

# Temple Security Contractors Limited

## Report and Financial Statements

31 March 2012

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COMPANIES HOUSE

# Temple Security Contractors Limited

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Registered No 3814848

## **Directors**

J Levine  
M Saunders  
C Wisely

## **Secretary**

M Saunders

## **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
First Point  
Buckingham Gate  
Gatwick  
West Sussex, RH6 0NT

## **Bankers**

Clydesdale Bank  
33 Grace Church Street  
London EC3V 0BT

## **Registered office**

4 Crayside  
Five Arches Business Park  
Maidstone Road  
Sidcup  
Kent  
DA14 5AG

## Directors' report

The directors present their report and financial statements for the year ended 31 March 2012

### Results and dividends

The company did not trade during the year (year ended 31 March 2011 – profit of £26,000) The directors do not recommend the payment of a dividend (year ended 31 March 2011 – £nil)

### Principal activity

The principal activity of the company continues to be that of the provision of security services

### Review of the business

Last year all customer contracts were transferred to a fellow group company resulting in lower trading activity for that year This year the company did not trade and does not intend to trade in the future Further financial performance of the company for the year ended 31 March 2012 is set out on page 6

### Going concern

The parent undertaking has indicated its willingness to continue to provide financial support to the company for the foreseeable future The directors, having considered this and the financial position of the company, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the company to continue as a going concern Accordingly the directors have a reasonable expectation that the company will continue in operational existence and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

### Directors and company secretary

The directors who served the company during the year and up to the date of these financial statements were as follows

J Levine

M Saunders (appointed 6 February 2012)

C Wisely

On 29 June 2012, C Wisely resigned as company secretary, and M Saunders was appointed as company secretary

### Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

### Disclosure of information to the auditors

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 auditor is unaware Having made enquiries of fellow directors and the company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

On behalf of the Board



M Saunders  
Director

Date 9/7/12

Registered number: 3814848

## Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper 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.

## **Independent auditors' report**

**to the members of Temple Security Contractors Limited**

We have audited the financial statements of Temple Security Contractors Limited for the year ended 31 March 2012, which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **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. 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 31 March 2012 and of its result and cash flows 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 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.

## Independent auditors' report

to the members of Temple Security Contractors Limited (continued)

### 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



Matthew Hall (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Gatwick

Date 11 July 2022

## Profit and loss account

for the year ended 31 March 2012

	Notes	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
<b>Turnover</b>	2	-	10,399
<b>Cost of sales</b>		-	(9,879)
		<hr/>	<hr/>
<b>Gross profit</b>		-	520
<b>Administrative expenses</b>		-	(471)
		<hr/>	<hr/>
<b>Operating profit</b>	3	-	49
<b>Interest payable</b>	5	-	(19)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		-	30
<b>Tax</b>	6	-	(4)
		<hr/>	<hr/>
<b>Profit for the financial year</b>	10	-	26
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

There were no gains or losses other than the profit for the financial year and therefore no statement of total recognised gains and losses has been presented

## Balance sheet

At 31 March 2012

	Notes	31 March 2012 £'000	31 March 2011 £'000
<b>Current assets</b>			
Debtors	7	3,130	3,631
<b>Creditors: amounts falling due within one year</b>	8	(3,190)	(3,691)
<b>Net current liabilities</b>		(60)	(60)
<b>Net liabilities</b>		(60)	(60)
<b>Capital and reserves</b>			
Issued share capital	9	—	—
Profit and loss account	10	(60)	(60)
<b>Total shareholders' deficit</b>	11	(60)	(60)

The financial statements on pages 6 to 15 were approved by the Board of Directors and signed on their behalf by



M Saunders  
Director

Date 9/7/12

Registered number: 3814848

## Cash flow statement

for the year ended 31 March 2012

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
<b>Net cash inflow from operating activities</b>	-	23
<b>Returns on investments and servicing of finance</b>		
Interest paid	-	(19)
<b>Net cash outflow from returns on investments and servicing of finance</b>	-	(19)
<b>Taxation paid</b>	-	(4)
<b>Capital expenditure and financial investment</b>	-	-
<b>Net cash outflow for capital expenditure and financial investment</b>	-	-
<b>Cash flow before financing</b>	-	-
<b>Financing</b>	-	-
<b>Net cash outflow from financing</b>	-	-
<b>Increase in cash in the year</b>	-	-

## Cash flow statement (continued)

for the year ended 31 March 2012

### Reconciliation of operating profit to net cash inflow from operating activities

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Operating profit	-	49
Decrease in debtors	501	515
Decrease in creditors	(501)	(541)
Net cash inflow from operating activities	-	23

### Reconciliation of net cash flow to movement in net debt

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Increase in cash in the year	-	-
Change in net cash	-	-
Net debt at beginning of the year	-	-
Net debt at end of the year	-	-

### Analysis of changes in net debt

	2011 £'000	Cash flows £'000	Non-cash £'000	2012 £'000
Cash	-	-	-	-
Debt repayable within one year	-	-	-	-
Debt due after one year	-	-	-	-
Net debt	-	-	-	-

## Notes to the financial statement

At 31 March 2012

### 1. Accounting policies

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

#### **Going concern**

The parent undertaking has indicated its willingness to continue to provide financial support to the company for the foreseeable future. The directors, having considered this and the financial position of the company, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the company to continue as a going concern. Accordingly the directors have a reasonable expectation that the company will continue in operational existence and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

#### **Turnover**

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and VAT.

