

**Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 March 2023**
for
Dante FS Group Ltd

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for the Year Ended 31 March 2023**

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Dante FS Group Ltd
Company Information
for the Year Ended 31 March 2023

DIRECTORS:

D G Roberts
B D Sinnott
A Roskell
N Corney

SECRETARY:

D G Roberts

REGISTERED OFFICE:

Seymour Chambers
92 London Road
Liverpool
Merseyside
L3 5NW

REGISTERED NUMBER:

04307232 (England and Wales)

AUDITORS:

Douglas Fairless Partnership
Chartered Certified Accountants
and Statutory Auditors
Seymour Chambers
92 London Road
Liverpool
Merseyside
L3 5NW

**Group Strategic Report
for the Year Ended 31 March 2023**

The directors present their strategic report of the company and the group for the year ended 31 March 2023.

Dante FS Group Ltd trades as a commercial buildings maintenance and project delivery business specialising in fire detection and suppression, CCTV, access control, mechanical & electrical, and fabrication. The business is based in the North West, but has been operating successfully nationwide for over 20 years. The business started as a fire and security installation business but over the years has diversified successfully into other markets.

Dante FS Group Ltd is the parent company of Cathedral Building Services Ltd. Dante FS Group Ltd acquired 100% of the share capital of Cathedral Building Services Ltd in 2021. Cathedral Building Services Ltd operates the southern arm of the Dante FS Group Ltd operations.

REVIEW OF BUSINESS

Following the acquisition of Cathedral Building Services Ltd in 2021, Dante FS Group Ltd has been able to grow its balance sheet substantially over the past 2 years. Shareholder funds now stand at £2.7million, up from £2.6million in 2022. The year to 31 March 2023 has seen Dante FS Group Ltd maintain its market position following several turbulent years due to the COVID pandemic. We have continued to service our larger contracts whilst still retaining our core customer base and bringing in new contracts during 2023. This has resulted in group turnover of £13,844,758, which is down from £16,197,501 in 2022. Our core business excluding the subsidiary figures show turnover of £12,289,751, which is an 11.5% decrease on 2022 (£13,887,086), but represents our second highest level of turnover since we started trading over 20 years ago.

Group gross profit margins have remained consistent at 20.70% (2022 - 24.10%), the slight downturn is largely due to an issue on one contract which is now resolved, so gross profit margins are expected to pick up in the 2024 year. Net profit margin is showing a 2.60% return on turnover, compared to 8.30% in 2022, the reduction is largely driven by the drop in revenue and fixed costs remaining largely unchanged. The net profit margin figure would have been 3.20% if we hadn't had to write off a number of bad debts due to several customers going into administration. Management are currently working hard to reduce overheads to bring the net profit margins back up to a more desirable level.

With our long term debts reducing significantly (see page 22 & 23), the cash flow position of the business (as detailed on page 14) is expected to improve significantly through 2024 and beyond, which will provide us with opportunities to expand the business further.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to the business will always remain the cash available in the business to service our debts and allow us the working capital to perform the contracts driving our revenue streams. Bad debts, particularly on our larger contracts pose a risk to the cash flow position of the business. The use of invoice financing companies we are managing this risk successfully. Whilst the cash flow is working in our favour in 2024 and due to the contracts and customer base that we have in place, there are no current or impending threats to the going concern basis of preparation, management consider the going concern basis of preparation to remain appropriate for the foreseeable future.

ON BEHALF OF THE BOARD:

D G Roberts - Director

27 March 2024

**Report of the Directors
for the Year Ended 31 March 2023**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2023.

DIVIDENDS

An interim dividend of £320,001 per share was paid on 30 April 2022. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2023 will be £ 320,001 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

D G Roberts
B D Sinnott
A Roskell
N Corney

Other changes in directors holding office are as follows:

D Devine - resigned 1 September 2022

COMPANY PURCHASE OF OWN SHARES

During the year the company purchased, out of distributable reserves, 2 x £1 shares for the total consideration of £38,944. On 01/09/22 the company entered into a settlement agreement with Darren Devine to purchase his share holding in Dante FS Group Ltd and for Dante FS Group Ltd to purchase Darren Devine's 2500 shares in Dante Fire & Security (NE) Ltd, this was by mutual agreement of all directors. Darren Devine resigned as a director on 01/09/22, with the purchase of the company shares being completed on the same day, the 2 x £1 shares bought back by the company were cancelled as part of the transaction.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Report of the Directors
for the Year Ended 31 March 2023**

