Registered number: 01369559

Saladin Security Limited

Directors' report and financial statements

For the Year Ended 30 June 2018

Company Information

Directors	E Rimell D J Walker D H D Walker
Registered number	01369559
Registered office	39 Thurloe Place London SW7 2HP
Independent auditor	Kreston Reeves LLP Statutory Auditor & Chartered Accountants Third Floor 24 Chiswell Street London EC1Y 4YX

Contents

Directors' report
For the Year Ended 30 June 2018

The directors present their report and the financial statements for the year ended 30 June 2018.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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 to 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 auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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 auditor is aware of that information.

Auditor

The auditor, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Directors' report (continued)
For the Year Ended 30 June 2018

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 19 December 2018 and signed on its behalf.

E Rimell
Director

Independent auditor's report to the shareholders of Saladin Security Limited

Opinion

We have audited the financial statements of Saladin Security Limited (the 'Company') for the year ended 30 June 2018, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 Company's affairs as at 30 June 2018 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Company'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 included in the Annual Report, other than the financial statements and our Auditor's report 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.

Independent auditor's report to the shareholders of Saladin Security Limited (continued)

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.

Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, 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 is 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 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 Company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the shareholders of Saladin Security Limited (continued)

Auditor's 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 an Auditor's report 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 Auditor's report.

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 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.

Allan Pinner FCCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Third Floor
24 Chiswell Street
London
EC1Y 4YX

20 December 2018

Saladin Security Limited

Statement of comprehensive income
For the Year Ended 30 June 2018

	Note	2018 £	2017 £
Turnover		**2,225,676**	5,029,662
Cost of sales		**(1,578,556)**	(3,861,146)
Gross profit		**647,120**	1,168,516
Administrative expenses		**(875,428)**	(1,857,452)
Operating loss		**(228,308)**	(688,936)
Amounts written off investments		**252,636**	55,074
Interest receivable and similar income		**2**	12,917
Profit/(loss) before tax		**24,330**	(620,945)
Tax on profit/(loss)		**(5,166)**	131,312
Profit/(loss) for the financial year		**19,164**	(489,633)

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 17 form part of these financial statements.

Saladin Security Limited
Registered number: 01369559

Balance sheet
As at 30 June 2018

	Note		2018 £		2017 £
Fixed assets					
Tangible assets	5		**13,915**		24,502
Investments	6		**361**		361
			14,276		24,863
Current assets					
Debtors: amounts falling due within one year	7	**479,595**		526,917	
Cash at bank and in hand	8	**345,064**		513,689	
		824,659		1,040,606	
Creditors: amounts falling due within one year	9	**(303,212)**		(398,910)	
Net current assets			**521,447**		641,696
Total assets less current liabilities			**535,723**		666,559
Creditors: amounts falling due after more than one year	10		**(450,000)**		(600,000)
Net assets			**85,723**		66,559
Capital and reserves					
Called up share capital	12		**10,002**		10,002
Share premium account			**-**		27,000
Profit and loss account			**75,721**		29,557
			85,723		66,559

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 December 2018.

E Rimell
Director

The notes on pages 9 to 17 form part of these financial statements.

Statement of changes in equity
For the Year Ended 30 June 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2016	**10,002**	**27,000**	**1,189,190**	**1,226,192**
Comprehensive income for the year				
Loss for the year	-	-	(489,633)	(489,633)
Dividends	-	-	(670,000)	(670,000)
At 1 July 2017	**10,002**	**27,000**	**29,557**	**66,559**
Comprehensive income for the year				
Profit for the year	-	-	19,164	19,164
Transfer to/from profit and loss account	-	(27,000)	27,000	-
At 30 June 2018	**10,002**	**-**	**75,721**	**85,723**

1. General information

Saladin Security Limited (Company Number 01369559) is a limited liability company incorporated in England and Wales. The address of the registered office is 39 Thurloe Place, London, SW7 2HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Statement of comprehensive income within 'administrative expenses'.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Leasehold improvements	-		Straight line over the life of the lease
Plant and machinery	-	25%	
Motor vehicles	-	25%	
Fixtures and fittings	-	25%	

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that the actual outcomes could differ significantly from those estimates.

