

Company Registration No. 03699640 (England and Wales)

**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

**COMPANY INFORMATION**

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<b>Directors</b>	S N Taylor on behalf of Capita Corporate Director Limited F A Todd	(Appointed 19 August 2019)
<b>Secretary</b>	Capita Group Secretary Limited	
<b>Company number</b>	03699640	
<b>Registered office</b>	30 Berners Street London England W1T 3LR	
<b>Auditors</b>	KPMG LLP 15 Canada Square London E14 5GL	

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**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

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# SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA WORKFORCE MANAGEMENT SOLUTIONS LIMITED)

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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The Directors present their Directors' Report and Financial statements for the year ended 31 December 2019.

### Principal activities and review of the business

Security Watchdog Limited ("the Company") is a wholly owned subsidiary (indirectly held) of Capita plc. Capita plc along with its subsidiaries are hereafter referred to as "the Group". The Company operates within the Group's Software division.

The Company became dormant in 2017, however subsequently became active during the year on account of cancellation of shares. The company no longer trades and there are currently no plans to recommence the trading. For this reason, the directors have prepared the financial statements on the basis that the company is no longer a going concern.

### Results and dividends

The results for the year are set out on page 5.

No dividends were proposed or paid during the year (2018: £nil).

### Directors

The Directors, who held office during the year and up to the date of signature of the financial statements were as follows:

S N Taylor on behalf of Capita Corporate Director Limited	
F A Todd	(Appointed 19 August 2019)
S J Maynard	(Resigned 20 August 2019)
C F Baker	(Resigned 20 August 2019)
J Cowan	(Resigned 20 August 2019)

### Political donations

The Company made no political donations and incurred no political expenditure during the year (2018: £nil).

### Auditor

KPMG LLP, having indicated its willingness, has been appointed as auditor under section 487(2) of the Companies Act 2006.

### Statement of Directors' responsibilities in respect of the Directors' report and the Financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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 period. In preparing these 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

# **SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As explained in the note 1.1 of the financial statements, the Directors do not believe the going concern basis of accounting to be appropriate and these financial statements are not prepared on that basis.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Statement of disclosure to auditor**

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Company's auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, each Director has taken all the steps he/she might reasonably be expected to take 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 that information.

### **Qualifying third party indemnity provisions**

The Company has granted an indemnity to the Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

On behalf of the board

S N Taylor on behalf of Capita Corporate Director Limited

**Director**

16 September 2020

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF SECURITY WATCHDOG LIMITED**

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**Opinion**

We have audited the financial statements of Security Watchdog Limited ("the company") for the year ended 31 December 2019 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 ; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Emphasis of matter - non-going concern basis of preparation**

We draw attention to the disclosure made in note 1.1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

**Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF SECURITY WATCHDOG LIMITED**

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**Other matter - prior period financial statements**

We note that the prior period financial statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

**Directors' responsibilities**

As explained more fully in their statement set out on pages 1 and 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

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.

**Ross Martin (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

15 Canada Square

London

E14 5GL

16 September 2020

**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

**INCOME STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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	Notes	2019 £	Unaudited 2018 £
Operating profit before tax	3	-	-
Income tax expense		-	-
<b>Total comprehensive income for the year</b>		<u>-</u>	<u>-</u>

The income statement has been prepared on the basis that all operations are discontinued.

There are no movements in other comprehensive income during the financial year

The notes on pages 8 to 11 form an integral part of these financial statements.

**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

**BALANCE SHEET**

*AS AT 31 DECEMBER 2019*

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		2019	Unaudited
		£	2018
			£
<b>Current assets</b>			
Trade and other receivables	4	851,417	851,417
		<hr/>	<hr/>
<b>Total assets</b>		<b>851,417</b>	<b>851,417</b>
		<hr/>	<hr/>
<b>Total liabilities</b>		-	-
		<hr/>	<hr/>
<b>Net assets</b>		<b>851,417</b>	<b>851,417</b>
		<hr/> <hr/>	<hr/> <hr/>
 <b>Capital and reserves</b>			
Issued share capital	5	1	3,830
Other reserves		-	3,750
Retained earnings		851,416	843,837
		<hr/>	<hr/>
<b>Total equity</b>		<b>851,417</b>	<b>851,417</b>
		<hr/> <hr/>	<hr/> <hr/>

Notes on pages 8 to 11 form an integral part of these financial statements.

Approved by Board and authorised for issue on 16 September 2020

**S N Taylor on behalf of Capita Corporate Director Limited  
Director**

Company Registration No. 03699640

**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
<b>At 1 January 2018 - Unaudited</b>	<b>3,830</b>	<b>3,750</b>	<b>843,837</b>	<b>851,417</b>
Total comprehensive income for the year - Unaudited	-	-	-	-
<b>At 31 December 2018 - Unaudited</b>	<b>3,830</b>	<b>3,750</b>	<b>843,837</b>	<b>851,417</b>
Total comprehensive income for the period	-	-	-	-
Reduction in share capital	(3,829)	-	3,829	-
Transferred to Retained earnings	-	(3,750)	3,750	-
<b>At 31 December 2019</b>	<b>1</b>	<b>-</b>	<b>851,416</b>	<b>851,417</b>

**Share capital** – The balance classified as share capital is the nominal proceeds on issue of the Company's equity share capital, comprising 1 ordinary shares of £1 each.

**Retained earnings** — Net profits kept to accumulate in the Company after dividends are paid and retained in the business as working capital.

**Capital redemption reserve** - The Company can redeem shares by repaying the value to the shareholder, whereupon the shares are cancelled. Redemption must be from distributable profits. The Capital redemption reserve represents the nominal value of the shares redeemed.