AUDITORS

The auditors, Douglas Fairless Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

D G Roberts - Director

27 March 2024

Report of the Independent Auditors to the Members of Dante FS Group Ltd

Opinion

We have audited the financial statements of Dante FS Group Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, 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 group's and of the parent company affairs as at 31 March 2023 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Report of the Independent Auditors to the Members of Dante FS Group Ltd

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risks of material misstatement in the financial statements in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, the control environment and the impact of business performance on Directors earnings.
- results of our enquiries of management and key finance persons about their own identification and assessment of the risks and irregularities.
- any matters we identified after obtaining and reviewing company policies and procedures relating to; identifying, evaluating and complying with laws and regulations. Detecting and responding to risks of fraud. The internal controls in place to mitigate the risks of fraud or non-compliance with laws and regulations.

From this assessment, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis of our opinion. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls; we have tested the operational effectiveness of internal controls relevant to the financial statements, tested the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
Dante FS Group Ltd**

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 a Report of the Auditors 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.

Mr Gregory Newton FCCA (Senior Statutory Auditor)
for and on behalf of Douglas Fairless Partnership
Chartered Certified Accountants
and Statutory Auditors
Seymour Chambers
92 London Road
Liverpool
Merseyside
L3 5NW

27 March 2024

**Consolidated
Income Statement
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	£	31.3.22 £	£
TURNOVER	3		13,844,758		16,197,501
Cost of sales			<u>10,981,899</u>		<u>12,301,347</u>
GROSS PROFIT			2,862,859		3,896,154
Distribution costs		2,675		1,334	
Administrative expenses		<u>2,474,932</u>		<u>2,523,972</u>	
			<u>2,477,607</u>		<u>2,525,306</u>
			385,252		1,370,848
Other operating income			-		22,950
OPERATING PROFIT	5		<u>385,252</u>		<u>1,393,798</u>
Interest receivable and similar income			<u>335</u>		<u>92</u>
			385,587		1,393,890
Interest payable and similar expenses	6		<u>25,565</u>		<u>53,982</u>
PROFIT BEFORE TAXATION			360,022		1,339,908
Tax on profit	7		<u>(58,288)</u>		<u>(78,184)</u>
PROFIT FOR THE FINANCIAL YEAR			<u>418,310</u>		<u>1,418,092</u>
Profit attributable to:					
Owners of the parent			<u>418,310</u>		<u>1,418,092</u>

**Consolidated
Other Comprehensive Income
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
Notes		
PROFIT FOR THE YEAR	418,310	1,418,092
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>418,310</u>	<u>1,418,092</u>
Total comprehensive income attributable to: Owners of the parent	<u>418,310</u>	<u>1,418,092</u>

Consolidated Balance Sheet
31 March 2023

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Tangible assets	10		337,035		375,560
Investments	11				
Interest in associate			96,660		-
Other investments			<u>2,897,745</u>		<u>2,897,745</u>
			3,331,440		3,273,305
CURRENT ASSETS					
Stocks	12	405,745		142,886	
Debtors	13	3,376,327		4,947,030	
Cash at bank and in hand		<u>245,514</u>		<u>433,248</u>	
		4,027,586		5,523,164	
CREDITORS					
Amounts falling due within one year	14	<u>4,356,619</u>		<u>5,103,935</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(329,033)</u>		<u>419,229</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,002,407		3,692,534
CREDITORS					
Amounts falling due after more than one year	15		(267,319)		(1,008,804)
PROVISIONS FOR LIABILITIES	19		<u>(29,110)</u>		<u>(37,117)</u>
NET ASSETS			<u>2,705,978</u>		<u>2,646,613</u>
CAPITAL AND RESERVES					
Called up share capital	20		98		100
Capital redemption reserve	21		2		-
Retained earnings	21		<u>2,705,878</u>		<u>2,646,513</u>
SHAREHOLDERS' FUNDS			<u>2,705,978</u>		<u>2,646,613</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2024 and were signed on its behalf by:

