

**Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 March 2020**
for
Amberstone Security Limited



Amberstone Security Limited

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Amberstone Security Limited
Company Information
for the Year Ended 31 March 2020

DIRECTORS:

A J Gillies
J Trigg

REGISTERED OFFICE:

Regency House
33 Wood Street
Barnet
Hertfordshire
EN5 4BE

REGISTERED NUMBER:

10259434 (England and Wales)

AUDITORS:

Cartwrights
Chartered Accountants and Business Advisors
Statutory Auditor
Regency House
33 Wood Street
Barnet
Hertfordshire
EN5 4BE

Amberstone Security Limited
Group Strategic Report
for the Year Ended 31 March 2020

Introduction

Amberstone Security Limited's ("the company") principal activities continue to be that of the provision of a range of technological and manned security solutions primarily to the retail and logistic sectors.

Business review

The strategic objectives of the directors are to grow the value of the business for the benefit of all its stakeholders. This will be delivered by the provision of effective multi-disciplinary security solutions that are based on a comprehensive data led analysis of the security risks faced by the company's clients and by the demonstration of that effectiveness through the continual measurement of those clients' return on their security investment. It is this data led approach, the company's unique selling point, that will best deliver the cost effective solutions that the market will demand.

The results of the company for the year ended 31 March 2020 are an important first step in the delivery of that objective. In its first full year of trading the company achieved a turnover of £49,022,828 (2019: £12,449,218) and an EBITDA of £1,896,576 (2019: £412,961). making it a top 20 security company in terms of turnover and a top 10 security company in terms of profitability. The balance sheet contains significant provisions to protect the company against the impact of the current Covid 19 crisis. The utilisation of the Barclay's invoice discounting facility, which at the yearend represented considerably less than half of trade debtor balances and provided substantial funding headroom, has been reduced still further since then as the result of a new six year term loan, also from Barclays.

Further key performance indicators are set out in these financial statements. The company considers its primary key financial performance indicators to be its sales growth, gross margins, operating margins and growth in shareholder funds, all of which have increased in the current year.

Despite the current economic uncertainties, the outlook for the current year remains good with many new exciting trading opportunities in our existing sectors and diversification into other sectors; including the corporate entertainment and leisure sectors. The company is constantly researching and developing innovative approaches to its service delivery and the directors plan to make significant new investments in the business. These will include the relocation of the Company's head office to significantly larger premises and the creation of a new fully accredited ARC.

Principal risks and uncertainties

Regulatory and legislative risks

As a security provider, the company is registered and approved by the Security Industry Authority (SIA) under the Private Industry Act 2001. An annual review is carried out by the Approved Contractor Scheme (ACS). The company regularly updates its policies and procedures in order to ensure we exceed the compliance scores required by the standards.

In addition, the company has an obligation to meet Health and Safety requirements, which it does through internal policies and procedures and through using the services of external specialist advisers where necessary.

Financial risk management policy

The company utilises a number of industry specific software packages to ensure quality of service, improve margins and control costs. Performance targets are set, progress is monitored and corrective actions are driven through the use of state of the art dashboard technology.

Credit and liquidity risk

The main financial risk to the business, particularly given on the its focus in the retail sector, is financial failure within our client base. We have taken a number of steps to mitigate this risk. Where possible we have taken out credit insurance to cover amounts due to us. The conservative provisioning policy will substantially reduce the profit impact of any loss. We have put in place new bank facilities with our bankers, Barclays, to provide significant levels of headroom to enable us to deal with any likely eventuality. To deliver this our financial model has been thoroughly stress tested by our financial stake holders.

Amberstone Security Limited
Group Strategic Report
for the Year Ended 31 March 2020

Covid 19

The company has quickly adapted the operating model of the business to the current situation and we have streamlined the organizational structure. We have continued to operate throughout with key clients. As a result of the measures we have taken the underlying profitability of the business is consistent with last year's results even though our ambitious growth plans have been temporarily slowed

Employee involvement

A well trained, reliable, motivated and informed management team and workforce is essential to the successful provision of a first class security manpower service to clients of the quality served by the company. We have developed several unique training programmes that differentiate us within the market place, these are over and above all our staff being trained in accordance with BS 7499 requirements and the additional specialist training required to satisfy clients' needs. Suitable and interested employees share equal opportunities for further training and career development. It is company policy to promote from within the company.

