

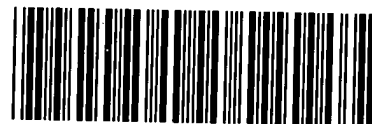
**Registered number: 01369559**

## **Saladin Security Limited**

**Directors' report and financial statements**

**For the year ended 30 June 2015**

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## **Saladin Security Limited**

### **Company Information**

#### **Directors**

E Rimell  
D J Walker  
D H D Walker

#### **Company secretary**

S E Merrick

#### **Registered number**

01369559

#### **Registered office**

7 Abingdon Road  
London  
W8 6AH

#### **Independent auditors**

Kreston Reeves LLP  
Statutory Auditor & Chartered Accountants  
Third Floor  
24 Chiswell Street  
London  
EC1Y 4YX

# **Saladin Security Limited**

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## **Saladin Security Limited**

### **Directors' report For the year ended 30 June 2015**

The directors present their report and the audited financial statements for the year ended 30 June 2015.

#### **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;
- 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**

The principal activity of the company is that of security consultancy and provision of security services.

#### **Directors**

The directors who served during the year were:

E Rimell  
D J Walker  
D H D Walker

#### **Disclosure 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 relevant audit information and to establish that the company's auditors are aware of that information.

**Saladin Security Limited**

**Directors' report  
For the year ended 30 June 2015**


**Auditors**

The auditors, Kreston Reeves 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 on 30 March 2016 and signed on its behalf.

**E Rimell**  
Director

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## **Independent auditors' report to the shareholders of Saladin Security Limited**

We have audited the financial statements of Saladin Security Limited for the year ended 30 June 2015, set out on pages 5 to 13. 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, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 30 June 2015 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.

## Saladin Security Limited

### Independent auditors' report to the shareholders of Saladin Security 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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.



Shirley Smith FCCA MAAT (Senior statutory auditor)

for and on behalf of  
**Kreston Reeves LLP**

Statutory Auditor  
Chartered Accountants

Third Floor  
24 Chiswell Street  
London  
EC1Y 4YX

Date: 30 MARCH 2016

**Saladin Security Limited**

**Profit and loss account  
For the year ended 30 June 2015**

	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Turnover</b>	<b>1</b>	<b>5,439,785</b>	<b>4,515,549</b>
Cost of sales		<u>(4,012,597)</u>	<u>(2,995,626)</u>
<b>Gross profit</b>		<b>1,427,188</b>	<b>1,519,923</b>
Administrative expenses		<u>(986,958)</u>	<u>(1,303,821)</u>
<b>Operating profit</b>	<b>3</b>	<b>440,230</b>	<b>216,102</b>
Income from shares in group undertakings		-	9,579
Interest receivable and similar income		<b>81,452</b>	<b>1</b>
Amounts written off investments and loans	<b>4</b>	<b>(252,411)</b>	<b>-</b>
Interest payable and similar charges		<u>(751)</u>	<u>-</u>
<b>Profit on ordinary activities before taxation</b>		<b>268,520</b>	<b>225,682</b>
Tax on profit on ordinary activities	<b>6</b>	<u>(115,580)</u>	<u>(59,052)</u>
<b>Profit for the financial year</b>	<b>13</b>	<u><b>152,940</b></u>	<u><b>166,630</b></u>

The notes on pages 7 to 13 form part of these financial statements.

**Saladin Security Limited**  
**Registered number: 01369559**

**Balance sheet**  
**As at 30 June 2015**

	Note	£	2015 £	£	2014 £
<b>Fixed assets</b>					
Tangible assets	7		36,447		48,963
Investments	8		68,139		848,816
			<u>104,586</u>		<u>897,779</u>
<b>Current assets</b>					
Debtors	9	1,889,038		1,697,016	
Cash at bank and in hand		296,012		330,710	
		<u>2,185,050</u>		<u>2,027,726</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(1,183,385)</u>		<u>(1,972,194)</u>	
<b>Net current assets</b>			<u>1,001,665</u>		<u>55,532</u>
<b>Total assets less current liabilities</b>			<u>1,106,251</u>		<u>953,311</u>
<b>Capital and reserves</b>					
Called up share capital	12		10,000		10,000
Share premium account	13		27,000		27,000
Profit and loss account	13		1,069,251		916,311
<b>Shareholders' funds</b>			<u>1,106,251</u>		<u>953,311</u>

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 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 on

**E Rimell**  
Director



30.3.16

The notes on pages 7 to 13 form part of these financial statements.