Pursuant to Section 288 of Companies Act 2006, the Company via a special resolution on 11 September 2019 has reduced the share capital to £1 and capital redemption reserve to £nil and the amount so reduced has been credited to Company's retained earnings.

The notes on pages 8 to 11 form an integral part of financial statements.

# SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA WORKFORCE MANAGEMENT SOLUTIONS LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

#### 1.1 Basis of preparation

Security Watchdog Limited is a company incorporated and domiciled in the UK.

The company no longer trades and there are currently no plans to recommence the trading. For this reason, the directors have prepared the financial statements on the basis that the company is no longer a going concern.

Accordingly, the financial statements have been prepared on a breakup basis as at 31 December 2019. As a consequence, the current assets have been measured and presented at their expected realisable values.

#### 1.2 Compliance with accounting standards

The Company has applied FRS101 Reduced Disclosure Framework in the preparation of its financial statements. The Company has prepared and presented these financial statements by applying the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU-IFRSs"), but made amendments, where necessary, in order to comply with the Companies Act 2006.

The Company's ultimate parent undertaking, Capita plc, includes the Company in its consolidated statements. The consolidated financial statements are prepared in accordance with EU-IFRS and are available to the public and may be obtained from Capita plc's website on <http://investors.capita.com>.

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

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Certain disclosures as required by IFRS 15;
- Certain disclosures as required by IFRS 16; and
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Capita plc include equivalent disclosures, the Company has also taken the disclosure exemptions under FRS 101 available in respect of the following disclosure:

- Certain disclosures required by IFRS 2 Share Based Payments in respect of Group settled share based payments;
- Certain disclosures required by IAS 36 Impairments of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company, in the current and prior periods including the comparative period reconciliation for goodwill; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

# SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA WORKFORCE MANAGEMENT SOLUTIONS LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies (Continued)

#### 1.3 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of IFRS 16 Leases. In addition, the Company has adopted the new IFRIC as detailed below.

##### Initial adoption of IFRS 16 Leases

IFRS 16 (effective 1 January 2019) replaces IAS 17 and sets out the principles for the recognition, measurement, presentation and disclosure of leases. The Company applied IFRS 16 using the modified retrospective approach, under which the Company has measured the right-of-use assets at the value of lease liability. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported under IAS 17 and related interpretations.

The adoption of the above changes has had no impact on the financial statements of the Company as it does not hold any leases.

##### IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 (effective 1 January 2019) addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 Income Taxes. The Company has initially applied IFRIC 23 Uncertainty over Income Tax Treatments at 1 January 2019. The Company applies judgement in quantifying uncertainties over income tax treatments and has considered whether it should adjust its uncertain tax provisions in line with this new criteria. There is no impact on the Company's financial statements due to the application of IFRIC 23 (2018: £nil).

In addition, the Company has adopted the new amendments to standards detailed below but they do not have a material effect on the Company's financial statements.

New amendments or interpretation	Effective date
Prepayment features with negative compensation (Amendments to IFRS 9)	1 January 2019
Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)	1 January 2019
Plan amendment, curtailment or settlement (Amendments to IAS 19)	1 January 2019
Annual improvements to IFRS Standards 2015-2017 cycle (Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23)	1 January 2019

#### 1.4 Financial instruments

Trade and other receivables - The trade and other receivables have been measured and presented at their expected realisable values.

### 2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires the Directors to make judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported income and expense during the reported periods. Although these judgements and assumptions are based on the Directors' best knowledge of the amount, events or actions, actual results may differ from these estimates.

**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**3 Operating profit for the year**

Audit fees are borne by the ultimate parent undertaking, Capita plc. The audit fee for the current period was £ 3,000 (2018: £nil). The Company has taken advantage of the exemption provided by regulations 6(2)(b) of the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the Company accounts of the ultimate parent undertaking, which it is required to prepare in accordance with the Companies Act 2006.

**4 Trade and other receivables**

<b>Current</b>	<b>2019</b>	<b>Unaudited 2018</b>
	<b>£</b>	<b>£</b>
Amounts due from parent & fellow subsidiary undertaking	851,417	851,417
	<u>851,417</u>	<u>851,417</u>

**5 Issued share capital**

	<b>2019</b>	<b>Unaudited 2018</b>	<b>2019</b>	<b>Unaudited 2018</b>
	<b>Numbers</b>	<b>Numbers</b>	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>				
Ordinary shares of £1 each				
At 1 January	3,830	3,830	3,830	3,830
Reduction in shares of £1 each	(3,829)	-	(3,829)	-
<b>At 31 December</b>	<u>1</u>	<u>3,830</u>	<u>1</u>	<u>3,830</u>

**Share Capital**

The nominal proceeds on issue of the Company's equity share capital, comprising 1 ordinary share of £ 1 each .

**6 Employees**

There were no employees during the year apart from the Directors.

The Directors' remuneration, including reimbursement of expenses incurred by them, were paid by another subsidiary of Capita plc. As no significant amount of time was spent by the Directors on the Company's affairs, no Directors' remuneration has been allocated to the Company.

**SECURITY WATCHDOG LIMITED (PREVIOUSLY KNOWN AS CAPITA  
WORKFORCE MANAGEMENT SOLUTIONS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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**7 Controlling party**

The company's immediate parent undertaking is Capita Secure Information Solutions Limited, a company incorporated in England and Wales.

The company's ultimate parent undertaking is Capita plc, a company incorporated in England and Wales. The accounts of Capita plc are available from the registered office at 30 Berners Street, London, England, W1T 3LR.

**8 Post balance sheet events**

On 11 March 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which the Directors have assessed in considering the going concern assumption.

For the Company's 31 December 2019 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. The Directors have assessed that there is no material impact on the recognition and measurement of assets and liabilities as a result of this subsequent event.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.