D G Roberts - Director

Company Balance Sheet
31 March 2023

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Tangible assets	10		305,068		333,126
Investments	11		<u>3,033,905</u>		<u>2,937,245</u>
			3,338,973		3,270,371
CURRENT ASSETS					
Stocks	12	325,161		142,886	
Debtors	13	3,337,416		4,704,463	
Cash at bank and in hand		<u>85,194</u>		<u>102,360</u>	
		3,747,771		4,949,709	
CREDITORS					
Amounts falling due within one year	14	<u>4,167,954</u>		<u>4,913,337</u>	
NET CURRENT (LIABILITIES)/ASSETS			(420,183)		36,372
TOTAL ASSETS LESS CURRENT LIABILITIES			2,918,790		3,306,743
CREDITORS					
Amounts falling due after more than one year	15		(265,367)		(999,042)
PROVISIONS FOR LIABILITIES	19		<u>(23,724)</u>		<u>(29,055)</u>
NET ASSETS			<u>2,629,699</u>		<u>2,278,646</u>
CAPITAL AND RESERVES					
Called up share capital	20		98		100
Capital redemption reserve	21		2		-
Retained earnings	21		<u>2,629,599</u>		<u>2,278,546</u>
SHAREHOLDERS' FUNDS			<u>2,629,699</u>		<u>2,278,646</u>
Company's profit for the financial year			<u>709,998</u>		<u>2,588,429</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2024 and were signed on its behalf by:

D G Roberts - Director

**Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2023**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 April 2021	100	1,859,798	-	1,859,898
Changes in equity				
Dividends	-	(631,377)	-	(631,377)
Total comprehensive income	-	1,418,092	-	1,418,092
Balance at 31 March 2022	100	2,646,513	-	2,646,613
Changes in equity				
Issue of share capital	(2)	-	-	(2)
Dividends	-	(320,001)	-	(320,001)
Total comprehensive income	-	379,366	2	379,368
Balance at 31 March 2023	98	2,705,878	2	2,705,978

**Company Statement of Changes in Equity
for the Year Ended 31 March 2023**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 April 2021	100	96,517	-	96,617
Changes in equity				
Dividends	-	(406,400)	-	(406,400)
Total comprehensive income	-	2,588,429	-	2,588,429
Balance at 31 March 2022	100	2,278,546	-	2,278,646
Changes in equity				
Issue of share capital	(2)	-	-	(2)
Dividends	-	(320,001)	-	(320,001)
Total comprehensive income	-	671,054	2	671,056
Balance at 31 March 2023	98	2,629,599	2	2,629,699

**Consolidated Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	1,295,171	1,964,849
Interest paid		(23,944)	(53,037)
Interest element of hire purchase payments paid		(1,621)	(945)
Tax paid		(70,002)	282,083
Net cash from operating activities		<u>1,199,604</u>	<u>2,192,950</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(18,985)	(80,498)
Purchase of fixed asset investments		(96,660)	(2,897,745)
Sale of tangible fixed assets		-	8,334
Interest received		335	92
Net cash from investing activities		<u>(115,310)</u>	<u>(2,969,817)</u>
Cash flows from financing activities			
New loans in year		-	1,299,529
Loan repayments in year		(979,739)	(29,942)
Capital repayments in year		(11,790)	43,314
Amount introduced by directors		-	480,243
Amount withdrawn by directors		39,504	(329,569)
Share issue		(2)	-
Equity dividends paid		(320,001)	(631,377)
Net cash from financing activities		<u>(1,272,028)</u>	<u>832,198</u>
(Decrease)/increase in cash and cash equivalents		<u>(187,734)</u>	<u>55,331</u>
Cash and cash equivalents at beginning of year	2	433,248	377,917
Cash and cash equivalents at end of year	2	<u>245,514</u>	<u>433,248</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2023**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.3.23	31.3.22
	£	£
Profit before taxation	360,022	1,339,908
Depreciation charges	57,510	67,628
Profit on disposal of fixed assets	-	(197)
Government grants	-	(22,950)
Finance costs	25,565	53,982
Finance income	(335)	(92)
	<u>442,762</u>	<u>1,438,279</u>
(Increase)/decrease in stocks	(262,859)	149,053
Decrease/(increase) in trade and other debtors	1,570,629	(2,620,329)
(Decrease)/increase in trade and other creditors	(455,361)	2,997,846
Cash generated from operations	<u><u>1,295,171</u></u>	<u><u>1,964,849</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	<u>245,514</u>	<u>433,248</u>

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	<u>433,248</u>	<u>377,917</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>433,248</u>	<u>(187,734)</u>	<u>245,514</u>
	<u>433,248</u>	<u>(187,734)</u>	<u>245,514</u>
Debt			
Finance leases	(46,230)	11,790	(34,440)
Debts falling due within 1 year	(272,271)	211,104	(61,167)
Debts falling due after 1 year	(974,363)	729,695	(244,668)
	<u>(1,292,864)</u>	<u>952,589</u>	<u>(340,275)</u>
Total	<u><u>(859,616)</u></u>	<u><u>764,855</u></u>	<u><u>(94,761)</u></u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2023**

