

2053619

FIRST SECURITY (GUARDS) PLC

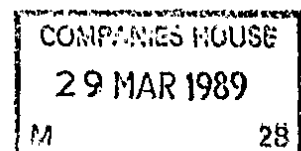
REPORT AND ACCOUNTS

31 DECEMBER 1988

COMPANIES HOUSE COPY



Hacker Young
Chartered Accountants
St. Alphage House 2 Fore Street
London EC2Y 5DH





AUDITORS' REPORT TO THE MEMBERS OF
FIRST SECURITY (GUARDS) PLC

We have audited the accounts set out on pages 2 to 9 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of affairs of the company at 31 December 1988 and of its profit and source and application of funds for the period then ended, and comply with the Companies Act 1985.

Chartered Accountants

17 March 1989

Auditors

FIRST SECURITY (GUARDS) PLC

2.

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1988

	<u>Notes</u>	<u>1988</u> £	<u>1987</u> £
TURNOVER	2	1,338,520	517,164
Cost of sales		1,029,242	400,562
		<hr/>	<hr/>
GROSS PROFIT		309,278	116,602
Other operating expenses (net)	3	283,886	114,721
		<hr/>	<hr/>
OPERATING PROFIT		25,392	1,881
Interest payable and similar charges	4	10,157	1,408
Interest receivable	5	(1)	(1,042)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	15,236	1,515
TAXATION	8	4,500	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		10,736	1,515
Formation expenses written off		-	700
Extraordinary item	9	5,825	-
		<hr/>	<hr/>
Profit for the year		16,561	815
Retained profits brought forward		815	-
		<hr/>	<hr/>
Retained profits carried forward		£ 17,376 =====	£ 815 =====

The accompanying notes are an integral part of these accounts

FIRST SECURITY (GUARDS) PLC

3.

BALANCE SHEET

AS AT 31 DECEMBER 1988

	<u>Notes</u>	<u>1988</u>	<u>1987</u>
		£	£
FIXED ASSETS			
Tangible fixed assets	10	90,374	32,476
CURRENT ASSETS			
Stocks	11	18,471	10,063
Debtors	12	410,510	194,608
Cash in hand		512	4,640
		<hr/>	<hr/>
		429,493	209,311
CREDITORS: Amounts falling due within one year	13	414,998	177,690
		<hr/>	<hr/>
NET CURRENT ASSETS		14,495	31,621
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		104,869	64,097
CREDITORS: Amounts falling due after more than one year	14	37,493	13,282
		<hr/>	<hr/>
		£ 67,376	£ 50,815
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	15	50,000	50,000
Profit and loss account		17,376	815
SIGNED ON BEHALF OF THE BOARD			
S.F. COONEY			
D.G. NINEBERG			
17 March 1989			
		<hr/>	<hr/>
CAPITAL EMPLOYED		£ 67,376	£ 50,815
		=====	=====

Directors

The accompanying notes are an integral part of these accounts

FIRST SECURITY (GUARDS) PLC

4.

SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 DECEMBER 1988

	£	<u>1988</u>	£	£	<u>1987</u>	£
SOURCE OF FUNDS						
Profit for the year						
after taxation			16,561			1,515
add: taxation			<u>6,500</u>			<u>-</u>
			23,061			1,515
Add/(deduct) item not involving						
movement of funds during the						
year:						
Depreciation	14,151			1,784		
(Gain) on sale of assets	<u>-</u>		<u>14,151</u>	<u>(2,250)</u>		<u>(466)</u>
TOTAL FUNDS FROM OPERATIONS			37,212			1,049
Proceeds from issue						
of shares	-			50,000		
Proceeds from sale						
of fixed assets	<u>-</u>		<u>-</u>	<u>10,250</u>		<u>60,250</u>
			37,212			61,299
APPLICATION OF FUNDS						
Purchase of fixed assets	72,049			24,220		
Formation expenses	<u>-</u>		<u>72,049</u>	<u>700</u>		<u>24,920</u>
			£ (34,837)			£ 36,379
			=====			=====
Represented by:						
Increase/(decrease) in						
working capital:						
Debtors	215,902			194,608		
Stock	8,408			10,063		
Creditors	<u>(234,517)</u>		<u>(10,207)</u>	<u>(137,977)</u>		<u>66,694</u>
Movement in Net Liquid						
funds:						
Cash at bank						
and in hand	(4,128)			4,640		
Bank loans and						
overdrafts	<u>(20,502)</u>		<u>(24,630)</u>	<u>(34,955)</u>		<u>(30,315)</u>
			£ (34,837)			£ 36,379
			=====			=====

The accompanying notes are an integral part of these accounts

NOTES TO THE ACCOUNTS - 31 DECEMBER 1988

1. A summary of the principal group accounting policies is set out below, all of which have been applied consistently throughout the year.

a) BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention.

b) TANGIBLE FIXED ASSETS

Fixed assets are shown at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value, of each asset over its expected useful life, as follows:

Motor cars - 2% per month on a straight line basis
 Fixtures and fittings - 10% per annum on a reducing balance

Profits or losses on the disposal of fixed assets are included in the calculation of operating profit.

Stock are stated at the lower of cost and net realisable value.

c) TURNOVER

Turnover represent the total amount receivable in the normal course of business for services provided.

