COMPANY REGISTRATION NUMBER: 04713843

FGH SECURITY LTD

FILLETED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 March 2021

FGH SECURITY LTD

DIRECTORS' REPORT

YEAR ENDED 31st MARCH 2021

The directors present their report and the financial statements of the company for the year ended 31 March 2021 .

BUSINESS REVIEW

COVID-19 IMPACT It is impossible to review the last 12 months without reference to Covid-19 and its devastating impact on the world. No part of the economy was unaffected during the 12 months. FGH Security have historically worked heavily in the Events, Festivals, and Hospitality and Leisure sector, all of which effectively closed in March 2020. FGH diversified immediately and supported the country in feeding the nation by supplying staff to many critical retail operations over the 12 months to help with Covid-19 measures through queue management and other associated roles. FGH Security also decided to support their industry and help their colleagues in the sector by acting as a conduit by subcontracting work out to over 50 other security businesses across the UK that had historically focused on the Events and Hospitality and Leisure sectors also. In doing so, we kept many other people employed and other businesses trading. Despite the exceptional circumstances throughout the world, due to the hard work of key members of the team, sales grew by 122% on the previous year. KEY PERFORMANCE INDICATORS In a saturated industry, where reputation is everything, we continue to monitor our trust scores across various public facing platforms and are pleased to say we lead the industry: Trust Pilot 4.8, Google 4.6, Facebook 4.6, Indeed 4.1, Glassdoor 4.5. INVESTING IN THE FUTURE At a time when most businesses were pulling back the Directors and key management chose to invest heavily in the business in a number of areas during the year to futureproof the business and prepare it for growth post the exceptional effects of Covid-19. Key foundations have been laid that will see the business continue to grow and excel. PEOPLE FGH Security appointed five non-executive directors during the year and have increased our headcount in key areas across operations, HR, finance, training, and quality. This has reaped benefits in us continuing to deliver industry leading quality and being an employer of choice. This has been reflected in the business again being recognised by the Mind Wellbeing Index. PROCESSES AND TECHNOLOGY FGH security invested in new software that allows for an online recruitment process that allows people to apply quicker and more seamlessly across the whole of the country. This has allowed the business to fill roles faster and attract more staff in what is a tight recruitment market. The business also invested in improved finance and forecasting software, in a new client relationship management system and a new workforce management system. These investments are already allowing the business to grow and further capitalise on our reputation for quality people and quality delivery. GROWTH FGH Security have diversified their business into new sectors including key wins in the public sector and retail which should see the business well placed for a strong future. Whilst there remain some limitations within Events, Festivals and Hospitality and Leisure, the early signs of recovery are in place with existing and new customers looking to FGH Security for assistance. FGH Security are well placed to benefit as the sector re-opens further. OUTLOOK Despite the challenging environment, the last 12 months has acted as a change catalyst for FGH Security and the team. Existing customers have grown and remain loyal, new customers and new sectors have also joined through the strength of our service delivery reputation and our commitment to uncompromising quality. We have a strong pipeline of opportunities. The business will open offices and a training centre in the heart of London in August 2021 and plans for other regional centres are well advanced, with Birmingham opening later in the year. Our strong balance sheet means the business can continue to invest and are open to looking at opportunities for acquisitions that meet our strategic aims. The Directors would like to thank all the employees of the business for their hard work, flexibility, commitment and positive attitude throughout the year.

DIRECTORS

The directors who served the company during the year were as follows:

Mr P Harrison

Mr B Knott (Appointed 1 April 2020)

EMPLOYMENT OF DISABLED PERSONS

The company has a policy which gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. The director ensures that all the staff members are provided with all the relevant information regarding the company's training and development policy including newly appointed staff and existing staff members, this also includes arranging appropriate training for all employees of the company who may have become disabled persons during the year.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 22 July 2021 and signed on behalf of the board by:

Mr P Harrison

Director

Registered office:

20 Mannin Way

Caton Road

Lancaster

Lancashire

England

LA1 3SW

FGH SECURITY LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

YEAR ENDED 31st MARCH 2021

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 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to: - select suitable accounting policies and then apply them consistently; - make judgments and accounting estimates that are reasonable and prudent; - 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 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.

FGH SECURITY LTD

STATEMENT OF FINANCIAL POSITION

31 March 2021

		2021		2020
				(restated)
	Note	**£**	**£**	£
FIXED ASSETS				
Tangible assets	**6**		**533,864**	446,409
CURRENT ASSETS				
Stocks		**11,937**		11,649
Debtors	**7**	**1,404,409**		1,346,998
Investments	**8**	**59**		59
Cash at bank and in hand		**238,767**		59,119
		1,655,172		1,417,825
CREDITORS: amounts falling due within one year	**9**	**1,273,514**		1,236,675
NET CURRENT ASSETS			**381,658**	181,150
TOTAL ASSETS LESS CURRENT LIABILITIES			**915,522**	627,559
CREDITORS: amounts falling due after more than one year	**10**		**336,711**	96,153
PROVISIONS				
Taxation including deferred tax			**90,944**	70,756
NET ASSETS			**487,867**	460,650
CAPITAL AND RESERVES				
Called up share capital	**12**		**400**	400
Profit and loss account			**487,467**	460,250
SHAREHOLDER FUNDS			**487,867**	460,650