1. STATUTORY INFORMATION

Dante FS Group Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

The turnover in the profit and loss account represents revenue recognised on installation and maintenance works fully delivered during the period exclusive of value added tax. Revenue on monitoring contracts are recognised based on the accrued contract period.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance and 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost and 25% on reducing balance

Tangible fixed assets are initially measured at cost. After initial recognition, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Investments in subsidiaries and associates

Investments in subsidiary and associate undertakings are recognised at cost.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	31.3.23 £	31.3.22 £
Rendering of services	13,844,758	16,197,501
	<u>13,844,758</u>	<u>16,197,501</u>

4. EMPLOYEES AND DIRECTORS

	31.3.23 £	31.3.22 £
Wages and salaries	2,287,028	2,267,556
Social security costs	251,305	265,908
Other pension costs	45,631	57,404
	<u>2,583,964</u>	<u>2,590,868</u>

The average number of employees during the year was as follows:

	31.3.23	31.3.22
Directors	4	3
Management	2	2
Other	67	68
	<u>73</u>	<u>73</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 73 (2022 - 73) .

	31.3.23 £	31.3.22 £
Directors' remuneration	<u>27,288</u>	<u>92,253</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.23	31.3.22
	£	£
Hire of plant and machinery	137,746	165,765
Depreciation - owned assets	44,424	52,222
Depreciation - assets on hire purchase contracts	13,086	15,407
Profit on disposal of fixed assets	-	(197)
Auditors' remuneration	14,000	-
Other non- audit services	<u>7,765</u>	<u>9,337</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.23	31.3.22
	£	£
Bank interest	-	102
Bank loan interest	23,944	52,935
Hire purchase	<u>1,621</u>	<u>945</u>
	<u>25,565</u>	<u>53,982</u>

7. TAXATION**Analysis of the tax credit**

The tax credit on the profit for the year was as follows:

	31.3.23	31.3.22
	£	£
Current tax:		
UK corporation tax	39,655	202,082
Corporation tax adjustment	<u>(89,936)</u>	<u>(282,084)</u>
Total current tax	<u>(50,281)</u>	<u>(80,002)</u>
Deferred tax	<u>(8,007)</u>	<u>1,818</u>
Tax on profit	<u>(58,288)</u>	<u>(78,184)</u>

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	31.3.23	31.3.22
	£	£
Ordinary shares of £1 each		
Interim	<u>320,001</u>	<u>631,377</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

10. TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2022	180,208	13,241	177,687
Additions	-	5,422	4,143
At 31 March 2023	<u>180,208</u>	<u>18,663</u>	<u>181,830</u>
DEPRECIATION			
At 1 April 2022	-	9,216	127,014
Charge for year	-	2,814	13,704
At 31 March 2023	<u>-</u>	<u>12,030</u>	<u>140,718</u>
NET BOOK VALUE			
At 31 March 2023	<u>180,208</u>	<u>6,633</u>	<u>41,112</u>
At 31 March 2022	<u>180,208</u>	<u>4,025</u>	<u>50,673</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2022	217,867	160,490	749,493
Additions	4,795	4,625	18,985
At 31 March 2023	<u>222,662</u>	<u>165,115</u>	<u>768,478</u>
DEPRECIATION			
At 1 April 2022	142,593	95,110	373,933
Charge for year	22,395	18,597	57,510
At 31 March 2023	<u>164,988</u>	<u>113,707</u>	<u>431,443</u>
NET BOOK VALUE			
At 31 March 2023	<u>57,674</u>	<u>51,408</u>	<u>337,035</u>
At 31 March 2022	<u>75,274</u>	<u>65,380</u>	<u>375,560</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 April 2022 and 31 March 2023	<u>75,613</u>
DEPRECIATION	
At 1 April 2022	29,015
Charge for year	13,086
At 31 March 2023	<u>42,101</u>
NET BOOK VALUE	
At 31 March 2023	<u>33,512</u>
At 31 March 2022	<u>46,598</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