Employees are informed on a regular basis of current activities, progress and general matters of interest by various methods, including monthly management and operating meetings and scheduled visits to sites.

ON BEHALF OF THE BOARD:



.....
J Trigg - Director

Date: 04/06/2020

Amberstone Security Limited

**Report of the Directors
for the Year Ended 31 March 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2020.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2020.

DIRECTORS

J Trigg has held office during the whole of the period from 1 April 2019 to the date of this report.

Other changes in directors holding office are as follows:

A J Gillies - appointed 16 April 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

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

ON BEHALF OF THE BOARD:



.....
J Trigg - Director

Date: 04/06/2020.....

**Report of the Independent Auditors to the Members of
Amberstone Security Limited**

Opinion

We have audited the financial statements of Amberstone Security Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Amberstone Security Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.



Eric McIntyre FCCA (Senior Statutory Auditor)
for and on behalf of Cartwrights
Chartered Accountants and Business Advisors
Statutory Auditor
Regency House
33 Wood Street
Barnet
Hertfordshire
EN5 4BE

Date: 5/6/20

Amberstone Security Limited
Consolidated Income Statement
for the Year Ended 31 March 2020

	Notes	2020 £	2019 £
TURNOVER		49,022,828	12,449,218
Cost of sales		<u>(41,016,724)</u>	<u>(10,823,194)</u>
GROSS PROFIT		8,006,104	1,626,024
Administrative expenses		<u>(6,496,834)</u>	<u>(1,314,848)</u>
OPERATING PROFIT BEFORE DEPRECIATION, AMORTISATION, INTEREST AND TAX (EBITDA)		1,896,576	412,961
Depreciation		(72,362)	(2,167)
Amortisation of goodwill		<u>(187,814)</u>	<u>(46,469)</u>
OPERATING PROFIT BEFORE INTEREST AND TAX (EBIT)		1,636,400	364,325
Interest		<u>(127,130)</u>	<u>(53,149)</u>
PROFIT BEFORE TAX		1,509,270	311,176
Tax on profit	5	<u>(278,820)</u>	<u>(66,961)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>1,230,450</u></u>	<u><u>244,215</u></u>
Profit attributable to: Owners of the parent		<u><u>1,230,450</u></u>	<u><u>244,215</u></u>

The notes form part of these financial statements

Amberstone Security Limited

**Consolidated Other Comprehensive Income
for the Year Ended 31 March 2020**

Notes	2020 £	2019 £
PROFIT FOR THE YEAR	1,230,450	244,215
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>1,230,450</u>	<u>244,215</u>
Total comprehensive income attributable to: Owners of the parent	<u>1,230,450</u>	<u>244,215</u>

The notes form part of these financial statements

Amberstone Security Limited (Registered number: 10259434)

Consolidated Balance Sheet
31 March 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		758,349		892,603
Tangible assets	9		144,152		103,003
Investments	10		-		-
			<u>902,501</u>		<u>995,606</u>
CURRENT ASSETS					
Stocks	11	1,143,372		550,050	
Debtors	12	14,941,607		9,037,397	
Cash at bank and in hand		<u>152,107</u>		<u>413,276</u>	
			<u>16,237,086</u>		<u>10,000,723</u>
CREDITORS					
Amounts falling due within one year	13	<u>14,767,820</u>		<u>9,878,963</u>	
NET CURRENT ASSETS			<u>1,469,266</u>		<u>121,760</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,371,767		1,117,366
PROVISIONS FOR LIABILITIES	15		<u>27,253</u>		<u>3,302</u>
NET ASSETS			<u>2,344,514</u>		<u>1,114,064</u>
CAPITAL AND RESERVES					
Called up share capital	16		2		2
Share premium	17		869,847		869,847
Retained earnings	17		<u>1,474,665</u>		<u>244,215</u>
SHAREHOLDERS' FUNDS			<u>2,344,514</u>		<u>1,114,064</u>

The financial statements were approved by the Board of Directors and authorised for issue on 4/6/2020 and were signed on its behalf by:



.....
J Trigg - Director

The notes form part of these financial statements

Amberstone Security Limited (Registered number: 10259434)