**Notes to the financial statements  
For the year ended 30 June 2015**

**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 Group accounts**

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).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**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 amounts receivable for services supplied, exclusive of Value Added Tax and trade discounts. Turnover is recognised on the value of work undertaken during the year as contracts progress.

**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:

Land and buildings	-	Straight line over the life of the lease
Plant and machinery	-	25% Reducing balance
Motor vehicles	-	25% Reducing balance
Fixtures and fittings	-	25% Reducing balance

**1.6 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

**1.7 Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

**Notes to the financial statements  
For the year ended 30 June 2015**

**1. Accounting policies (continued)**

**1.8 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**1.9 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

**2. Turnover**

66.4% of the company's turnover (2014 - 58.3%) is attributable to geographical markets outside the United Kingdom.

**3. Operating profit**

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	12,392	16,321
Auditors' remuneration	7,500	5,000
Pension costs	29,782	13,075
	<u>49,674</u>	<u>34,396</u>

**4. Amounts written off investments and loans**

	2015 £	2014 £
Loans from group undertakings written off	(1,106,384)	-
Provision against loans to group undertakings	827,186	-
Provision against loans made to related entities	400,000	-
Impairment against investment in subsidiary undertakings	131,609	-
	<u>252,411</u>	<u>-</u>

**Notes to the financial statements  
For the year ended 30 June 2015**

**5. Directors' remuneration**

	2015 £	2014 £
Aggregate remuneration	<u>150,678</u>	<u>182,325</u>

**6. Taxation**

	2015 £	2014 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b>		
UK corporation tax charge on profit for the year	116,110	60,319
<b>Deferred tax (see note 11)</b>		
Origination and reversal of timing differences	(530)	(1,267)
<b>Tax on profit on ordinary activities</b>	<u>115,580</u>	<u>59,052</u>

**7. Tangible fixed assets**

	Leasehold improvements £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 July 2014	6,000	305,142	311,142
Additions	-	604	604
Disposals	-	(14,300)	(14,300)
At 30 June 2015	<u>6,000</u>	<u>291,446</u>	<u>297,446</u>
<b>Depreciation</b>			
At 1 July 2014	6,000	256,179	262,179
Charge for the year	-	12,151	12,151
On disposals	-	(13,331)	(13,331)
At 30 June 2015	<u>6,000</u>	<u>254,999</u>	<u>260,999</u>
<b>Net book value</b>			
At 30 June 2015	<u>-</u>	<u>36,447</u>	<u>36,447</u>
At 30 June 2014	<u>-</u>	<u>48,963</u>	<u>48,963</u>

Notes to the financial statements  
For the year ended 30 June 2015

8. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Loans to subsidiaries £	Loans to associates £	Loans to related companies £	Total £
<b>Cost</b>						
At 1 July 2014	184	-	466,607	-	382,025	848,816
Additions	361	131,609	275,724	152,623	7,273	567,590
Disposals	(174)	-	-	-	-	(174)
Reclassified	-	-	-	-	(389,298)	(389,298)
At 30 June 2015	371	131,609	742,331	152,623	-	1,026,934
<b>Impairment</b>						
At 1 July 2014	-	-	-	-	-	-
Charge for the year	-	131,609	700,000	127,186	300,000	1,258,795
Reclassified	-	-	-	-	(300,000)	(300,000)
At 30 June 2015	-	131,609	700,000	127,186	-	958,795
<b>Net book value</b>						
At 30 June 2015	371	-	42,331	25,437	-	68,139
At 30 June 2014	184	-	466,607	-	382,025	848,816

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Securite Sans Frontieres (Pty) Limited	Ordinary shares	55 %
Saladin Kenya Limited	Ordinary shares	55 %

Name	Principal activity	Country of registration
Securite Sans Frontieres (Pty) Limited	Provision of security services	South Africa
Saladin Kenya Limited	Provision of security services	Kenya

The aggregate of the share capital and reserves as at 30 June 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Securite Sans Frontieres (Pty) Limited	87,272	36,388
Saladin Kenya Limited	(455,230)	(209,427)

**Notes to the financial statements  
For the year ended 30 June 2015**

**8. Fixed asset investments (continued)**

**Associates**

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
Saladin DMCC	United Arab Emirates	Ordinary	25%	Holding company

Saladin DMCC holds an effective 100% interest in the issued share capital of Saladin Company for Security & Protection Services Limited, a company incorporated in Iraq whose principal activity is the provision of security services.