Revenue from security services is recognised by reference to contractual commitments with customers and labour hours incurred.

#### **Deferred taxation**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or the right to pay less or to receive more tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

## Notes to the financial statement

At 31 March 2012

### 2. Turnover

The whole of the turnover in the prior year was attributable to the provision of security services

All turnover arose within the United Kingdom

### 3. Operating profit

This is stated after charging

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Auditors' remuneration	-	4

All costs during the year were incurred by a fellow group undertaking and not recharged to Temple Security Contractors Limited. It is not considered practical to allocate audit fees between group companies

### 4. Directors' remuneration

No directors' remuneration was paid during the year in respect of qualifying services provided to the company (2011: £nil)

### 5. Interest payable

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Invoice factoring expense	-	19

## Notes to the financial statement

At 31 March 2012

### 6. Tax on profit on ordinary activities

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
<i>Current tax</i>		
Adjustments in respect of prior year	—	4
Total current tax (note 6(b))	—	4
Tax on profit on ordinary activities	—	4

#### (b) Factors affecting current tax charge for the year

The tax assessed on the profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 26% (2011 – 28%) The differences are explained below

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Profit on ordinary activities before tax	—	30
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 – 28%)	—	8
Effects of		
Adjustments to tax charge in respect of prior year	—	4
Group relief received for nil payment	—	(39)
Other timing differences	—	31
Current tax for the year (note 6(a))	—	4

## Notes to the financial statement

At 31 March 2012

### 6. Tax (continued)

#### (c) Deferred tax

Deferred tax is not provided in the financial statements. The amounts unprovided are as follows

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Other timing differences	(26)	(28)

The deferred tax asset has not been recognised due to uncertainty over suitable future profits being available for offset.

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and a further reduction to 24% (effective from 1 April 2012) was substantively enacted on 26 March 2012.

This will reduce the company's future current tax charge accordingly. The unrecognised deferred tax asset at 31 March 2012 has been calculated based on the rate of 24% substantively enacted at the balance sheet date.

It has not yet been possible to quantify the full anticipated effect of the announced further 2% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly.

### 7. Debtors

	31 March 2012 £'000	31 March 2011 £'000
Trade debtors	-	809
Amounts owed by group undertakings	3,130	2,784
Other debtors	-	38
	<u>3,130</u>	<u>3,631</u>

## Notes to the financial statement

At 31 March 2012

### 8. Creditors: amounts falling due within one year

	31 March 2012 £'000	31 March 2011 £'000
Trade creditors	35	52
Amounts owed to related undertakings	3,099	3,236
Other creditors	-	95
Social security and other taxes	56	83
Invoice factoring creditor	-	199
Accruals and deferred income	-	26
	<u>3,190</u>	<u>3,691</u>

Amounts owing under the invoice factoring creditor are secured on the trade debtors. Amounts owed/due to group undertakings are unsecured, interest free and repayable on demand.

### 9. Issued share capital

	31 March 2012		31 March 2011	
	No	£'000	No	£'000
Allotted, called up and fully paid				
Ordinary shares of £1 each	2	-	2	-
	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>

### 10. Reserves

	Profit and loss account £'000
At 1 April 2011	(60)
Result for the year	-
At 31 March 2012	<u>(60)</u>

### 11. Reconciliation of movement in shareholders' deficit

	31 March 2012 £'000	31 March 2011 £'000
Opening shareholders' deficit	(60)	(86)
Profit for the year	-	26
Closing shareholders' deficit	<u>(60)</u>	<u>(60)</u>

## Notes to the financial statement

At 31 March 2012

### 12. Contingent liabilities

The company has entered into cross guarantees with its ultimate parent undertaking, immediate parent undertaking and fellow subsidiaries with respect of obligations relating to bank borrowings and investor loan notes

### 13. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No 8 'Related Party Disclosures' and has not disclosed transactions with its wholly owned fellow undertakings in the Axis Acquisitions Limited group

However the company is not wholly owned by the group headed by LPM Group Limited and in the normal course of business, the company has balances due with fellow entities within that group Details of these balances outstanding at the balance sheet date are set out below

	31 March 2012 £'000	31 March 2011 £'000
Related party transactions with subsidiaries within the LPM Group – balance payable at balance sheet date	(724)	(734)

### 14. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Axis Acquisitions Limited which is incorporated in England At 31 March 2012, the directors did not consider there to be any ultimate controlling party Funds managed by Sovereign Capital Limited Partnership II LLP, a company incorporated in the United Kingdom, have an effective interest of 88.38% in the equity share capital of LPM Group Limited

The largest and smallest group of undertakings for which group financial statements have been drawn up and which include the results of the company is LPM Group Limited Copies of the financial statements are available from Companies House