Company Balance Sheet
31 March 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		363,405		418,218
Tangible assets	9		144,152		34,981
Investments	10		<u>1,000</u>		<u>705,393</u>
			508,557		1,158,592
CURRENT ASSETS					
Stocks	11	1,143,372		-	
Debtors	12	14,941,607		5,176,408	
Cash at bank		<u>152,107</u>		<u>367,233</u>	
		16,237,086		5,543,641	
CREDITORS					
Amounts falling due within one year	13	<u>14,768,820</u>		<u>5,584,867</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>1,468,266</u>		<u>(41,226)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,976,823		1,117,366
PROVISIONS FOR LIABILITIES	15		<u>27,253</u>		<u>3,302</u>
NET ASSETS			<u>1,949,570</u>		<u>1,114,064</u>
CAPITAL AND RESERVES					
Called up share capital	16		2		2
Share premium	17		869,847		869,847
Retained earnings	17		<u>1,079,721</u>		<u>244,215</u>
SHAREHOLDERS' FUNDS			<u>1,949,570</u>		<u>1,114,064</u>
Company's profit for the financial year			<u>835,506</u>		<u>244,215</u>

The financial statements were approved by the Board of Directors and authorised for issue on 4/6/20 and were signed on its behalf by:



J Trigg - Director

The notes form part of these financial statements

Amberstone Security Limited
Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2018	-	-	869,847	869,847
Changes in equity				
Issue of share capital	2	-	-	2
Total comprehensive income	-	244,215	-	244,215
Balance at 31 March 2019	<u>2</u>	<u>244,215</u>	<u>869,847</u>	<u>1,114,064</u>
Changes in equity				
Total comprehensive income	-	1,230,450	-	1,230,450
Balance at 31 March 2020	<u><u>2</u></u>	<u><u>1,474,665</u></u>	<u><u>869,847</u></u>	<u><u>2,344,514</u></u>

The notes form part of these financial statements

Amberstone Security Limited
Company Statement of Changes in Equity
for the Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2018	-	-	869,847	869,847
Changes in equity				
Issue of share capital	2	-	-	2
Total comprehensive income	-	244,215	-	244,215
Balance at 31 March 2019	<u>2</u>	<u>244,215</u>	<u>869,847</u>	<u>1,114,064</u>
Changes in equity				
Total comprehensive income	-	835,506	-	835,506
Balance at 31 March 2020	<u>2</u>	<u>1,079,721</u>	<u>869,847</u>	<u>1,949,570</u>

The notes form part of these financial statements

Amberstone Security Limited

**Consolidated Cash Flow Statement
for the Year Ended 31 March 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(151,142)	704,612
Tax paid		<u>57,043</u>	<u>-</u>
Net cash from operating activities		<u>(94,099)</u>	<u>704,612</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(53,560)	(939,072)
Purchase of tangible fixed assets		(113,510)	(37,148)
Acquisition of subsidiary, net of cash		<u>-</u>	<u>(184,965)</u>
Net cash from investing activities		<u>(167,070)</u>	<u>(1,161,185)</u>
Cash flows from financing activities			
Share issue		<u>-</u>	<u>869,849</u>
Net cash from financing activities		<u>-</u>	<u>869,849</u>
(Decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	(261,169) 413,276	413,276 -
Cash and cash equivalents at end of year	2	<u>152,107</u>	<u>413,276</u>

The notes form part of these financial statements

Amberstone Security Limited

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2020**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Profit before taxation	1,509,270	311,176
Depreciation charges	258,535	48,636
Loss on disposal of fixed assets	<u>1,641</u>	<u>-</u>
	1,769,446	359,812
Increase in stocks	(593,322)	-
Increase in trade and other debtors	(5,967,479)	(4,993,007)
Increase in trade and other creditors	<u>4,640,213</u>	<u>5,337,807</u>
Cash generated from operations	<u>(151,142)</u>	<u>704,612</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2020

	31/3/20	1/4/19
	£	£
Cash and cash equivalents	<u>152,107</u>	<u>413,276</u>

Year ended 31 March 2019

	31/3/19	1/4/18
	£	£
Cash and cash equivalents	<u>413,276</u>	<u>-</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/19	Cash flow	At 31/3/20
	£	£	£
Net cash			
Cash at bank and in hand	<u>413,276</u>	<u>(261,169)</u>	<u>152,107</u>
	<u>413,276</u>	<u>(261,169)</u>	<u>152,107</u>
Total	<u>413,276</u>	<u>(261,169)</u>	<u>152,107</u>

The notes form part of these financial statements

Amberstone Security Limited

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2020

1. STATUTORY INFORMATION

Amberstone Security Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 50% on cost and 33% on reducing balance

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Amberstone Security Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020**

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	22,267,961	7,655,445
Social security costs	2,070,765	628,924
Other pension costs	388,995	95,122
	<u>24,728,721</u>	<u>8,379,491</u>

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

Average number of employees	<u>899</u>
-----------------------------	------------

The average number of employees by undertakings that were proportionately consolidated during the year was 91.