10. TANGIBLE FIXED ASSETS - continued

Company

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2022	180,208	13,241	169,744
Additions	-	-	4,142
At 31 March 2023	<u>180,208</u>	<u>13,241</u>	<u>173,886</u>
DEPRECIATION			
At 1 April 2022	-	9,216	119,071
Charge for year	-	1,006	13,704
At 31 March 2023	<u>-</u>	<u>10,222</u>	<u>132,775</u>
NET BOOK VALUE			
At 31 March 2023	<u>180,208</u>	<u>3,019</u>	<u>41,111</u>
At 31 March 2022	<u>180,208</u>	<u>4,025</u>	<u>50,673</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2022	83,838	153,915	600,946
Additions	4,795	4,625	13,562
At 31 March 2023	<u>88,633</u>	<u>158,540</u>	<u>614,508</u>
DEPRECIATION			
At 1 April 2022	46,614	92,919	267,820
Charge for year	10,505	16,405	41,620
At 31 March 2023	<u>57,119</u>	<u>109,324</u>	<u>309,440</u>
NET BOOK VALUE			
At 31 March 2023	<u>31,514</u>	<u>49,216</u>	<u>305,068</u>
At 31 March 2022	<u>37,224</u>	<u>60,996</u>	<u>333,126</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 April 2022 and 31 March 2023	<u>31,480</u>
DEPRECIATION	
At 1 April 2022	7,870
Charge for year	5,903
At 31 March 2023	<u>13,773</u>
NET BOOK VALUE	
At 31 March 2023	<u>17,707</u>
At 31 March 2022	<u>23,610</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

11. FIXED ASSET INVESTMENTS

Group

	Shares in group undertakings £	Interest in associate £	Totals £
COST			
At 1 April 2022	2,897,745	-	2,897,745
Additions	-	96,660	96,660
At 31 March 2023	<u>2,897,745</u>	<u>96,660</u>	<u>2,994,405</u>
NET BOOK VALUE			
At 31 March 2023	<u>2,897,745</u>	<u>96,660</u>	<u>2,994,405</u>
At 31 March 2022	<u>2,897,745</u>	<u>-</u>	<u>2,897,745</u>

Company

	Shares in group undertakings £	Interest in associate £	Totals £
COST			
At 1 April 2022	2,937,245	-	2,937,245
Additions	-	96,660	96,660
At 31 March 2023	<u>2,937,245</u>	<u>96,660</u>	<u>3,033,905</u>
NET BOOK VALUE			
At 31 March 2023	<u>2,937,245</u>	<u>96,660</u>	<u>3,033,905</u>
At 31 March 2022	<u>2,937,245</u>	<u>-</u>	<u>2,937,245</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Cathedral Building Services Ltd

Registered office: Seymour Chambers, 92 London Road, Liverpool, England, L3 5NW

Nature of business: Building services

	% holding		
Class of shares:			
Ordinary	100.00	31.3.23 £	31.3.22 £
Aggregate capital and reserves		115,779	407,467
Profit for the year/period		<u>162,312</u>	<u>471,663</u>

Associated company

Dante Fire & Security (NE) Ltd

Registered office: Seymour Chambers, 92 London Road, Liverpool, Merseyside, L3 5NW

Nature of business: Fire & Security systems installations

	% holding		
Class of shares:			
Ordinary	25.00	31.3.23 £	31.3.22 £
Aggregate capital and reserves		14,474	28,342
Profit for the year		<u>24,432</u>	<u>91,637</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

12. STOCKS

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Stocks	22,530	23,000	22,530	23,000
Work-in-progress	383,215	119,886	302,631	119,886
	<u>405,745</u>	<u>142,886</u>	<u>325,161</u>	<u>142,886</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Trade debtors	3,147,668	4,313,665	3,032,637	4,080,592
Other debtors	165,306	573,871	165,306	573,871
Inter-company	-	-	88,160	-
Corporation tax	-	74	-	74
Accruals	-	1,055	-	-
Prepayments	63,353	58,365	51,313	49,926
	<u>3,376,327</u>	<u>4,947,030</u>	<u>3,337,416</u>	<u>4,704,463</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Bank loans and overdrafts (see note 16)	61,167	272,271	61,167	272,271
Hire purchase contracts (see note 17)	11,789	11,789	3,979	3,979
Trade creditors	2,239,810	3,135,530	2,193,837	3,160,475
Corporation taxation	81,725	202,082	-	89,936
Social security and other taxes	116,799	77,690	98,791	68,213
VAT	265,141	640,728	247,810	572,385
Other creditors	82,757	437,164	81,205	437,164
Factoring account	1,294,154	193,091	1,294,154	193,091
Credit card	34,166	42,706	33,022	41,494
Directors' current accounts	40,437	933	40,437	933
Accruals and deferred income	37,470	39,282	30,696	25,961
Accrued expenses	91,204	50,669	82,856	47,435
	<u>4,356,619</u>	<u>5,103,935</u>	<u>4,167,954</u>	<u>4,913,337</u>