2. TURNOVER

All turnover was generated in the United Kingdom.

3. OTHER OPERATING EXPENSES (NET)

	<u>1988</u>	<u>1987</u>
	£	£
Administrative expenses	292,147	117,782
Other operating income	(8,261)	(3,061)
	<hr/>	<hr/>
	£ 283,886	£ 114,721
	=====	=====

4. INTEREST PAYABLE AND SIMILAR CHARGES

	£	£
On bank loans, overdrafts and other loans		
- repayable within five years, by instalments	3,912	140
- repayable within five years, not by instalments	6,245	1,268
	<hr/>	<hr/>
	£ 10,157	£ 1,408
	=====	=====

NOTES TO THE ACCOUNTS - 31 DECEMBER 1988

(CONTINUED)

5. INTEREST RECEIVABLE

Interest receivable is in respect of bank and money market deposits during the year.

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Depreciation	14,151	6,798
Auditors' remuneration	2,400	1,300
Directors' emoluments	67,683	16,914
Hire of equipment	2,723	1,584
	=====	=====

7. STAFF COSTS

Particulars of employees (including executive directors) are as shown below:

i) Employee costs during the year amounted to:

Wages and salaries	1,028,931	396,662
Social security costs	<u>86,996</u>	<u>33,569</u>
	£1,115,927	£ 430,231
	=====	=====

ii) The number of persons employed by the company was as follows:

	<u>At 31 December 1988 Number</u>	<u>At 31 December 1987 Number</u>
Selling and administration	6	5
Security staff	<u>175</u>	<u>50</u>
	181	55
	=====	=====
Remuneration of highest paid director	£ 29,471	£ 14,126
	=====	=====

Scale of directors' remuneration:

	<u>Number</u>	<u>Number</u>
£ 0 - £ 5,000	-	2
£ 5,001 - £10,000	1	-
£10,001 - £15,000	-	1
£25,001 - £30,000	2	-
	=====	=====

FIRST SECURITY (GUARDS) PLC

7.

NOTES TO THE ACCOUNTS - 31 DECEMBER 1988

(CONTINUED)

8. TAXATION

The charge for taxation has been provided at the current small companies' rates

9. EXTRAORDINARY ITEM

	£
Government training grant	7,825
Corporation tax thereon	(2,000)
	<hr/>
	£ 5,825
	=====

10. TANGIBLE FIXED ASSETS

The movement in the period was as follows:

	<u>Leased assets</u> £	<u>Leasehold premises</u> £	<u>Fixtures and fittings</u> £	<u>Motor vehicles</u> £	<u>Total</u> £
COST					
1 January 1988	23,054	-	12,143	4,077	39,274
Additions	26,070	4,237	41,742	-	72,049
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 December 1988	£ 49,124	£ 4,237	£ 53,885	£ 4,077	£111,323
	=====	=====	=====	=====	=====
DEPRECIATION					
1 January 1988	5,014	-	1,214	570	6,798
Charge for the year	7,737	169	5,267	978	14,151
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 December 1988	£ 12,751	£ 169	£ 6,481	£ 1,548	£ 20,949
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
31 December 1988	£ 36,373	£ 4,068	£ 47,404	£ 2,529	£ 90,374
	=====	=====	=====	=====	=====
31 December 1987	£ 18,040	£ -	£ 10,929	£ 3,507	£ 32,476
	=====	=====	=====	=====	=====

11. STOCK

	<u>1988</u>	<u>1987</u>
Uniforms	£ 18,471	£ 10,063
	=====	=====

NOTES TO THE ACCOUNTS - 31 DECEMBER 1988

(CONTINUED)

12. DEBTORS

	£	£
Trade debtors	382,879	181,658
Sundry debtors	27,631	12,950
	<hr/>	<hr/>
	£ 410,510	£ 194,608
	=====	=====

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1988</u> £	<u>1987</u> £
Trade creditors	24,284	11,263
Accruals	105,119	34,572
Sales invoiced in advance	-	34,876
Corporation tax	6,500	-
PAYE and VAT	223,306	55,751
Bank overdrafts	38,673	34,954
Bank loan	3,700	-
Leased assets	13,416	6,274
	<hr/>	<hr/>
	£ 414,998	£ 177,690
	=====	=====

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	£	£
Leased assets	23,964	11,766
Hire purchase liabilities	446	1,516
Bank loan	13,083	-
	<hr/>	<hr/>
	£ 37,493	£ 13,282
	=====	=====

15. CALLED UP SHARE CAPITAL

	£	£
Authorised, allotted, called up and fully paid		
200 'A' Ordinary shares of 50p each	100	100
49,900 'B' Ordinary shares of £1 each	49,900	49,900
	<hr/>	<hr/>
	£ 50,000	£ 50,000
	=====	=====

16. GUARANTEES

The bank overdraft is secured by a floating charge and debenture over all the assets of the company.

NOTES TO THE ACCOUNTS - 31 DECEMBER 1988

(CONTINUED)

17. OPERATING LEASE COMMITMENTS

At 31 December 1988 the company was committed to making payments of £20,000 during the next year in respect of leases on land and buildings which expire after 5 years.

18. DEFERRED TAXATION

There is a potential liability for deferred taxation of £2,100 in respect of capital allowances in excess of depreciation which has not been provided.