Director's remuneration	£
A Gillies	112,000
J Trigg	4,167
M Allen	111,167
	<u>227,334</u>

4. OPERATING PROFIT

The operating profit is stated after charging /(crediting):

	2020	2019
	£	£
Other operating leases	90,969	15,742
Depreciation - owned assets	70,720	2,167
Loss on disposal of fixed assets	1,641	-
Goodwill amortisation	187,814	46,469
Foreign exchange differences	-	(22,544)
	<u>-</u>	<u>(22,544)</u>

Amberstone Security Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020**

5. TAXATION

Analysis of the tax charge

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	254,869	63,659
Deferred tax	<u>23,951</u>	<u>3,302</u>
Tax on profit	<u><u>278,820</u></u>	<u><u>66,961</u></u>

6. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

7. AUDITOR REMUNERATION

For the year ended 31 March 2020, the auditor remuneration was £13,250.

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
COST	
At 1 April 2019	939,072
Additions	<u>53,560</u>
At 31 March 2020	<u>992,632</u>
AMORTISATION	
At 1 April 2019	46,469
Amortisation for year	<u>187,814</u>
At 31 March 2020	<u>234,283</u>
NET BOOK VALUE	
At 31 March 2020	<u><u>758,349</u></u>
At 31 March 2019	<u><u>892,603</u></u>

Amberstone Security Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020**

8. INTANGIBLE FIXED ASSETS - continued

Company

	Goodwill £
COST	
At 1 April 2019	464,687
Additions	<u>38,124</u>
At 31 March 2020	<u>502,811</u>
AMORTISATION	
At 1 April 2019	46,469
Amortisation for year	<u>92,937</u>
At 31 March 2020	<u>139,406</u>
NET BOOK VALUE	
At 31 March 2020	<u>363,405</u>
At 31 March 2019	<u>418,218</u>

9. TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2019	10,633	37,148	12,975	281,350	342,106
Additions	5,770	-	-	107,740	113,510
Disposals	-	-	(12,975)	-	(12,975)
Reclassification/transfer	<u>-</u>	<u>(37,148)</u>	<u>-</u>	<u>37,148</u>	<u>-</u>
At 31 March 2020	<u>16,403</u>	<u>-</u>	<u>-</u>	<u>426,238</u>	<u>442,641</u>
DEPRECIATION					
At 1 April 2019	7,591	2,167	10,241	219,104	239,103
Charge for year	2,806	-	1,093	66,821	70,720
Eliminated on disposal	-	-	(11,334)	-	(11,334)
Reclassification/transfer	<u>-</u>	<u>(2,167)</u>	<u>-</u>	<u>2,167</u>	<u>-</u>
At 31 March 2020	<u>10,397</u>	<u>-</u>	<u>-</u>	<u>288,092</u>	<u>298,489</u>
NET BOOK VALUE					
At 31 March 2020	<u>6,006</u>	<u>-</u>	<u>-</u>	<u>138,146</u>	<u>144,152</u>
At 31 March 2019	<u>3,042</u>	<u>34,981</u>	<u>2,734</u>	<u>62,246</u>	<u>103,003</u>

Amberstone Security Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020**

9. TANGIBLE FIXED ASSETS - continued

Company	Short leasehold £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2019	-	37,148	-	-	37,148
Additions	5,770	-	-	94,201	99,971
Disposals	-	-	(12,975)	-	(12,975)
Transfer to ownership	10,633	-	12,975	294,889	318,497
Reclassification/transfer	-	(37,148)	-	37,148	-
	<u>16,403</u>	<u>-</u>	<u>-</u>	<u>426,238</u>	<u>442,641</u>
At 31 March 2020					
DEPRECIATION					
At 1 April 2019	-	2,167	-	-	2,167
Charge for year	1,034	-	364	51,444	52,842
Eliminated on disposal	-	-	(11,334)	-	(11,334)
Transfer to ownership	9,363	-	10,970	234,481	254,814
Reclassification/transfer	-	(2,167)	-	2,167	-
	<u>10,397</u>	<u>-</u>	<u>-</u>	<u>288,092</u>	<u>298,489</u>
At 31 March 2020					
NET BOOK VALUE					
At 31 March 2020	<u>6,006</u>	<u>-</u>	<u>-</u>	<u>138,146</u>	<u>144,152</u>
At 31 March 2019	<u>-</u>	<u>34,981</u>	<u>-</u>	<u>-</u>	<u>34,981</u>

10. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	
At 1 April 2019	705,393
Additions	<u>15,436</u>
At 31 March 2020	<u>720,829</u>
PROVISIONS	
Impairments	<u>719,829</u>
At 31 March 2020	<u>719,829</u>
NET BOOK VALUE	
At 31 March 2020	<u>1,000</u>
At 31 March 2019	<u>705,393</u>

Amberstone Security Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020**

11. STOCKS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Stocks	201,930	91,500	201,930	-
Work-in-progress	<u>941,442</u>	<u>458,550</u>	<u>941,442</u>	<u>-</u>
	<u>1,143,372</u>	<u>550,050</u>	<u>1,143,372</u>	<u>-</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	11,930,141	7,356,261	11,930,141	3,541,560
Amounts owed by group undertakings	-	-	-	183,401
Other debtors	57,983	28,339	57,983	4,577
Tax	-	63,269	-	-
Prepayments and accrued income	<u>2,953,483</u>	<u>1,589,528</u>	<u>2,953,483</u>	<u>1,446,870</u>
	<u>14,941,607</u>	<u>9,037,397</u>	<u>14,941,607</u>	<u>5,176,408</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	3,247,912	1,387,610	3,247,912	282,193
Amounts owed to group undertakings	-	-	1,000	-
Tax	312,303	63,659	312,303	63,659
Social security and other taxes	769,554	692,809	769,554	566,527
Pension control account	165,195	90,193	165,195	90,193
VAT	1,478,500	1,019,300	1,478,500	766,532
Other creditors	222,374	277,358	222,374	253,426
Proceeds of factored debts	5,623,874	4,490,318	5,623,874	2,364,220
Accruals and deferred income	<u>2,948,108</u>	<u>1,857,716</u>	<u>2,948,108</u>	<u>1,198,117</u>
	<u>14,767,820</u>	<u>9,878,963</u>	<u>14,768,820</u>	<u>5,584,867</u>

14. SECURED DEBTS

The following secured debts are included within creditors:

	Company	
	2020	2019
	£	£
Invoice discounting	<u>5,623,874</u>	<u>2,364,220</u>

Barclays Bank plc holds debentures including fixed and floating charges over all the assets of the company.

Amberstone Security Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020**

15. PROVISIONS FOR LIABILITIES

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax	<u>27,253</u>	<u>3,302</u>	<u>27,253</u>	<u>3,302</u>
 Group				
				Deferred tax
				£
Balance at 1 April 2019				3,302
Provided during year				<u>23,951</u>
Balance at 31 March 2020				<u>27,253</u>
 Company				
				Deferred tax
				£
Balance at 1 April 2019				3,302
Provided during year				<u>23,951</u>
Balance at 31 March 2020				<u>27,253</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019
Number:	Class:		£	£
1,729	Ordinary	0.001	<u>2</u>	<u>2</u>

17. RESERVES

Group	Retained earnings £	Share premium £	Totals £
At 1 April 2019	244,215	869,847	1,114,062
Profit for the year	<u>1,230,450</u>	<u> </u>	<u>1,230,450</u>
At 31 March 2020	<u>1,474,665</u>	<u>869,847</u>	<u>2,344,512</u>

Amberstone Security Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020**

17. RESERVES - continued

Company

	Retained earnings £	Share premium £	Totals £
At 1 April 2019	244,215	869,847	1,114,062
Profit for the year	<u>835,506</u>	<u> </u>	<u>835,506</u>
At 31 March 2020	<u>1,079,721</u>	<u>869,847</u>	<u>1,949,568</u>

18. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At the balance sheet date, the company owed £216,865 (2019: £250,853) to J Trigg, a director of the company. This is included within other creditors.

19. ULTIMATE CONTROLLING PARTY

The controlling party is J Trigg.