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

FGH SECURITY LTD

STATEMENT OF FINANCIAL POSITION *(continued)*

31 March 2021

These financial statements were approved by the board of directors and authorised for issue on 22 July 2021 , and are signed on behalf of the board by:

Mr P Harrison

Director

Company registration number: 04713843

FGH SECURITY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2021

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. the address of the registered office is 20 mannin Way, Caton Road, Lancaster, Lancashire, LA1 3SW, England. The principal activity of the company is that of providing security and guarding services.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

GOING CONCERN

After the balance sheet date there remains ongoing measures taken within society to combat the Covid-19 pandemic. The directors consider the company to have a sufficient level of working capital to see it through the upcoming months and therefore it remains wholly solvent at this time. The directors do not consider there to be a material uncertainty and there is reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

REVENUE RECOGNITION

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and VAT. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

INCOME TAX

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

GOODWILL

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

AMORTISATION

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

TANGIBLE ASSETS

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

DEPRECIATION

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	-	10% straight line
Motor vehicles	-	12.5% - 20% Straight line
Equipment	-	25% straight line

IMPAIRMENT OF FIXED ASSETS

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

STOCKS

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

FINANCE LEASES AND HIRE PURCHASE CONTRACTS

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

GOVERNMENT GRANTS

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

PROVISIONS

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

FINANCIAL INSTRUMENTS

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship (see hedge accounting policy). Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

DEFINED CONTRIBUTION PLANS

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 250 (2020: 401).

5. INTANGIBLE ASSETS

	Goodwill
	£
Cost	
At 1st April 2020 (as restated)	**114,491**
Additions	–
Disposals	**(114,491)**
At 31st March 2021	–
Amortisation	
At 1st April 2020	**114,491**
Charge for the year	–
Disposals	**(114,491)**
At 31st March 2021	–
Carrying amount	
At 31st March 2021	–
At 31st March 2020	–

6. TANGIBLE ASSETS

	Land and buildings	Motor vehicles	Equipment	**Total**
	£	£	£	**£**
Cost				
At 1st April 2020 (as restated)	65,773	370,172	248,155	**684,100**
Additions	–	188,607	22,938	**211,545**
Disposals	–	(17,500)	–	**(17,500)**
At 31st March 2021	65,773	541,279	271,093	**878,145**
Depreciation				
At 1st April 2020	10,781	78,401	148,509	**237,691**
Charge for the year	6,577	67,029	41,952	**115,558**
Disposals	–	(8,968)	–	**(8,968)**
At 31st March 2021	17,358	136,462	190,461	**344,281**
Carrying amount				
At 31st March 2021	48,415	404,817	80,632	**533,864**
At 31st March 2020	54,992	291,771	99,646	446,409

7. DEBTORS

	2021	2020 *(restated)*
	£	£
Trade debtors	**921,991**	1,017,728
Amounts owed by group undertakings and undertakings in which the company has a participating interest	**282,450**	282,450
Other debtors	**199,968**	46,820

1,404,409	1,346,998

8. INVESTMENTS

	2021	2020
		(restated)
	£	£
Hargreaves Lansdown share and fund account	**59**	59

9. CREDITORS: amounts falling due within one year

	2021	2020
		(restated)
	£	£
Trade creditors	**577,776**	442,558
Corporation tax	–	6,373
Social security and other taxes	–	29,867
Other creditors	**695,738**	757,877
	1,273,514	1,236,675

10. CREDITORS: amounts falling due after more than one year

	2021	2020
		(restated)
	£	£
Bank loans and overdrafts	**300,000**	–
Other creditors	**36,711**	96,153
	336,711	96,153

Hire purchase liabilities are secured by the tangible fixed asset to which the liability relates. The loan is secured by a fixed charge over all assets owned by the company.

11. PRIOR PERIOD ERRORS

The accounts have been restated to correct an accrual of subcontractor costs in the prior period. The net effect on the prior period is as follows: Accruals (increase £57,028) Corporation tax liability (decrease £10,836) Profit and loss account (decrease £46,192)

12. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2021		2020 *(restated)*	
	No.	**£**	No.	£
Ordinary shares of £ 1 each	**400**	**400**	400	400

13. SUMMARY AUDIT OPINION

The auditor's report for the year dated 2 August 2021 was unqualified.

The senior statutory auditor was Phillip Dennison ACA FCCA , for and on behalf of CWR .

14. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At 1st April 2020 there was a balance of £3,000 owed from Peter Harrison. Throughout the year, the company lent a further £20,000 and received repayments totalling £13,000. The balance at 31st March 2021 was £10,000.