Registered number: 01369559

Saladin Security Limited

Unaudited

Directors' report and financial statements

For the year ended 30 June 2023

Saladin Security Limited
Registered number: 01369559

Balance sheet
As at 30 June 2023

	Note		2023		2022
			£		£
Fixed assets					
Tangible assets			**2,896**		3,382
Investments			**361**		361
			3,257		3,743
Current assets					
Debtors: amounts falling due after more than one year		**623,557**		623,557	
Debtors: amounts falling due within one year		**117,603**		180,255	
Cash at bank and in hand		**474,025**		737,655	
		1,215,185		1,541,467	
Creditors: amounts falling due within one year		**(586,201)**		(714,587)	
Net current assets			**628,984**		826,880
Total assets less current liabilities			**632,241**		830,623
Creditors: amounts falling due after more than one year			**-**		(129,362)
Net assets			**632,241**		701,261
Capital and reserves					
Called up share capital			**10,002**		10,002
Profit and loss account			**622,239**		691,259
			632,241		701,261

Saladin Security Limited
Registered number: 01369559

Balance sheet (continued)
As at 30 June 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

E Rimell
Director

Date: 22 February 2024

The notes on pages 3 to 12 form part of these financial statements.

Notes to the financial statements
For the year ended 30 June 2023

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 Niddry Lodge, 51 Holland Street, London, United Kingdom, W8 7JB.

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 Exemption from preparing consolidated financial statements

The Company, and the group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption from preparing consolidated accounts.

2.3 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within administrative expenses.

2. Accounting policies (continued)

2.4 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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 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 profit or loss 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. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

2.10 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	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 profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 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. Accounting policies (continued)

2.13 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.

2.14 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.

2.15 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.

2.16 Financial instruments

The Company has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

2. Accounting policies (continued)

2.16 Financial instruments (continued)

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

2. Accounting policies (continued)

2.16 Financial instruments (continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

2.17 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 judgments have had the most significant impact on amounts recognised in the financial statements:

Investment in subsidiary companies

The company holds an investment in its subsidiary undertaking at a cost of £897,960. At the balance sheet date the company has reviewed the carrying value of this investment and considered that an impariment of £897,599 is required (see note 6).

Performance bonds

The company has provided a performance bond of £623,557 (2022: £623,557) in support of part of its trading operations. The company has no cause for the performance bond to be called upon by the customer at the time of finalising the audit and has no reason to expect that any such claim will be made. The performance bond has been disclosed as part of debtors due after more than one year. Please see note 7 for more information.

4. Employees

The average monthly number of employees, including directors, during the year was 69 (2022 - 63).

Notes to the financial statements
For the year ended 30 June 2023

5. Tangible fixed assets

	Office Equipment
	£
Cost or valuation	
At 1 July 2022	94,605
Additions	629
Disposals	(4,025)
At 30 June 2023	91,209
Depreciation	
At 1 July 2022	91,223
Charge for the year on owned assets	1,115
Disposals	(4,025)
At 30 June 2023	88,313
Net book value	
At 30 June 2023	2,896
At 30 June 2022	3,382

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2022	**897,960**
At 30 June 2023	**897,960**
Impairment	
At 1 July 2022	**897,599**
At 30 June 2023	**897,599**
Net book value	
At 30 June 2023	**361**
At 30 June 2022	361

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

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

7. Debtors

	2023	2022
	£	£
Due after more than one year		
Other debtors	**623,557**	623,557
	623,557	623,557

Other debtors due after more than one year consists of a long term performance bond. A contingent liability is in place against this asset, please see note 13 for more information.

	2023	2022
	£	£
Due within one year		
Trade debtors	**54,112**	45,858
Other debtors	**2,785**	1,654
Prepayments and accrued income	**53,423**	124,980
Deferred taxation	**7,283**	7,763
	117,603	180,255

8. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	**30,457**	76,742
Corporation tax	**45,598**	106,266
Other taxation and social security	**258,374**	236,517
Other creditors	**85,596**	124,142
Accruals and deferred income	**166,176**	170,920
	586,201	714,587

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

	2023	2022
	£	£
Other creditors	**-**	129,362
	-	129,362

10. Deferred taxation

	2023
	£
At beginning of year	**7,763**
Charged to profit or loss	**(480)**
At end of year	**7,283**

The deferred tax asset is made up as follows:

	2023	2022
	£	£
Decelerated capital allowances	**7,283**	7,763

11. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
10,002 (2022 - 10,002) Ordinary shares shares of £1.00 each	**10,002**	10,002

12. Contingent liabilities

The company has provided a performance bond of £623,557 (2022: £623,557) in support of part of its trading operations. This performance bond remains at the same value at the balance sheet date. This amount has been included within debtors due after more than 1 year.

The company has no cause for the performance bond to be called upon by the customer and at the time of the approval of these financial statements has no reason to expect that any such claim will be made.