The following judgment has had the most significant impact on amounts recognised in the financial statements:

Loans

The company has made loans to related party undertakings, of which full recovery is uncertain. At the balance sheet date, the company has made provisions of £1,180,524 (2017: 1,437,126) against certain loans owing by related party undertakings (see note 14).

4. Employees

The average monthly number of employees, including directors, during the year was 37 (2017 - 80).

Notes to the financial statements
For the Year Ended 30 June 2018

5. Tangible fixed assets

	Leasehold Improvements	Plant and machinery	Total
	£	£	£
Cost or valuation			
At 1 July 2017	6,000	296,130	302,130
Additions	-	1,398	1,398
Disposals	-	(180,851)	(180,851)
At 30 June 2018	6,000	116,677	122,677
Depreciation			
At 1 July 2017	6,000	271,628	277,628
Charge for the year on owned assets	-	11,619	11,619
Disposals	-	(180,485)	(180,485)
At 30 June 2018	6,000	102,762	108,762
Net book value			
At 30 June 2018	-	13,915	13,915
At 30 June 2017	-	24,502	24,502

6. Fixed asset investments

	Investments in subsidiary companies	Loans to subsidiaries	Total
	£	£	£
Cost or valuation			
At 1 July 2017	361	883,161	883,522
Disposals	-	(2,636)	(2,636)
At 30 June 2018	361	880,525	880,886
Impairment			
At 1 July 2017	-	883,161	883,161
Charge for the period	-	(2,636)	(2,636)
At 30 June 2018	-	880,525	880,525
Net book value			
At 30 June 2018	361	-	361
At 30 June 2017	361	-	361

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Saladin Kenya Limited	Kenya	Ordinary	90 %	Provision of security services

Notes to the financial statements
For the Year Ended 30 June 2018

7. Debtors

	2018	2017
	£	£
Trade debtors	**116,914**	210,618
Other debtors	**276,013**	222,226
Prepayments and accrued income	**46,824**	54,229
Deferred taxation	**39,844**	39,844
	479,595	526,917

8. Cash and cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	**345,064**	513,689

9. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	**37,346**	61,644
Other taxation and social security	**92,154**	123,433
Other creditors	**112,676**	168,739
Accruals and deferred income	**61,036**	45,094
	303,212	398,910

10. Creditors: Amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	**450,000**	600,000

Notes to the financial statements
For the Year Ended 30 June 2018

11. Deferred taxation

	2018
	£
At beginning of year	**39,844**
Charged to profit or loss	**-**
At end of year	**39,844**

The deferred tax asset is made up as follows:

	2018	2017
	£	£
Decelerated capital allowances	**4,733**	4,733
Tax losses carried forward	**35,111**	35,111
	39,844	39,844

12. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
10,002 (2017 - 10,002) Ordinary shares shares of £1.00 each	**10,002**	10,002

13. Commitments under operating leases

At 30 June 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Not later than 1 year	**25,640**	55,645
Later than 1 year and not later than 5 years	**-**	24,739
	25,640	80,384

14. Related party transactions

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

The company was repaid £2,636 of loans made to its subsidiary undertaking Saladin Kenya Limited. A release of £2,636 has been made against a provision made against these loans. At the balance sheet date Saladin Kenya Limited owed the company £880,525 (2017: £883,161) against which provisions totalling £880,525 (2017: £883,161) had been made. The loans and provisions are included within fixed asset investments.

During the year, the company also entered into the following transactions with companies related through the interests of D J Walker:

The company was repaid £38,196 by Saladin Ghana Limited. At the balance sheet date Saladin Ghana Limited owed the company £301,576 (2017: £339,772) against which provisions totalling £300,000 (2017: £300,000) had been made. These amounts are included in debtors due within one year.

Loans made to Saladin Company for Security and Protection Services Limited were written off in the prior year, and as such hold no value on the balance sheet as at 30 June 2018.

Foreign exchange re-translation entries relating to loans made to African Camp Solutions Limited decreased their value in the reporting currency by £2,896. At the balance date African Camp Solutions Limited owed the company £174,163 (2017: £177,059). A provision of £100,000 made against this balance as at 31 December 2017 has been released in the year. These amounts are included in debtors due within one year.

The company levied management charges of £17,804 (2017: £40,211) to Veteran Security Services Limited.

D J Walker waived loan balances of £150,000 owed by the company. At the balance sheet date the company owed loan sums to D J Walker of £502,609 (2017: £667,456).