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

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Bank loans (see note 16)	244,668	974,363	244,668	974,363
Hire purchase contracts (see note 17)	22,651	34,441	20,699	24,679
	<u>267,319</u>	<u>1,008,804</u>	<u>265,367</u>	<u>999,042</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 202316. **LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.23 £	31.3.22 £	31.3.23 £	31.3.22 £
Amounts falling due within one year or on demand:				
Bank loans	<u>61,167</u>	<u>272,271</u>	<u>61,167</u>	<u>272,271</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>61,167</u>	<u>272,271</u>	<u>61,167</u>	<u>272,271</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>183,501</u>	<u>640,925</u>	<u>183,501</u>	<u>640,925</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>-</u>	<u>61,167</u>	<u>-</u>	<u>61,167</u>

17. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	31.3.23 £	31.3.22 £
Gross obligations repayable:		
Within one year	13,410	13,410
Between one and five years	<u>24,947</u>	<u>38,357</u>
	<u>38,357</u>	<u>51,767</u>
Finance charges repayable:		
Within one year	1,621	1,621
Between one and five years	<u>2,296</u>	<u>3,916</u>
	<u>3,917</u>	<u>5,537</u>
Net obligations repayable:		
Within one year	11,789	11,789
Between one and five years	<u>22,651</u>	<u>34,441</u>
	<u>34,440</u>	<u>46,230</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

17. LEASING AGREEMENTS - continued

Company

	Hire purchase contracts	
	31.3.23	31.3.22
	£	£
Gross obligations repayable:		
Within one year	5,600	5,600
Between one and five years	<u>22,995</u>	<u>28,595</u>
	<u>28,595</u>	<u>34,195</u>
Finance charges repayable:		
Within one year	1,621	1,621
Between one and five years	<u>2,296</u>	<u>3,916</u>
	<u>3,917</u>	<u>5,537</u>
Net obligations repayable:		
Within one year	3,979	3,979
Between one and five years	<u>20,699</u>	<u>24,679</u>
	<u>24,678</u>	<u>28,658</u>

Company

	Non-cancellable operating leases	
	31.3.23	31.3.22
	£	£
Within one year	245,347	252,527
Between one and five years	370,995	370,995
In more than five years	<u>45,453</u>	<u>290,800</u>
	<u>661,795</u>	<u>914,322</u>

18. SECURED DEBTS

Close Brothers Limited has a fixed and floating charge over all the property and undertakings of the company.

Cynergy Business Finance Limited as a fixed and floating charge over all the property and undertakings of the company.

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Deferred Tax	<u>29,110</u>	<u>37,117</u>	<u>23,724</u>	<u>29,055</u>
Group				
				Deferred tax
				£
Balance at 1 April 2022				37,117
Capital allowances adjustments				<u>(8,007)</u>
Balance at 31 March 2023				<u>29,110</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

19. PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1 April 2022	29,055
Capital allowances adjustments	(5,331)
Balance at 31 March 2023	<u>23,724</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	31.3.23 £	31.3.22 £
100	Ordinary		<u>98</u>	<u>100</u>

21. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2022	2,646,513	-	2,646,513
Profit for the year	418,310		418,310
Dividends	(320,001)		(320,001)
Purchase of own shares	(38,944)	2	(38,942)
At 31 March 2023	<u>2,705,878</u>	<u>2</u>	<u>2,705,880</u>

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2022	2,278,546	-	2,278,546
Profit for the year	709,998		709,998
Dividends	(320,001)		(320,001)
Purchase of own shares	(38,944)	2	(38,942)
At 31 March 2023	<u>2,629,599</u>	<u>2</u>	<u>2,629,601</u>

22. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £45,388 (2022 - £60,640). At the balance sheet date £10,016 (2022 - £7,164) was owing to the fund contained within other creditors.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

23. **RELATED PARTY DISCLOSURES**

Entities with control, joint control or significant influence over the entity

	31.3.23	31.3.22
	£	£
Sales	37,042	5,416
Purchases	23,943	53,841
Management Fee Income	51,461	25,000
Amount due from related party	222,486	6,500
Amount due to related party	<u>176,883</u>	<u>64,609</u>

The above figures have been removed on consolidation.

Entities over which the entity has control, joint control or significant influence

	31.3.23	31.3.22
	£	£
Management Fees	282,350	278,031
Subcontractors	758,384	888,753
Amount due to related party	<u>179,718</u>	<u>159,292</u>

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