounting policies (cont'd)

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 period in which the services are provided 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;
- 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.

Debtors

Trade debtors are recognised at the settlement amounts due after any trade discounts offered. Other short term debtors are measured at transaction price, less any impairment.

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.

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, and loans from 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 the 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.

COMMUNITY AND SAFETY SERVICES LIMITED

Notes to the Financial Statements For the year ended 31 March 2016

3. Accounting policies (cont'd)

Financial instruments (cont'd)

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

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

Creditors

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

Deferred Tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet 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 difference between the fair values of assets acquired and the future tax deductions available for them and the difference 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 balance sheet date.

Capitalisation

Assets with a purchase value of £10,000 or more are capitalised.

To date no assets have been purchased that meet this criteria for capitalisation.

4. Judgements in applying accounting policies and key sources of estimation

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The directors are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied in calculating the provision for bad debts based on the directors' expectations of likely receipts after the year end.

5. Turnover

100% of the company's turnover (2015: 100%) is attributable to the principal activity of the company and was generated wholly within the United Kingdom.

COMMUNITY AND SAFETY SERVICES LIMITED

Notes to the Financial Statements For the year ended 31 March 2016

	2016 £	2015 £
6. Operating (loss)/profit		
Operating (loss)/profit is stated after charging:		
Auditor's remuneration	1,800	1,800
Total	<u>1,800</u>	<u>1,800</u>

7. Directors' emoluments

The directors did not receive any emoluments during the year (2015: £nil).

8. Taxation

Losses have been generated by the company in the year, and as such no corporation tax will be due in respect of the current year or previous year.

	2016 £	2015 £
9. Debtors		
Trade debtors	97,570	120,063
Other debtors	2	2
Prepayments and accrued income	14,228	2,607
	<u>111,800</u>	<u>122,672</u>

	2016 £	2015 £
10. Cash and cash equivalents		
Current account	<u>113,808</u>	<u>139,221</u>

	2016 £	2015 £
11. Creditors: amounts falling due within one year		
Amounts owed to group undertakings	142,919	86,457
Other creditors	141,584	156,447
	<u>284,503</u>	<u>242,904</u>

COMMUNITY AND SAFETY SERVICES LIMITED

Notes to the Financial Statements For the year ended 31 March 2016

	2016 £	2015 £
12. Financial instruments		
Financial assets		
Financial assets measured at amortised cost	111,800	122,672
	<u>111,800</u>	<u>122,672</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(284,503)	(242,904)
	<u>(284,503)</u>	<u>(242,904)</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, prepayments and accrued income.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and other creditors.

	2016 £	2015 £
13. Share capital		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

The shares have full voting, dividend and capital distribution rights.

14. Reserves

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

15. Related party transactions

As permitted under FRS102 section 33, transactions with other group companies have not been disclosed as related party transactions as the company is a wholly owned subsidiary.

The company considers Glasgow City Council to be a related party by virtue of two directors of the parent company being Councillors for the city of Glasgow. As at the year end Glasgow City Council owed the company a net balance of £nil (2015: £nil).

Due to the nature of the Company's operations and the composition of its and its parent company's Board of Directors being drawn from local public sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Management may have an interest. All transactions involving organisations in which a member of the Board of Directors may have a material interest are conducted at arm's length and in accordance with normal project and procurement procedures.

The Company had transactions during the year or worked in partnership with the following organisations in which members of the Board of the company and / or the parent company hold or held official positions.

COMMUNITY AND SAFETY SERVICES LIMITED

Notes to the Financial Statements For the year ended 31 March 2016

15. Related party transactions (cont'd)

These bodies are:

		£	Balances receivable at 31.03.2016 £
Property by Jobs and Business Glasgow	Resourcing	1,152	388

16. Parent undertaking

The company is wholly owned by the charitable company Community Safety Glasgow. The results of the company are consolidated within the group accounts of Community Safety Glasgow. The consolidated accounts are available from that company's registered office.

17. Ultimate controlling party

There is no ultimate controlling party.

18. First year adoption of FRS102

The accounting policies applied under the company's previous accounting framework are not materially different to Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities) and have not impacted on equity or profit or loss.