Loans to related companies have been reclassified to other debtors.

**9. Debtors**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>1,464,491</b>	916,583
Amounts owed by group undertakings	-	68,344
Other debtors	<b>419,002</b>	707,074
Deferred tax asset (see note 11)	<b>5,545</b>	5,015
	<b><u>1,889,038</u></b>	<b><u>1,697,016</u></b>

**10. Creditors:  
Amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>73,866</b>	154,991
Amounts owed to group undertakings	-	927,934
Corporation tax	<b>65,662</b>	60,319
Other taxation and social security	<b>142,023</b>	142,099
Other creditors	<b>901,834</b>	686,851
	<b><u>1,183,385</u></b>	<b><u>1,972,194</u></b>

**Notes to the financial statements  
For the year ended 30 June 2015**

**11. Deferred tax asset**

	2015 £	2014 £
At beginning of year	5,015	3,748
Released during year (P&L)	530	1,267
	<u>5,545</u>	<u>5,015</u>
At end of year	<u>5,545</u>	<u>5,015</u>

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>5,545</u>	<u>5,015</u>

**12. Share capital**

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
10,000 Ordinary shares shares of £1 each	<u>10,000</u>	<u>10,000</u>

**13. Reserves**

	Share premium account £	Profit and loss account £
At 1 July 2014	27,000	916,311
Profit for the financial year		152,940
	<u>27,000</u>	<u>1,069,251</u>
At 30 June 2015	<u>27,000</u>	<u>1,069,251</u>

**14. Contingent liabilities**

At 30 June 2015, the bank borrowings of the Saladin Holdings Limited group were secured by way of cross guarantee and debenture over the company's fixed and floating assets.

**15. Operating lease commitments**

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
<b>Expiry date:</b>		
Between 2 and 5 years	<u>55,050</u>	<u>53,050</u>

**Notes to the financial statements  
For the year ended 30 June 2015**

**16. Related party transactions**

During the year, the company made the following transactions with related parties:

The company levied management charges to companies related through the interests of D J Walker, a director, of £38,222 (2014: £64,531) to Veteran Security Services Limited, £7,244 (2014: £51,600) to Saladin Afghanistan Limited and £NIL (2014: £16,500) to Saladin Frontier Inc.

The company charged interest of £81,451 (2014: £NIL) to African Camp Solutions Limited.

During the year the company received £NIL (2014: £9,579) dividends from its subsidiary undertaking Securite Sans Frontieres (Pty) Limited.

At the balance sheet date, the company had made loans £742,331 (2014: £466,607) to its subsidiary undertaking Saladin Kenya Limited and has made loans of £152,623 to its associate undertaking Saladin Company for Security and Protection Services Limited. These loans are included within fixed asset investments. At 30 June 2015, the company carried a provision of £700,000 against loans to Saladin Kenya Limited and a provision of £127,186 against loans to Saladin Company for Security and Protection Services Limited.

At the balance sheet date the company had made loans to companies related through the interests of D J Walker of £389,298 (2014: £382,025) to Saladin Ghana Limited, £337,043 (2014: £514,620) to African Camp Solutions Limited, £7,870 (2014: £NIL) to Somalia Fishguard Limited, £1,719 (2014: £37,745) to Veteran Security Services Limited, £NIL (2014: £67,826) to Saladin Security Afghanistan Limited. These amounts are included in debtors due within one year.

At the balance sheet date the company owed sums to companies related through the interests of D J Walker of £9,430 (2014: £NIL) to Saladin Somalia Limited and £2,838 (2014: £NIL) to Saladin Afghanistan Limited. These amounts are included in creditors due within one year.

During the year, Saladin Holdings Limited, a company under the control of D J Walker, made management charges of £360,000 (2014: £360,000) to the company. In addition Saladin Holdings Limited waived loan balances owing by the company of £1,106,384. At the balance sheet date the company owed £72,108 to Saladin Holdings Limited. In addition, during the year the company acquired its interest in the share capital of Saladin Kenya Limited from Saladin Holdings Limited.

During the year, the company transferred its interest in the shares of African Camp Solutions Limited to Equatorial Investments, an entity in which D J Walker has a beneficial interest.

**17. Controlling party**

The company is under the control of D J Walker, a Director of the company.